

NRA Participant Support (RF Defined)

Defining Activity for Payments	Key Rules, Impacts and Forms	Year-End Tax Statement Sent	Tax Filing References
<p>Participant Support(RF Defined)</p> <p>Non service support. Payments for a person engaged in a non-academic vocational or secondary school education and training program such as outreach and enrichment programs. The expectation is to attend an event.</p> <p>Considered “Other” income - the RF defined this income with a title of “Participant Support”</p> <p>Example: An individual participates and is paid in a vocational or training event, such as Upward Bound.</p>	<p>Request for basic Information</p> <p>Staff will request that the payment recipient provide some basic information about the visit to the United States as well as an official name, address, tax classification and U.S. TIN on “Part I” IRS Form W-8BEN, or a similar form. It is very important to provide this information for us to ensure we have the accurate information in our payment and reporting system.</p> <p>IMPORTANT FIRST Tax and Reporting Evaluation</p> <p>–</p> <p>IRS “Sourcing” Rules – The IRS “Sourcing” rules for RF defined Participant Support payments is based on “origination of the funds.”</p> <ul style="list-style-type: none"> • If the funds originated from another country, the payments are IRS “Foreign Source” and not taxable or reportable. • If the funds originated from the United States, the payments are IRS “US Source” and U.S. tax and reporting rules then must be applied 	<p>1042-S Foreign Person’s US Source Income Subject to Withholding. (IRS deadline – Postmarked or available by March 15)</p> <p>*** Includes any IRS “US Source” payments.</p>	<p>Taxation of Nonresident Aliens</p> <p>IRS Form 1040-NR US Nonresident Alien Income Tax Return</p> <p>IRS 1040-NR Instructions</p> <p>IRS Publication 519 US Tax Guide for Aliens</p> <p>NYS Taxation and Finance</p> <p>IRS Publication 17 – Your Federal Income Tax (search on “nonresident”)</p> <p>IRS and Social Media</p> <p>IRS You Tube Video Channel</p>

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	<p>Income Tax Withholding:</p> <ul style="list-style-type: none"> • IRS “Foreign Source” – The RF is not required to withholding taxes OR report the income on an IRS 1042-S at year end. That does not relieve the recipient from the burden in considering if the income is reportable in a home country. • IRS “US Source” – The RF is required to withhold 30% tax from payments (RF defined Participant stipend are not eligible for any income tax treaty exemptions. The payments are considered “other” income and treaties do not cover “other” miscellaneous income) 		<p>Need copy of your 1042-S form? Visit the campus RF office your payments originated from to assist in your inquiry and acquire a “Request for Copy of Tax Statement” form</p> <p>Have a question about your payments? Contact the campus office that handled your RF activity. If you leave a voice message, ensure you clearly spell your last name and leave contact information.</p>