

**NONRESIDENT ALIEN TAX COMPLIANCE (non-employees)
SUMMARY GUIDE**

* The KUMC Research Institute (KUMCRI) will withhold taxes on all payments to nonresident aliens unless appropriate documentation has been provided to waive the withholding (Tax Treaty, Accountable Plan Documentation, etc.)

* Complete the KUMCRI Nonresident Alien Summary Form (KUMCRI Policies and Procedures Web Site)

* Account Codes for Withholding>

FEDERAL W/H	022170
State/Kansas W/H	022175

* The KUMCRI will not refund withholding after payment has been processed

* The KUMCRI Accounts Payable office requires 7 working days to process payments to nonresident alien individuals

* Study Coordinators are responsible for collecting information regarding immigration status before allowing an individual into a study.

* Grossing-up is not an allowable expense on federally-funded projects. The RI does not allow grossing-up on any project.

SERVICE (Independent Personal Services)		NON-SERVICE (Royalty, Prizes/Awards, Scholarship/Fellowship*, Research Participants)	
TREATY	NO TREATY	TREATY	NO TREATY
Form 8233	Withhold @ 30% Fed Withhold @ 5% State	Form W-8Ben	*F/J/M/Q Withhold @ 14% Federal Withhold @ 30% Fed Withhold @ 5% State
Treaty-eligible: Independent Personal Services		Treaty-eligible: Royalty Payments Scholarship/Fellowship	Not Treaty-eligible: Prizes /Awards Human Subject/Research Participants

* Travel which is not covered under the IRS Accountable Plan Rule will be subject to withholding.

Independent Personal Services: Withhold at 30% Federal and 5% State. Form 8233 when claiming tax treaty. KUMCRI Contractual Services Form and KUMCRI Nonresident Alien Summary Form. Process through PeopleSoft and forward original paperwork to KUMCRI Accounts Payable.

Research Participant: Withhold at 30% Federal and 5% State. KUMCRI Nonresident Alien Summary Form. Process through PeopleSoft and forward original paperwork to KUMCRI Accounts Payable.

Scholarships/Fellowships (non-service): F/J/M/Q withhold at 14% Federal and 5% State. All others, withhold at 30% Federal and 5% State. Form W-8Ben when claiming tax treaty. Process through PeopleSoft and forward original paperwork to KUMCRI Accounts Payable.

Royalties: Withhold at 30% Federal and 5% State. Form W-8Ben if claiming tax treaty. Process through PeopleSoft and forward original paperwork to KUMCRI Accounts Payable.

Prizes and Awards: Withhold at 30% Federal and 5% State. Process through PeopleSoft and forward original paperwork to KUMCRI Accounts Payable. * Cash-equivalent payments are subject to withholding. Please refer to Procedure 6.b.06, E. Prizes and Awards