IRS Special Rules for NRA Employees on IRS Form W-4:
* CANNOT claim "exempt" on IRS Form W-4
* Must indicate "Single" marital status regardless of the actual marital status
* Can claim only 1 withholding allowance (some exceptions to this rule)
* Write "nonresident alien" or "NRA" above the dotted line leading to the box for "additional" withholding

NYS Special Rules for NRA Employee on NYS Form IT-2104:
* CANNOT claim "exempt" on NYS Form IT-2104E
* Must indicate "Single" marital status regardless of the actual marital status
* Can claim only 1 withholding allowance (some exceptions to this rule)
* Write "nonresident alien" or "NRA" above the dotted line leading to the box for "additional" withholding
**FORM REQUIREMENTS for New Calendar Year**

1. **Does Income Tax Treaty have a dollar limit or time limit within the calendar year?**
   - Yes: All Income is income tax exempt during the calendar year. FIT & SIT exempt ("check" in FIT & SIT exempt box)
   - No: Continue

2. **Review for pay period the treaty time or treaty dollar limit is reached**
   - Yes: Obtain an IRS W-4 and NYS IT-2104 with special default withholding rules
   - No: Biweekly Payroll Runs – exemption continued

3. **Has treaty time or treaty dollar limit been reached in calendar year?**
   - Yes: Biweekly Payroll Runs – Taxation processed
   - No: Taxes Withheld

4. **Year End - Employee claiming treaty exempt with IRS 8233 and Supporting Stmt?**
   - Yes: Obtain new IRS 8233 and Supporting Stmt from Appendix A or B of IRS Pub 519
   - No: Enter FIT & SIT default rate Single, 0 allowances on system tax Info form

5. **Did Employee provide complete and valid form by Jan. 1?**
   - Yes: Ensure FIT & SIT data on system tax Info form is still exempt
   - No: End

6. **Enter FIT & SIT data on system tax Info form is still exempt**
   - Yes: End
   - No: Enter FIT & SIT default rate Single, 0 allowances on system tax Info form

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All Income is income tax exempt during the calendar year. FIT & SIT exempt ("check" in FIT & SIT exempt box)

**Biweekly Payroll Runs – Exemption processed**

**Biweekly Payroll Runs – Taxation processed**

**End**