



# Post-Pandemic Tax Practice: Lessons Learned for the High-Tech Sector

November 9, 2020

Nora Beltran, Territory Manager, Western Compliance – *IRS*  
Stephen Dunphy, Vice President, Tax Operations – *Ross Stores*; President – *TEI Silicon Valley Chapter*  
Lupita McLane, Chief People Officer – *Seiler LLP*  
Peter Rock, Director Field Operations, West – *IRS*  
Jeff Swerdlow, Sr. Director - *Alvarez & Marsal Taxand, LLP*

*Speaker bios are included in your materials and posted at <https://www.sjsu.edu/taxinstitute/agendas/index.html>*

## 2 Agenda

- ▶ Introductions
- ▶ Lessons Learned:
  - Connectivity
  - Processes
  - Workforce
  - Employer
  - Employee
  - Home Life
- ▶ Next steps??

## Lessons Learned: Connectivity (Nora/Peter)

- ▶ IRS Network/Infrastructure Challenges
  - Stress on the system due to volume of teleworkers
  - Security
- ▶ Switch to full-time telework
  - No access to audit sites and post-of-duties
  - Schedule flexibility
  - Virtual training
  - Life at home



## Lessons Learned: Processes (Nora/Peter)

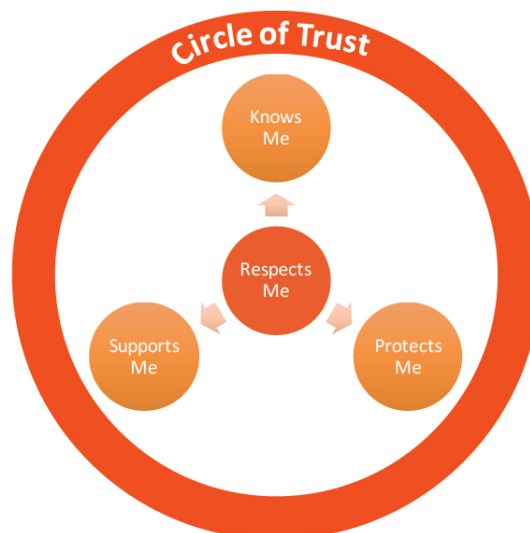
- ▶ Suspension of Key Compliance Program
- ▶ Transmitting Documents Electronically
  - SecureZip
- ▶ Secure Messaging
  - Taxpayer Digital Communication (TDC)
- ▶ Guidance under the CARES Act to Taxpayers with NOL
- ▶ E-signatures
  - IRS approves temporary use of e-signatures for certain forms
  - IRS adds six more forms to list that can be signed digitally; 16 now available

## Lessons Learned: Processes (Nora/Peter)

- ▶ Temporary procedures to fax certain Forms 1139 and 1045 due to COVID-19
- ▶ Case Closing Procedures

## Lessons Learned: Workforce (Lupita)

- ▶ Employee engagement
  - Communication is key
  - Empathy
  - Keeping culture alive
- ▶ Leadership mindset
  - Attributes
- ▶ TRUST



7

## Lessons Learned: Workforce, continued (Lupita)

- ▶ Employee well being
  - Physical & mental
- ▶ Digital transformation
- ▶ Strong workforce, stronger recovery



8

## Lessons Learned by Employer (Stephen)

- ▶ Stores & supply chain operations ceased on March 20<sup>th</sup>
- ▶ Certain payroll and benefits continued to be paid
- ▶ CARES Act opportunities:
  - Employee retention credits
  - Qualified improvement property deductions
  - ER social security tax deferrals
  - Net operating loss carryback
- ▶ Calculation & software needs
- ▶ State tax implications
- ▶ Tax reporting
- ▶ Internal controls



## Other Employer Considerations for Employee Benefits (Jeff)

- ▶ Disaster Relief Payments
  - Qualified expenses potentially excluded from gross income
  - Must be for reasonable and necessary personal, family, living, or funeral expenses
  - Documentation
- ▶ Home office expenses
  - Pre- vs. Post-tax
- ▶ Educational Assistance Programs
  - Qualified plans
- ▶ EE social security tax deferrals

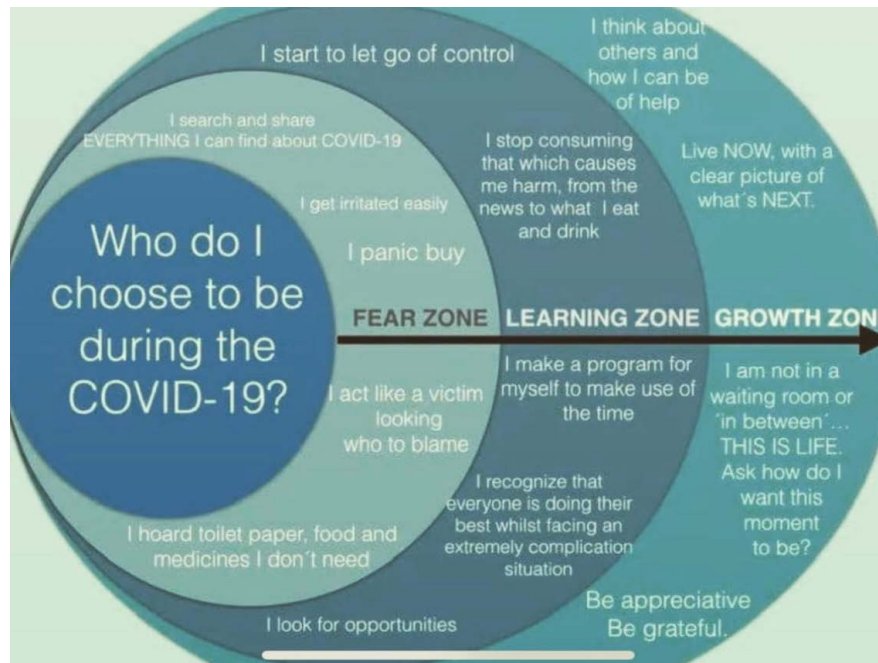


## Lessons Learned: Home Life (Lupita)

- ▶ Same weather, different boat
  - Isolation
  - Homeschooling
  - Child Care
- ▶ Separating work and life
  - Day-to-day activities
- ▶ Growth mindset (refer to chart)



# Lessons Learned: Home Life, continued (Lupita)



11

## Next Steps (Jeff)

- ▶ Go back to office?
  - Physical social distancing
  - Disinfecting workspaces
  - Scheduling
  - What happens if someone tests positive?
- ▶ Redefining mobility policies?
  - Allowing employees to move to fully remote
  - Geographic and jurisdictional considerations
- ▶ Lease renegotiations?

12

# Thank you!

Thank you to our presenters and their employers,  
our tax institute sponsors, TEI, SJSU MST Program,  
CalCPA and you!

- ▶ Please visit our sponsor information at
  - ▶ <https://www.sjsu.edu/taxinstitute/sponsors/index.html>
  - ▶ And additional materials from sponsors at:
    - ▶ <https://www.sjsu.edu/taxinstitute/agendas/index.html>

