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**ALIEN INFORMATION****I. REFERENCES AND RELATED POLICIES****A. University of California Accounting Manual**[T-182-27](#) Taxes: Federal Taxation of Aliens[D-371-77](#) Disbursements: State Tax Withholding from Non-Resident, Non-Employees**B. [Internal Revenue Service Publication 515, "Withholding of Tax on Nonresident Aliens and Foreign Corporations"](#)****C. [Internal Revenue Service Publication 519, "U.S. Tax Guide for Aliens"](#)****D. UCSD Rules and Procedures to Comply with the Immigration Reform and Control Act of 1986, Staff Personnel Office, March, 1992****II. BACKGROUND**

In 1986 the Federal legislature passed two laws which had significant impact upon the responsibilities of persons or entities who make payments to aliens. The laws are the Tax Reform Act of 1986 and the Immigration Reform and Control Act of 1986 (IRCA). The result of these acts is that greater emphasis has been placed upon a payer to ensure the propriety of any payment to a non-U.S. citizen. Inherent in the acts are requirements for verification of documentation, clearer definitions of residency for tax purposes, alternative or unique tax withholding regulations, and updated reporting requirements. As the effects of these regulations have made their way into the University, they have been implemented through various green sheet distributions. This issuance consolidates the new regulations into a single document.

**III. POLICY**

With respect to compensation, the University's relationship with non-citizen individuals exists in two forms; that of an employer or that of a payer of non-employee compensation. Examples of non-employee compensation include, but are not limited to, payment for independent personal services, such as honoraria, payments to independent contractors or consultants, performers, scholarship or fellowship recipients, or travel reimbursements. Information outlined in and required by this Policy and Procedure issuance allows the University to make appropriate decisions regarding the legal hiring, income tax withholding, income tax treaty application, and income tax reporting for non-citizen individuals.

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#### IV. FORMS

INS Form I-9      *Employment Eligibility Verification* ([Exhibit A](#))

The most common types of alien employment eligible status at the University, are the "J" (exchange visitor), "F" (student), and "H" (temporary visitor of distinguished merit and ability). Each of these permit the bearer to be paid compensation for services performed and to be reimbursed for expenses incurred. The alien can assert such employable status by offering a copy of his/her form I-94 *Departure Record* or IAP-66 *Certificate of Eligibility for Exchange Visitor Status*, as evidence at the time of hiring. Instructions for the proper completion of this form can be found in [Exhibit A](#).

UCSD Form AT-1      *Statement of Citizenship Status* ([Exhibit B](#))

This statement offers background information to assist the Accounting Office/Payroll Division in determining residency for tax purposes. All information should be provided because the answer to each question furnishes valuable insight into the proper tax treatment of the visitor. This form should be completed by all non-citizen individuals. Clearly some of the information requested is not relevant for permanent residents (Green Card holders) in which case "N/A" should be indicated at the point of the inapplicable question.

IRS Form 8233      *Exemption from Withholding on Compensation for Independent Personal Services of a Nonresident Alien Individual* ([Exhibit C](#))

Contrary to its name, this form is required for anyone who desires to be considered for exemption from Federal Withholding Tax under the terms of an income tax treaty between the U.S. and their country of permanent residence. (See *Supplement I* for a summary of tax treaties). The exemption, if granted is only good for the current calendar year (ending December 31). Should the alien desire to continue his/her exemption, he/she must submit a new Form 8233 for further consideration in the next calendar year. The Accounting office will notify all aliens of currently expiring status to renew their exemption requests where it is warranted for the new year. The form 8233 is not to be used by aliens who ultimately expect to make the U.S. their permanent home. Instructions for the completion of this form are found at the bottom of, and upon the reverse side of [Exhibit C](#).

IRS Form 1078      *Certificate of Alien Claiming Residence In the United States* ([Exhibit D](#))

The Form 1078 should be filed only when an alien can claim residency for tax purposes after qualifying under the Substantial Presence Test. (See Section V(A)). Normally a newly arrived H-1 status alien can claim this tax status if he/she will be in the U.S. for

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more than 183 days in the current taxable year (January 1 through December 31). This form is no longer required to be filed by the holder of an Alien Registration (Green) card.

