Foreign Nationals Tax Compliance Boot Camp – Employees, Vendors & Students

April 22, 2015

2015 Training Curriculum



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This training is an Office of State Controller initiative and is part of the Foreign Nationals Tax Compliance curriculum for the 2015 calendar year. We are committed to the success of the Foreign Nationals Tax Compliance Program and will provide technical assistance to all State Agencies, Universities, Community Colleges, LEAs and Charter Schools.

Disclaimer: The information within this presentation does not constitute tax/legal advice and each participant should seek his/her own counsel in addressing specific situations.

Training Objectives

- Basics of <u>Chapter 4</u> and <u>Chapter 3</u> Withholding
- Basics of <u>North Carolina</u> Withholding
- How <u>immigration</u> and <u>tax</u> status may impact your payment, and how these two must work together
- Become familiar with the various types of <u>taxable</u> <u>compensations</u> that can legally be paid to a contractor
- Review the <u>required documentation</u> necessary to process payments for foreign nationals and determination of <u>source</u> <u>of income</u> and any <u>exceptions</u> to taxation
- Understand the <u>reporting requirements</u> for federal and state taxation

Foreign National Contact



Many of you have asked - WHY is it so important for a foreign national to meet/be processed by a tax specialist at your agency, university or college (entity)?

- Foreign nationals have a special set of work restrictions
- and tax guidelines they must follow. - Ensure appropriate documents are received
- Provide necessary communication to foreign nationals
- Discussion should occur prior to foreign national's visit
- COMPLIANCE ISSUES:
 - · Each entity is at risk of very large penalties and fines Potentially jeopardizes the foreign national's visa status

Foreign National Contact (cont.)



Even if an individual or entity violates an immigration status and services are performed that are not authorized, you must pay the compensation, withhold tax and report the payment appropriately.

Immigration violations can not be rectified by refusing to make payment for services.

FATCA Guidance

- Foreign Account Tax Compliance Act Chapter 4
- Imposes 30% withholding to entities on U.S. source payments of FDAP income
- FATCA income is taxable U.S. Source fixed and determinable, annual or periodic (FDAP) income.
 Implementation 7/1/2014 for FATCA related payments
- Implementation 12/31/2014, per Notice 2014-33 and IRS
- Official Public Statements for non-FATCA payments - New W-8BEN-E required use 1/1/2015
- · Provides the ability for the entity to document their FATCA status Reportable on 1042-S

Passes the FATCA Rules

NRA Withholding – Chapter 3

- Determine application and potential withholding exception, if available
- Reportable on 1042-S

Withholdable FATCA Payments

- Examples of potential withholdable inclusions Investment advisory, bank, brokerage, or other financial service fees
- Premiums for life insurance, insurance contracts
- Fees and other payments in connection with any lending transaction, including loan guarantees
- No treaty reductions
- Payments withheld under Chapter 4 are not subject to Chapter 3 withholding

Non-withholdable FATCA Payments



Payments to Individuals

- Effectively Connect Income W-8ECI
- Requires U.S. TIN Also, NO Chapter 3 withholding
- Payments reportable on 1042-S
 Non-financial Payments made in the ordinary course of business
- Non-financial services fees
 Rentals on office and equipment leases
- Payments for the use of other property Software license fees
- _ Transportation
- Awards
- Prizes
- Scholarships
- Compensation for Services

Chapter 3 - NRA Withholding Internal Revenue Code 1441 to 1443 -- Governs withholding on payments Provides for the 30% tax IRC Section 1461 -The withholding agent will be liable for a tax amount due to failing to withhold/deposit amounts subject to NRA withholding. Both the withholding agent and the foreign recipient may be held liable

- for such tax, applicable interest and any penalties resulting from a withholding failure.
- IRS Publication 515 -
- Directions for the withholding agents

 - Specifically, it describes the:
 Persons responsible for withholding (withholding agents)
 - between the second test international (international eigenbol)
 be the types of income subject to withholding, and
 be the information return and tax return filing obligations of withholding agents

