

PAYMENTS TO PERSONS PROVIDING SERVICES TO THE COLLEGE

PART I. Can we pay this person?

Are they a US Citizen?

1. YES

- A. Complete W-9 if Independent Contractor (A/P)
- B. Complete I-9 & W-4 if Employee (Payroll)

2. NO

A. Resident Alien Individual

- 1) Will have Permanent Resident Card (I-551) and is treated as a US Citizen
Yes, we can pay this person.

Complete W-9 if Independent Contractor (A/P)

Complete I-9 if Employee (Payroll)

B. Non Resident Alien- **The VISA Classification will determine if we can pay the individual.**

- 1) **Prior to completing any employment or contract paperwork:** Payroll will need a copy of the Passport *and* VISA to confirm payment eligibility and determine additional paperwork needed

➤ Refer to Chart (*Payments that can be issued to Non Resident Persons*)

PART II. Will the Non Resident person be an employee or independent contractor?

1. Honoraria Payments

- A. 9/5/6 Rule
- B. Complete Honoraria and Expense Reimbursement Form
- C. Complete W-8BEN if no tax treaty benefit applies
 - 37% tax will be withheld (30% Federal/7% CA State) from payment
- D. Complete 8233 if tax treaty benefit applies
 - Must have US Tax ID number. (e.g. Social Security Number or ITIN)

2. Independent Contractor (or Honoraria Recipient)

- A. Complete W-8BEN if no tax treaty benefit applies
 - 37% tax will be withheld (30% Federal / 7% CA State) from payment
- B. Complete 8233 if tax treaty benefit applies
 - Must have a US Tax ID number to claim treaty benefit (e.g. Social Security Number or ITIN)

3. Employee

- A. Complete I-9, W-4, and 8233 if treaty benefit applies
- B. Must have a Social Security Number.
- C. Take the *Substantial Presence Test (SPT)* to determine whether he/she will be treated as a US Person for tax purposes

PART III. Is this person a Resident or Non Resident for tax purposes?

If determined a US Resident for tax purposes, please complete the appropriate form as in Part I. Step 1 (above). Once determined a US Resident for tax purposes, this person cannot claim tax treaty benefits.