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The pandemic has impacted many influential tax rules. At the same time, the new presidential administration has implemented additional changes, making tax planning even more challenging.

Amid these uncertainties, business owners are likely focused on the expanded Paycheck Protection Program (PPP) loans included in

COVID-19 relief legislation and other corporate tax deferrals. At the same time, they

expenses due to remote work and other adjustments to the pandemic. SAP Concur insight into expense programs across companies of all sizes shows that categories such as "fees/dues" and "internet/telecom" grew incrementally starting in the second quarter of 2020. Also, the expense category labeled "other," often used to address outlier or unexpected expenses, rose by 17 percent and is continuing to grow.

This has made it increasingly important to balance employee needs that warrant non-traditional purchases with avoiding unapproved or frivolous expenses that won't qualify on tax returns. Tracking these expenses from the ground up can ensure they are properly accounted for in tax returns. In addition, having compliance checks and approval processes in place can avoid wasted expenses.

A simple but important step to take is to set up an expense category to house all unplanned expenses, include ongoing COVID-19 related transactions, if one hasn't been created already. This will help get things in order now so organizations can make the most of their tax returns and incremental spending throughout the year.

Explore Value Added Tax breaks

As access to COVID-19 vaccines expands, countries will reopen their borders and businesses will begin returning to travel at different stages. This creates a window of opportunity for businesses to prepare now for savings they can secure through Value Added Tax (VAT) and Goods and Services Tax (GST) recovery. This is especially important as more and more of the world's governments are relying on indirect taxes as a source of revenue and to offset the impacts of COVID-19.

In the immediate term, this will hold particular value for companies based in or with subsidiaries in the U.K. and EU. VATBox, a leader in automated VAT/GST compliance, estimates 42 percent of employee expense transactions do not meet compliance requirements for reclaim due to incorrect information and missing data. Ensuring that VAT reclaim is filed correctly is essential as governments may move to increase

Establish a mobile workforce master plan

Many companies shifted to hybrid or fully remote work in 2020—a broad sweeping transition that led to a "work from anywhere" state of mind among employees and employers. This has brought on a number of tax implications, many of which will be here to stay as companies continue operating in a hybrid model well into 2021 and beyond.

In fact, 71 percent of workers polled by the American Institute of CPAs were unaware that working remotely in other states could affect the amount of state taxes they owe. Since there may be lasting impacts on remote work, it's important to assess potential state-based tax vulnerabilities now, so businesses can proactively manage a more mobile workforce into the future.

As a general rule of thumb, what you don't know can hurt you. Employees may not be traveling on behalf of the business while restrictions are still in place. However, if they are working from home in another state, that could pose tax risks since that residence doesn't align with a company's HR files. What are those potential risks? And is the employer under obligation to report this if it's known or is it the employee's responsibility?

Companies can also consider simple workarounds for employees to report on travel, even if booked for non-corporate needs. For example, tools intended for capturing business travel bookings can also be used for tracking personal travel to different jurisdictions. Encouraging employees to flag personal travel that will bring them to a different work location and making it easy for them to track with existing company tools where possible will help. Also, this creates an added benefit to businesses since they can proactively track the thresholds of days in a location before tax implications are raised.

Organizations face a great deal of uncertainty in 2021, but a renewed take on tax