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Chapter 3 – NRA Withholding

IRS Publication 515 -

- Defines Rules Relevant to Chapter 3 and Chapter 4
- A payee is subject to withholding only if it is a foreign person.
- A foreign person includes: Nonresident alien individual
 - Foreign corporation
 - Foreign partnership
 - Foreign trust
 - Foreign estate
 - Any other person that is not a U.S. person

North Carolina Withholding

- General Statute 105-163 -
- Amended by 2009 General Assembly
- Requires the withholding of 4% State Income Tax • For contractors with individual taxpayer identification numbers
 - (ITINs) ALL services performed by ITIN individuals in excess of \$1,500 cumulatively
- House Bill 998 -
- Signed into Law on July 23, 2013
- Established a new "Flat North Carolina Tax Rate"
 - 2014 tax rate 5.8%

 - 2015 and after tax rate 5.75%
 - Services performed by those not included in above statute will be taxed at the 2014 and 2015 rates, respectively.

NEW 2015 North Carolina – NRA Tax

- Directive and Form Issued 12/22/2014
- Further Guidance Issued 1/20/2015
- Required of foreign nationals who are in NRA tax status
- Based on length of stay Substantial Presence Test Removes the standard deduction from the standard tax tables (excluding India Student Treaty)

- New Form NC-4-NRA is effective 1/1/2015 Goal: Tax Income at flat 5.75%
- DOR will honor federal tax treaties, if applicable
- NC law does not require withholding on Scholarship
 NOTE: This does not mean there isn't an NC Tax on the non-qualified scholarship payments.
- Reference FAQ for potential unresolved questions

Contractors or ITIN Holders



Subject to 30% federal tax, unless an exception applies

- 4% NC tax
- >\$1,500 Contractor provides ITIN or NO SSN
- OR >\$1500
- Individual contractor provides SSN Nonresident of NC _
- Providing personal services in connection with a performance, an entertainment, an athletic event, a speech, or the creation of a film, radio, or television program
 Exception = Treaty Benefits

Withholding Agent

Whose Who in the Tax Situation

- A U.S. or foreign person that has control, receipt, custody, disposal, or payment of any item of income of a foreign person that is subject to withholding
- Liable for taxes owed
- Foreign National
- Owes allegiance to or who is under the protection of a country other than the United States
 - > Nonresident Alien
 - Resident Alien
- Special set of work restrictions and tax guidelines
- <u>MUST</u> have the appropriate work authorization (including self-employment)
 Work authorization is linked to immigration status

Audience Participation

Entry/Presence in the United States provides you the ability to be employed or receive payment for services?

True or False?

Immigration vs. Taxation T	erms 🙆
Immigration	Taxation
United States Citizens =	United States Citizens
Lawful Permanent = Resident	Lawful Permanent Resident
Foreign National	 Nonresident Alien for Tax Purposes OR Resident Alien For Tax
16	Purposes

WHO is an Nonresident Alien?

- Nonresident Alien for Tax Purposes - Not U.S. citizens, permanent residents, or resident aliens
- Does not passes the Substantial Presence Test (SPT)
- Different Tax system from U.S. Citizens and Resident Aliens.

Resident Alien for Tax Purposes

- Means something **different** to IRS than USCIS
- **Passes** the Substantial Presence Test (SPT)
- Similar Tax system as U.S. Citizens.

The Substantial Presence Test (SPT)

- . Physically present in the U.S.:
 - 31 or more U.S. days in the calendar year
 - 183 days based on the formula (includes partial days)
 - · All days in the calendar year
 - 1/3 of U.S. days in the prior calendar year
 - 1/6 of U.S. days in the 2nd preceding calendar year Examples of statuses exempt from counting days (given no prior
 - F-1 & J-1 Students Visa type 5 years
 All other J Visa type 2 years

Factors of Payment

- Who are you paying?
 - Individual or Entity
 - Who is the beneficial owner of the income
 - No assignmentDetermine cash value for "in-kind" items

 - Payments to Foreign Performers Agent for the Foreign National CWA Required for tax exception · Agent's fee is not excluded from performers income
- What does your payment represent?
- Employment
- Scholarship
- Vendor/Contracted Service/Independent Contractor?
- · Does the contract address tax withholding? · Location of services being performed?
- · Is there a taxable and non-taxable portion of the contract?
- Have we been invoiced?