UCSD Form AT-2      *Withholding Tax Status* ([Exhibit E](#))

This form is a confirmation to the employee by the Accounting Office of its determination of the alien's income tax status. It is useful by the alien upon filing of annual tax reports to determine the appropriate annual *Individual Income Tax Return* form to file. It is also useful upon departure from the U.S. as a demonstration of tax status during the alien's visit to the U.S.

California Form 590      *Certificate of California Residence* ([Exhibit F](#))

This form is only used by graduate students who are U.S. citizens and holders of Alien Registration (Green) cards who wish to demonstrate to the Office of Graduate Studies and Research that they are California residents when there is a doubt as to the true residency of the individual. This form is not appropriately used by a nonimmigrant (visiting) alien.

California Form 591A      *Certificate of Non California Residence For Report of Tax withheld at Source From Payments to Nonresidents* ([Exhibit G](#))

This form is to be filed only by individuals who are recipients of graduate, or post doctoral, scholarship or fellowship payments and who are:

1. U.S. citizens and permanent resident aliens who have not resided in California for all twelve months of a calendar year, even if the scholar is a new California Resident who intends to make this State their permanent home, or
2. aliens holding a nonimmigrant visitor's visa.

For those predoctoral students who must file Form 591A, their payments will be received through the payroll system and not the vendor system in order that State tax will be withheld.

When the minimum time necessary has passed to qualify for residency, then a U.S. citizen or an immigrant scholar should complete the California Form 590, *Certificate of California Residence*.

Note: the Form 590 does not apply to nonimmigrants.

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Form AT-6

*Provisional Tax Statement Worksheet* ([Exhibit H](#))

In order to begin the process for an orderly departure by certain non-U.S. citizens from the U.S., the completion of this form by the department is the first step. Nonresident aliens holding F, J, or M visas are exempt from this process. When the completed Form AT-6 is received by the Payroll Division, a turnaround document called a *Provisional Tax Statement* will be generated. The wage and tax information reflected on the Provisional Tax Statement is the means for the departing alien to address his/her income tax liability upon departure. (See Section VII for further information.)

Form AT-8

*Provisional Tax Statement Instructions* ([Exhibit I](#))

Accompanying the provisional wage and tax information furnished to a non-citizen employee departing from the U.S. will be information directing the departing alien to the Internal Revenue Service, indicating the required supporting documentation needed, and explaining the final process to obtain tax clearance before departure.

Any of these forms may be photocopied from the exhibits as needed. As an alternative, departments can call the Payroll Division, extension 40291, to obtain copies.

## V. PROCEDURES

### A. Determination of Residency for Income Tax Purposes

Generally an alien falls into one of three classifications in terms of residency for federal income tax purposes:

1. A permanent resident alien is one who has been granted the legal right to live and work in the United States without restriction. Typical evidence of this status is the "Alien Registration Card" commonly referred to as the "Green Card." Other aliens may possess a "Conditional Resident" card which also permits its holder the same rights and privileges, however only until the expiration date indicated on the card.
2. A non-resident alien who qualifies under the terms of the "Substantial Presence Test" or by right of marriage to a U.S. citizen or legal permanent U.S. resident is considered a resident for tax purposes. Except in specific circumstances it is probably more advantageous for an alien to be treated as a resident for tax purposes where he/she qualifies. The Substantial Presence Test is a formula which is applied to determine the number of qualifying days under Internal

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Revenue Service guidelines by which a nonresident alien can be considered a resident for Federal tax purposes:

- a. Was the individual physically present in the U.S. for at least 31 days during the current **calendar** year with other than an F or J visa?

If yes, go on to b.

If no, the individual does not pass the test and is considered a nonresident for tax purposes.

- b. Was the individual physically present in the U.S. with other than F or J visa for 183 days in the current and two preceding **calendar** years calculated as follows?:

# of days present in current year X 1 =

# of days present  
last year                      X   1/3                      =

# of days present  
two years ago                      X    1/6                      =

Total days present

If total days present are equal to or greater than 183 in accordance with the formula above, the individual can be considered a resident alien for tax purposes (but not for immigration purposes).

