

City of Benton Harbor  
Non-Resident Wage Allocation – 2020 Tax Year  
Stay at Home Order Implications  
Examples for Form CF-COV

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**Example 1:**

Employee A normally works in a factory in Benton Harbor for Employer B. Employee A is a non-resident of the City of Benton Harbor. On March 24, 2020, Employee A was sent home due to COVID-19 and the stay-at-home order and continued to be paid by Employer B until June 1, 2020 when Employee A returned to work in Benton Harbor. Employee A did not work from home from March 24 to May 30.

Employee A would answer 'No' to questions 1, 3 and 4 and 'Yes' to question 2 on CF-COV. No wage allocation is allowed. All of Employee A's wages from Employer B would be taxable in the City of Benton Harbor for 2020.

**Example 2:**

Same as example 1, except Employee A was laid off on June 1 and began collecting unemployment. Employee A did not return to work in 2020 for Employer B.

Employee A would answer 'No' to questions 3 and 4 and 'Yes' to questions 1 and 2 on CF-COV. No wage allocation is allowed. All of Employee A's wages from Employer B would be taxable in the City of Benton Harbor for 2020. Unemployment compensation received from June 1 to December 31 is not taxable to the City of Benton Harbor.

**Example 3:**

Employee C normally works in an office in the City of Benton Harbor for Employer D. Employee C is a non-resident of Benton Harbor. On March 24, 2020, Employee C was sent home due to COVID-19 and the stay-at-home order. Employee C was paid by Employer D for March 24 to March 30 but did not perform work at home during that time. On April 1, Employee C was provided a laptop by Employer D and began working normal shifts from home on that date. Employee C returned to the office in Benton Harbor on October 1.

Employee C would answer 'No' to questions 1 and 3 and 'Yes' to questions 2 and 4. Dates for question 2 would be March 24 to March 30. Dates for question 4 would be April 1 to September 30. Wage allocation would be allowed for April 1 to September 30 only.

Calculation of days worked everywhere:

January 1 to March 23 is 59 days minus 1 holiday and 5 days of vacation = 53

March 24 to March 30 are not days worked

April 1 to September 30 is 131 days minus 3 holidays and 5 days of vacation = 123

October 1 to December 31 is 66 days minus 5 holidays = 61

Days worked everywhere = 237

Calculation of days worked in Benton Harbor:

January 1 to March 23 = 53

October 1 to December 31 = 61

Days worked in Benton Harbor = 114

$114/237 = 48\%$  of Employer D wages would be taxable in the City of Benton Harbor