Factors of Payment (cont.)



- What is the source of the payment?
- U.S. Source
- Foreign Source
- What is the foreign liability in country of where services are performed?
- Who is eligible to perform services?
- What is the Tax Status (SPT)
- How is payment being processed?
 - HR System
 - Student Financials
 - Accounting

Factors of Payment (cont.)



Employment authorization

- To perform services lawfully within the U.S., a foreign individual must have the appropriate work authorization
- INCLUDING self-employment
 Is specific to the activities noted in the application to enter the U.S.
- Work authorization can be attached to immigration status
- F-1 Students have authorization to work on sponsor's campus.
 O and P must adhere to their approved itinerary when they applied for status Potential to amend the itinerary prior to visit at entity's location
 Tourists and Business visitors do not have work authorization

 - Potentially able to receive honorarium payments
 » NOTE: State Agencies are not permitted to pay honorariums

Types of Taxable Payments



- <u>Dependent personal services</u>: Wages, service related scholarship/fellowship/assistantship payments, travel reimbursements
- Independent personal services: Consulting fees, guest speaker, etc.
- <u>Other Income Types</u>: Prizes and awards, royalties (copyrights, software purchases), etc.
- <u>Gift Cards</u> = Cash (one of the above)
- <u>Stipends</u> = One of the above

Types of Taxable Payments (cont.)



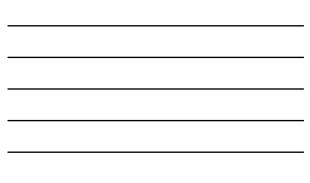
Qualified

- Include tuition, required fees, books, supplies and equipment
- Non-reportable/ Non-taxable if:
 - A degree candidate,
 - In F, J, M or Q immigration status <u>and</u>
 Undergraduate/graduate student at a college/university

Non-Qualified

- All other scholarship payments not included above
- Statutory Rate 14% with/without U.S. SSN/ITIN

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Types of Taxable Payments (cont.)



Honoraria Definition:

The law states

"(q) Any alien admitted under section 101(a)(15)(B) may accept an honorarium [payment and associated incidental expenses for a usual academic activity or activities (lasting not longer than 9 days at any single institution) as defined by the Attorney General in consultation with the Secretary of Education if such payment is offered by an institution or organization described in subsection (p)(1) and is made for services conducted for the benefit of that institution or entity and if the alien has not accepted such payment or expenses from more than 5 institutions or organizations in the previous 6-month period."

Types of Taxable Payments (cont.)

Honoratium vs. Contracted Services

- 01007anuun ve. 9/566 Rule: Visitor is Imited to 8 days presence at an institutions Visitor cannot have visited more than 5 institutions in the past 6 months

- Visa Type: B visa (preferably B-1, not B-2), or Wr neifonal (Vise Waiver program) Any other type of visa <u>munit</u> determine if permitted to pay Who is allowed to pay honorariums (subsection (p)(1)): The Payer Is one of the below; > Institution of Higher Education; > Releted or Adillated Nonprotit Entity; > Respondit Research Organization

Types of Taxable Payments (cont.)

Honorarium Rules

- Payments characterized as gratuities
- Tokens of Appreciation
- Per USCIS:
- "for services conducted for the benefit of that institution or entity"
- Tax analysis focuses on whether payment would be made but for services rendered
- Service required = compensation
- Payee's U.S. Tax Residency is important
- Subject to a 30% federal tax withholding rate
- State Withholding (NC 4% if threshold if met)
- Treaty Benefit with U.S. SSN or ITIN
 - Services Required = Compensation ≠ Honorariums

Source of the Income

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Type of Income	Sourcing
Personal Services	Where Performed
Dividends	Where Incorporated
Interest	Residence of Payer
Rentals	Where Property is Located
Royalties - Patents/Copyrights	Where Property is Used
Royalties - Natural Resources	Where Property is Located
Scholarship, Fellowship Grants	Residence of Payer
Pensions	Where Services Were Performed, Rev. Proc. 2004-37