If total days present equal less than 183 days, the individual is classified as a nonresident alien.

- c. A special rule applies for students who are F or J visa holders. That is, the student must complete a five-year waiting period before the substantial presence test can be applied. And even then, none of the five years of the waiting period can be used in the formula to determine residency.

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- d. A special rule applies for nonstudent J visa holders. That is, the individual must complete a two-year waiting period before the substantial presence test can be applied. And even then, neither of the two years of the waiting period can be used in the formula to determine residency. Another rule dictates that after a nonstudent J visa holder has served a two-year waiting period in any six-year period, he/she may be considered a resident for tax purposes for any year in which he/she is present in the U.S. for more than 183 days. For example he must have filed a nonresident tax return for any two of the preceding six taxable years.
3. A nonimmigrant alien (one who is not a permanent legal resident) who does not qualify for residency under any of the conditions above is considered a nonresident for tax purposes. There may be some advantages to this status as certain types of income may be exempt from U.S. taxation.

**B. Visa Classifications**

The type of visa held by each alien authorizes its holder to engage in activities within the U.S. as described below:

<u>TYPE</u>	<u>DESCRIPTION</u>
A	Foreign diplomats and their immediate families, may enroll as a student but can only accept employment under strict circumstances.
B-1	Temporary visitor for business, cannot accept any employment for which they are paid by a U.S. institution, but may accept reimbursement for travel and per diem.
B-2	Temporary visitor for pleasure or "prospective student," may not accept employment or reimbursements in any form.
C	Alien in transit, cannot accept any employment in the U.S., limited to 29-day stay.
D	Alien crewman on shore leave or transferring to another vessel or aircraft, may accept U.S. employment only in any capacity required for normal operation and service on board a vessel or aircraft, may not remain in the U.S. for more than 29 days.

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E	Treaty trader or treaty investor and dependents, may enroll in school, but (except in certain cases) are not permitted to accept paid employment in the U.S.
F	Student status visa, confirmed by holder's Form I-20-A designating educational institution of affiliation. Student may also perform personal services for pay within the same institution. An extension may be granted to allow a newly graduated student to perform practical training within his/her field of expertise and for which he/she may be compensated.
G	Representatives and employees of international organizations and related personnel, may enroll as a student, but can only accept employment under strict circumstances.
H	A visitor of distinguished merit and ability to perform temporary services of an exceptional nature.
I	Representatives of foreign information media and immediate family, may enroll as a student, and is not normally permitted to accept employment.
J	Exchange visitor who is in the U.S. under a Department of State approved program for study, teaching, research or training.
K	Fiancee of U.S. citizen, permitted to remain in the U.S. a maximum of 90 days pending marriage to the petitioner.
L	Intracompany transferee and immediate family, may be employed by a U.S. affiliate of the corporation for which the alien regularly works in his homeland, and may enroll as a student.
TC-1	Special classification established as a result of the U.S.-Canada Free-Trade Agreement. Permits its holder to accept employment in the U.S. for up to one year.

Except for those aliens admitted specifically to work, such as those outlined above, nonimmigrant aliens normally may not accept employment in the United States. Students and exchange visitors may, with written permission, accept certain employment. A nonimmigrant alien is subject to INS sanctions if he/she violates the terms of admission; abandons his/her status; overstays the period of admission; engages in criminal, immoral, narcotic or subversive activity; **or accepts unauthorized employment.**

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**C. Documentation**

## 1. Visa and Passport

Depending on the nature of the proposed visit to the U.S., an application for visa is filed by the alien, or a U.S. sponsor. When the application is approved, a visa is granted. The visa is only a visiting status with an expiration date. This information is contained along with other identifying information in a document known as a passport. The visa expiration date is the last date that a visiting alien may enter the U.S.

2. Form I-94 *Arrival and Departure Permit*

At the port of entry supplemental documentation is affixed to the passport. The most common form of this documentation is the form I-94 *Arrival and Departure Permit*, and is the actual document which authorizes its bearer to function within the U.S. The I-94 reflects the visiting status (i.e. J-1, H-1, etc.), the expiration date of that status, the alien's country of citizenship, and possibly the authorized U.S. institutional affiliation. Aliens who enter the U.S. with the F-1 status also receive a Form I-94 at the port of entry. One major difference, however, is that the I-94 status expiration date is often indicated as "D/S" which is an Immigration and Naturalization Service (INS) expression for "Duration of Stay." This means that so long as the student continues in an approved program of study at his/her authorized institution, he/she may remain in the U.S. until he/she has completed the program.

