



Tax Home Certification

I have reviewed the Tax Home Determination Worksheet within this document and consulted with my tax advisor, as I believe appropriate, and now make the following good faith determination (please check the most appropriate box below):

- A: **I maintain a permanent tax home** and the address of that tax home is (no PO Boxes allowed):

Address 1: _____

Address 2: _____

City / State / Zip Code: _____

I understand that I will be required to make this representation periodically. If my permanent tax home changes, I must notify the Company immediately. I also understand that as generally required by state tax law (except for certain states with reciprocity), state income taxes will be withheld from my taxable compensation based upon the state of my assignment. In some cases partial withholding will also be required for my tax home state and for a few states, both state taxes must be fully withheld.

- B: **I do not maintain a permanent tax home.** As such, I understand the IRS considers my tax home the temporary lodging for the temporary assignment.

I understand that without a permanent tax home, all lodging costs or allowances, mileage reimbursements and other transportation costs, and meal & incidental per diem benefits paid me or provided on my behalf will be treated as taxable compensation reported on Form W-2 subject to applicable payroll taxes. I further understand that only the state income tax for the assignment state will be withheld.

Name: _____

Signature: _____

Social Security Number: _____

Date: _____

Please complete form in its entirety and return via fax (1-800-970-5001 ATTN: Compliance) to Onward Healthcare. If Onward Healthcare does not receive this form prior to your assignment start date, you will not be eligible for any Tax Advantage benefits.



Tax Home Determination Worksheet

Overview: This worksheet is provided to assist you with determining whether you have a permanent tax home as defined by the IRS in Revenue Ruling 73-529, and therefore determine the tax status of the travel costs and/or allowances provided to you or paid on your behalf while on assignment.

This worksheet is solely provided for your personal use and should not be returned to Onward Healthcare.

Please Note: As a result of the critical nature of this determination, we strongly encourage you to consult with a tax advisor. The information contained herein is general in nature and subject to change. The tax information contained in this document is not intended to be used, and cannot be used, by any person as tax advice or as a basis for avoiding tax penalties that may be imposed by the IRS or any state. Onward Healthcare recommends that each taxpayer seek advice based on their circumstances from an independent tax advisor.

Step 1: Please review the questions below and check "Yes" or "No" as appropriate:

- | Yes | No | |
|--------------------------|--------------------------|--|
| <input type="checkbox"/> | <input type="checkbox"/> | 1. Do you perform a portion of your business or work in the vicinity of your permanent tax home? (Note: Many travelers will not meet this requirement, as they do not have regular work or business in the tax home area). |
| <input type="checkbox"/> | <input type="checkbox"/> | 2. Are you duplicating living expenses (such as mortgage, rent, utilities, etc.) to maintain the permanent tax home while away from home on assignment? |
| <input type="checkbox"/> | <input type="checkbox"/> | 3. Do you meet one of more of the following criteria regarding your permanent tax home? <ol style="list-style-type: none">a. Have a member of your family (spouse, child, or parent) residing with you in the permanent tax home?b. Use the permanent tax home frequently for lodging? <i>Limited IRS guidance provided, but the return home trips should be more than a few times a year and one or more of the trips should be much longer than three weeks.</i>c. The permanent tax home represents a historical place of lodging? <i>This means the tax home vicinity is where you grew up, went to college, or have recent and long-term ties to the community.</i> |

Step 2: If you responded YES to all three questions above, then you have a permanent tax home and should check Box A of the Tax Home Certification Form.

Step 3: If you responded NO to two or more of the three questions above, then you do not have a permanent tax home and must check Box B of the Tax Home Certification Form.

Step 4: If you responded YES to two of the three questions, then you must consider the following potential "facts and circumstances" attributes to evaluate whether you have a permanent tax home. All questions do not necessarily require a YES answer, but certainly the majority should have a YES response, and the first four questions are of particular importance. That said, we strongly recommend you consult with a tax advisor to ensure you are making a certification around your permanent residence that is in accordance with IRS guidelines.



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- | Yes | No | |
|--------------------------|--------------------------|--|
| <input type="checkbox"/> | <input type="checkbox"/> | 1. Is the tax home address your address of record and from which you file your income tax returns? |
| <input type="checkbox"/> | <input type="checkbox"/> | 2. Do you have telephone service at the tax home or is it your primary mailing address? |
| <input type="checkbox"/> | <input type="checkbox"/> | 3. Are your auto license plates and driver's license registered with your tax home city? |
| <input type="checkbox"/> | <input type="checkbox"/> | 4. Is the tax home address the address of record for your professional license(s)? |
| <input type="checkbox"/> | <input type="checkbox"/> | 5. Is your banking relationship with a bank in your tax home vicinity? |
| <input type="checkbox"/> | <input type="checkbox"/> | 6. Are you registered to vote (and actually vote) at your tax home precinct? |
| <input type="checkbox"/> | <input type="checkbox"/> | 7. Do you have church, club, or other associations in your tax home vicinity? |

Step 5: Evaluate the one-year assignment limit:

If your assignment (including extensions) is expected to last more than one year, tax law dictates that the location of your assignment will be your tax home regardless of your permanent tax home status. Then, all transportation, meal, and lodging allowances paid to you or paid on your behalf must be treated as taxable compensation to you. These travel allowances and costs become taxable as soon as it becomes known the assignment will last longer than one year. That is, once an assignment has been extended to the point where it will lapse over the one-year anniversary date, the travel expenses will become immediately taxable with the execution of the extension, not on the 366th day of the extended contract.

Step 6: Evaluate your commuting distance:

If you are working on assignment within typical commuting distance from your permanent tax home, then any transportation, lodging, and meal allowances provided must be treated as taxable compensation. Commuting is generally referred to as within the worker's metropolitan area or broader rural geographic area. It is generally the common-practice, reasonable daily commute for the area. An undocumented, one-way commuting rule of thumb might be as long as 75 miles or 2 hours in an urban or suburban area and 100 miles or 2 hours for a rural area.