Examples of Common Purchases

- Goods from a foreign entity
- No withholding/reporting required
- Services performed outside the U.S. - No withholding/reporting required, in most cases
- Document, document, document!
- Services performed within the U.S.
- Taxable at federal 30%, unless treaty exist
- Taxable at state rate, (NC-4%, if threshold is met) unless treaty exist
- Independent Personal Services or Employment
- Royalties used in the U.S.
 - Copyrights and Customized Software
 - Taxable at federal 30%, unless treaty exist

Potential exceptions may exist.

Steps In Processing Vendor Payments

Foreign National Data Gathering Form (FNDG)

- Completed by each foreign national
- Original documents should be presented by the foreign national
- Copies of documents should be maintained to support FNDG and provide the ability for a reviewer to ensure processing is correct

Checklist

- Pre-arrival planning
- Documentation needed
- Responsibilities of departments
- Processing data determines
- Eligibility for payments dependent on visa type
- Substantial Presence Test -
- Tax status as Nonresident Alien or Resident Alien

Step 1:



- Validate Immigration Status
- Validate Employment/Payment Eligibility
- Collect Immigration History (if needed)
- Determine Tax Status
- Determine Country of Tax Residency
- Collect Tax Documents
- Create the Audit File



Step 2: Collection of Immigration Documentation Passport Current and Past Visa Approval Notices I-94 Detail (Card, Stamp or Electronic Print-out) Purpose of Documentation Validates/Supports FNDG form and/or checklist Determines tax status (NRA or RA)

Step 3:

Assessing Tax Status

- NRA vs. RA
- · Tax Responsibility
- Payor or Payee
- Treaty Eligibility
- Treaty Limitations
- Collect Appropriate Tax Documents

Step 3: Assessing Tax Status (cont.)



W-8 ECI

- Effectively Connected Income
 Business Location within the U.S.
- Business Location within the U.S.
 Must have a U.S. TIN
- W-8 BEN (Individual)
- New Form released February 2014
- More Concise
- W-8BEN-E (Entity)
- Implement by required January 1, 2015

8 pages

IRS - http://www.irs.gov/uac/Form-W-8,-Certificate-of-Foreign-Status Instructions for the requester of the above forms http://www.irs.gov/uac/Form-W-8,-Certificate-of-Foreign-Status

Step 3: Assessing Tax Status (cont.) Treaty Benefit Eligibility and Payments to NRAs The U.S. has treaties with over 60 countries around the world affecting payments to foreign nationals Offer tax exemptions within the U.S. for foreign nationals who were or are tax residents (not citizens) of a treaty country and meet specific criteria

Step 3:

Assessing Tax Status (cont.)



Considerations When Granting Treaty Benefits:

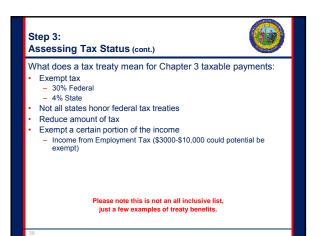
- U.S. Tax Status: NRA or RA
- Provide Social Security Number or TIN
- Entities can now use foreign TIN
- Country of tax residency
- Primary purpose of visit
- Status of the organization (educational, research, medical, etc.)
- Type of Income Paid
- Form 8233 must be filed with the IRS
- 5 days of acceptance
- 10 day waiting period for rejection
- Form W-8 maintain in entity files
- Determine whether tax treaty has been requested

Step 3: Assessing Tax Status (cont.)



Considerations When Granting Treaty Benefits

- Benefit Limitations
 - Retroactive Loss of Benefits
 - Prospective Loss of Benefits
 - One-Time Use
- Requirement to Re-establish Residency
 Back-to-back Rule
- Combine Benefit Period
- Saving Clause and Exceptions



Nonresident Aliens
Tax on U.S. Source Income Not org. under U.S. laws W-4/W-2/NC-4NRA NRA Tax Rate W-8s/8233/1042-S - 30% withholding State Taxes (NC 4%>\$1500) No minimum dollar threshold for payments
 Treaty benefits or ECI to reduce U.S. tax/withholding, if qualify Filing deadlines Payees: 3/15 (W-2: 1/31)

Step 5: Final Review

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ALC: NO.

