

[Company Letterhead/Logo]

[Date]

[Employee Name]

[Employee Address]

[City, State, Zip Code]

Subject: Notification of Sales and Use Tax Implications Regarding Remote Work

Dear [Employee Name],

This letter is to formally notify you of the tax implications resulting from your remote work location in [State/Locality].

Under current state tax laws, having an employee performing services within a state creates "nexus" (a physical presence) for the company. Consequently, [Company Name] is now required to comply with the Sales and Use Tax regulations of your residential state.

Please be advised of the following:

- **Tax Collection:** The company will begin collecting and remitting sales tax on all taxable transactions delivered to customers within your state.
- **Exemption Certificates:** If you are purchasing equipment or supplies on behalf of the company, you must ensure you use the appropriate state-specific tax exemption certificate provided by the Finance Department.
- **Asset Tracking:** All company-provided equipment (laptops, monitors, furniture) located at your remote office is subject to local use tax and property tax reporting. Please ensure your home address is kept current in the HR portal.

This change does not impact your personal income tax withholding, which is handled separately. However, we recommend consulting with a tax professional regarding any personal home office deductions or local tax obligations you may have.

If you have any questions regarding these corporate tax requirements, please contact the Payroll or Tax Department at [Email Address/Phone Number].

Sincerely,

[Signature]

[Name of Authorized Official]

[Title]

[Company Name]