

Matthew Rheingold Quoted In Bloomberg Article, "New York's Out-of-State Taxpayer Money Is Suddenly Up for Grabs."

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By Brandon Kochkodin

Tax Advantage

That doesn't mean New York will make it any easier on out-of-state tax filers, says [Matthew Rheingold](#), an attorney at Einhorn Barbarito. He points to New York's response during Superstorm Sandy. The state gave people more time to file, but didn't change rules for non-residents forced to work from home.

"Employees will have a stronger argument this time," Rheingold said. "But absent a mandate from the state of New York, they'll be required to at least pay and then can challenge the validity of the law."

For companies, any change from the status quo could create headaches. A shift in an employee's tax home could create a "nexus" — a tax presence in a state which would require businesses to file additional corporate taxes.

Whatever the case, the coronavirus is likely to prompt states to rethink how they treat remote workers, says Richard D. Pomp, the law professor at University of Connecticut. The last substantial change to New York's guidance was in 2006.

"What this really illustrates is, when this is over, customs and traditions and mores will be changed," he said. "This is a time bomb that predates Covid."

As for the tax grab, Pomp made two points: First, it will be a hassle for New York to review every non-resident's tax return to determine whether work outside the state was done out of necessity or convenience. Second, New York might seem a little tone-deaf if it actually goes after them.

"New York will appear so heartless and insensitive if they don't give in on this," he said.

[Click here](#) to read the full article on the Bloomberg.com website.