- Does the payment match the visa restrictions
- Documenting Decision Factors
- Does a contract exist
- Is your documentation complete Complete immigration and tax documents
- If you provided or denied tax treaty benefits
- Do you need to follow-up on ITIN or SSN
- Maintain W-8 form in vendor files
- Have you submitted the 8233 to the IRS
- REQUIRED ANNUALLY
- Checklist Examples
- Independent Contractor
- Royalties & Rents

Processing Documentation – Presumptions

- Income for both FATCA and NRA withholding purposes is presumed to be U.S.-source income unless the payer has evidence that the payment is foreign-source
- Pay for services performed outside the United States which is foreign-source should be so indicated in contracts and invoices.
- An entity is presumed to be foreign unless the payer has a valid Form W-9 or other documentary evidence that the entity is domestic
 - No longer allowing the "eyeball test" to exempt U.S. Corporations and Financial entitys from Form 1099 reporting.

Processing Documentation

- Publication 515 <u>Presumption Rules</u>, "if you cannot reliably associate a payment with valid documentation you must apply certain presumption rules or you may be liable for tax, interest, and penalties."
- Deemed to Know
- Better to tax and have those taxes refunded by the IRS to the individual, than to not tax at all and face penalties and fines.



Tips for identifying a Foreign National

- If your entity shares information you can learn about someone's immigration status from:
- I-9's
- Social Security Cards (Is there a notation on the card?)
- Human Resource databases
- For taxation purposes you are allowed to ask for immigration information and documentation
- Audit to determine you population:
- Employees
- Vendors
- Contractors

IRS Recommendation for Identifying Foreign National



Address Field

- Country not U.S.A. or Blank
- State not a U.S. State or Blank
- City Foreign City
- Zip not a U.S. pattern XXXXX-XXXX
- Foreign Employer I.D. Number
- Usually begins with 98-XXXXXXX
- Foreign ITIN
- Usually begins with 999 and 4th digit is a "4" or "7"
- Foreign Vendor Numbers
- Required by accounting system?
- Do you have a policy for establishing "fake" vendor numbers?

Challenges of Chapters 3 & 4 Withholding

- Timely requesting new certification forms
- Prior vendor forms W-8's will expire Determining the appropriate W-8 Form
- Reviewing forms to determine if there are any red flags to potential cause you to guestion the form
- Determining whether the payment is subject to FATCA withholding
- Identifying U.S. Source Income subject to 30% withholding
- Understand the importance of documentation
- Invoices
- Contracts
- Accounts Payable is taxed based on type of purchase
 Reviewing each invoice is necessary
 Potential additional W-8 Form to claim additional tax treaties

Frequent Questions



- Form 8233 with Certifying Statement from NRA
- Filed ANNUALLY!!!!
- US TIN Required
- > Can attach copy of SSN application receipt - Must submit to IRS within 5 days of accepting (signing)
- ➤ Must contain employer's EIN - IRS has 10 days to reject treaty
- Form 8843 Statement of Exempt Individuals
- Must be filed Annually by your FN who are exempt from SPT
- Required for ACA Compliance
- **FICA Exemption**
- Annual SPT
- Errors must be correct by the employer
 - > 941X > W-2C

Frequent Questions Challenges of New Technology - Purchase vs. Royalty > Digital books Purchase 1 copy with the right to reproduce Purchase 1 copy no right to reproduce > 10 hard bound books > Software - Purchase of software package - Purchase of License that is renewable annually Questions Where is the item being used Form 1042-S and 30% withholding Claim treaty benefits on W-8BEN or W-8BEN-E

Frequent Questions

Scholarships

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- Sourced by location/residence of payer, not location of services
 Reporting and withholding obligations for payments you make to foreign students who are studying abroad while enrolled
- Allowing Allowances

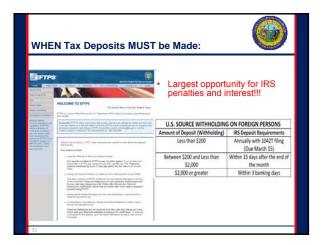
 Procedures in place for only one semester enrolled
- Do you know that your foreign national did not work during the year?
 Standard deduction for 2015 is \$4,000
 Standard deduction for 2014 was \$3,950



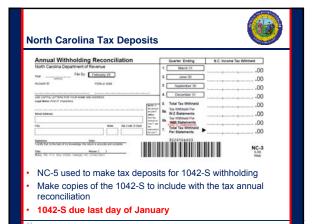
Frequent Questions



- Accountable Plan or NOT?
- "Accountable Plan" Rules ONLY apply when there is a compensatory relationship
- "Accountable Plan" Rules DO NOT apply if there isn't
- compensatory relationship
- Wires
 - What are your internal processes for completing payments overseas
- P-Cards
- What is the manner for 1042-S withholdable payments
- **Employee Reimbursements**











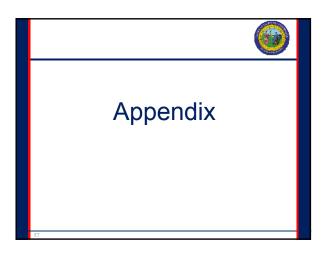
HOW to Be Successful

- Ensure your departments keep you in the loop!!!!
 - Are you ready for an IRS or USCIS Audit!!!
 - Scope:
 - Post written Policies and Procedures
 - Training for staff
 - Self review/audit
 - Process Flow:
 - > Who is the Primary Contact(s) for each area
 - > Who will process documentation and how will it flow for processing
 - Do you have an adequate filing/documentation system
 - > Determination of withholding and reporting prior to payments









NEW I-94 Admission Process!



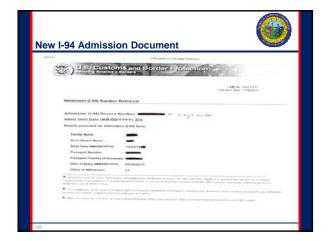
 No longer issuing the I-94 card to most foreign nationals entering the U.S. from abroad

1)

Passport stamp instead with limited information

- Foreign national can go online after entry to <u>www.cbp.gov/l94</u> to enter information and print out admission information
- I-94 number and information is still required by USCIS for the I-9 process, for drivers licenses, SSN applications, etc., so ask your foreign national employees for this printout!

Driginal I-94 Card	
Form 1-94 or Form 1-94A Arrival/Departure Recor	d
CBP and sometimes USCB muse arrival-departure records to nonimmigram. This document indicates the bearer's immigration status, the date that the nature was granted, and when the status sequers. The immigration status no-	sented with documents that Form I-9 specifies are valid only when Form I-94 or Form I-94A also is presented, such as the foreign passport, Form DF-2019, or Form I-20.
tation within the starp on the card varies according to the starsa granted, e.g., 1-1; F-1, 1-1. The form 1-94 has a handwritten date and starm, and the form 1-944 has composite-generated date and stars. Both may be pre-	Form I-9 provides space for you to record the document number and expiration date for both the passport and Form I-94 or Form I-94A.
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April 23, 200 SAMPLE JANE 23,03,68	SAMPLE 22,32,50
N.E.W. (Z.E.ALAND)	See Other State Sea Other





F-1 Visa CPT (Curricular Practical Training)

Documentation required for payments: Immigration Documentation:

- Passport
- Visa
- **-** I-94
- **-** I-20
- (I-20 must have the employers information listed on page 3 of the I-20. Without this notation the employment is not legal.)
- Taxation Documentation:
- NC-4 or NC-4NRA and W-4 _
- W-8BEN
- * You will collect the same documentation not only for employment, but also to pay travel reimbursements. Should not be paid as an independent contractor if in NRA tax status. Should not be issued a 1099 in NRA tax status.

F-1 Visa OPT (Optional Practical Training)

Documentation required for payments:

- Immigration Documentation:
- Passport
- Visa
- 1-94
- I-20 (must state that they are on OPT)
- Valid EAD Card (Employment Authorization Document)
- Employment must be related to their field of study listed on the I-20.
- Taxation Documentation:
- NC-4 or NC-4NRA
- W-4
- W-8BEN
- You will collect the same documentation not only for employment, but also to pay travel reimbursements. Should not be paid as an independent contractor if in NRA tax status. Should not be issued a 1099 in NRA tax status.

J-1 Student Visa



Documentation required for payments:

Immigration Documentation: - Passport

- Visa
- I-94 Card (now I-94 admission number)
- DS-2019 (Approval notice: Must show student sub-category)
- Taxation Documentation:
- NC-4 or NC-4NRA
- W-4
- W-8BEN
- 8233 (If applicable)
- You will collect the same documentation not only for employment, but also to pay scholarships, fellowships, and travel reimbursements. Can not be paid as an independent contractor. Should not ever be issued a 1099.

J-1 Visa (Curricular Practical Training)

Documentation required for payments: Immigration Documentation:

- Passport
- Visa
- 1-94
- DS-2019 (Must show student sub-category)
- Taxation Documentation:
- NC-4 or NC-4NRA
- W-4
- W-8BEN
- 8233 (If applicable)
- Letter from Institution attached to DS-2019
- You will collect the same documentation not only for employment, but also to pay travel reimbursements. Should not be paid as an independent contractor if in NRA tax status. Should not be issued a 1099 in NRA tax atus

J-1 Visa (Optional Practical Training)

On or Off-Campus Employment:

- Academic Training J-1
- During or after completion of their academic degree for a total of 18
- months - Employment must be related and appropriate to the level and field of study
- Commence within 30 days of completion of their academic program
- Postdoctoral students are eligible for 36 months
- Authorization is by written approval from Responsible Officer (RO)
- NO EAD is required
- Documentation required for payments:
- See previous slide

J-1 Visa (Student Intern) Documentation required for payments: Immigration Documentation:

- Passport
- Visa
- 1-94
- DS-2019 (Must show student intern sub-category)
- Taxation Documentation: - NC-4 or NC-4NRA
- W-4
- W-8BEN
- No Treaty (Be extremely careful when entering this category into Windstar)
- * You will collect the same documentation not only for employment, but also to pay travel reimbursements. Should not be paid as an independent contractor if in NRA tax status. Should not be issued a 1099 in NRA tax status.

H1-B, E-3 & O-1 Visas

Documentation required for payments:

- Immigration Documentation:
- Passport - Visa
- I-94 Card
- I-797 (Approval Notice)
- Taxation Documentation:
- NC-4 or NC-4NRA – W-4
- W-8BEN (NRA) or W-9 (RA)
- 8233 (If applicable) (Be careful with these treaties. Make sure you review the loss clauses before issuing the tax treaty.)
- Remember once a foreign national applies for permanent residency they are no longer eligible for tax treaty.

TN-Visa (Canada/Mexico)

Documentation required for payments:

- Immigration Documentation:
 - Passport
- I-94 Card (Must have duration of stay. Only eligible to be employed for the dates listed on the I-94 card.)
- I-797 (May or may not have an approval notice)
- Taxation Documentation: - NC-4 or NC-4NRA
- W-4
- W-8BEN (NRA) or W-9 (RA)

Employment Authorization Documents Documentation required for payments: Immigration Documentation: Passport - Visa I-94 Card EAD Card Taxation Documentation: - NC-4 or NC-4NRA – W-4 - W-8BEN (NRA) or W-9 (RA) You must review the authorization code. Taxation requirements correspond with the authorization codes. Link to EAD codes: Link to EAD Codes. http://www.uscis.gov/portal/site/uscis/menuitem.5af9bb95919f35e66f61417654 3f6d1a/?vgnextoid=f3c02af9f0101310VgnVCM10000082ca60aRCRD