As the expiration date of the I-94 approaches, the visitor must either prepare to leave the country, or apply for an extension of status. If the extension of status is granted, the I-94 will be annotated by an INS authority. The extension may change the status (i.e. from J-1 to H-1) as well as extend the time authorized in status. Thus the original visa information as indicated in the passport may no longer be valid, while an updated I-94 allows the visitor to legally continue his/her business in the U.S. The disadvantage of this situation is that should the alien desire a temporary exit from the U.S., a renewed visa would be required to reenter, even though the I-94 may still have authorized the alien's legal presence. THE I-94, NOT THE VISA, IS THE ONLY VALID INDICATION OF CURRENT STATUS WHILE IN THE U.S. IF THE I-94 HAS EXPIRED AND WILL NOT BE RENEWED, IT IS THE EMPLOYER'S RESPONSIBILITY TO IMMEDIATELY TERMINATE THE INDIVIDUAL.



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## 3. Taxpayer Identification Number

The University is required to furnish to Federal and State tax agencies a taxpayer identification (Social Security) number for each employee. Failure by the University to furnish this number can result in a financial penalty for each omission. Thus, it is mandatory that each alien supply the University with such a number. If the alien has not had one issued to him by the **Social Security Administration**, he is required to apply for one.

The nearest office of the Social Security Administration is located at 1940 Garnet Ave., Suite 207 in Pacific Beach. The applicant must bring the following items when applying for a Social Security Number:

- \* Passport and Form I-94
- \* Form IAP-66 (if a J-1 visa), or Form I-20A-ID (if an F-1 visa)
- \* One other form of photo identification, such as a UCSD student or staff identification card, or driver's license.
- \* An official UCSD document signed by an appropriate official, such as a letter from the department or a signed copy of the *Personnel Action Form*.

If the alien has applied for, but not yet received the number, a *Receipt for Application for Social Security Number* must be affixed to the appointment packet before it can be processed by the Accounting Office

A new Social Security number is usually issued within two to five weeks of the date of application. As soon as the number is received, the Accounting Office/Payroll Division must be notified so that the records can be updated. In some cases the Social Security card may be stamped "Not valid for employment." This means that the applicant is probably an F-1 visa holder, and, as a student, this individual may not be lawfully employed outside the institution in which he/she is registered as a student.

## D. Compensation from University Sources

## 1. Compensation for Employment

## a. Verification of Employment Eligibility and Tax Status Determination

Under the terms of the Immigration Reform and Control Act, the University may not "employ" any alien who does not have the legal right

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to work. One of the requirements of the Act is that the employer is required to complete the Form I-9, *Employment Eligibility Verification*. If the new employee is not a citizen and not a permanent resident alien, as evidenced by his/her assertions on the Form I-9, a series of inquiries must be made to establish the alien's right to work, withholding tax status, and the University's tax reporting requirements for that individual. The following forms must be attached to the employment packet as required (see Section IV.):

1. INS Form I-9, *Employment Eligibility Verification*
2. Form AT-1, *Statement of Citizenship Status*
3. IRS Form 8233, *Exemption from Withholding on Compensation for Independent Personal Services of a Nonresident Alien Individual*, if appropriate.
4. IRS Form 1078, *Certificate of Alien Claiming Residence in the United States*, if appropriate.

b. Income Tax Withholding

"Residency" is a nebulous term. It has several different meanings depending upon the context in which it is used. A "resident" for income tax purposes has a different connotation than a "resident" for immigration purposes. Further, a "resident" for Federal Income tax purposes is different than a "resident" for California State Income tax purposes.

1. Resident Aliens

Aliens who are employed by UCSD, and are determined to be "resident" for tax purposes are subject to tax withholding on the same basis as United States citizens. There are no limitations on the choice of marital status or the number of exemptions which they can claim on a Form W-4, *Employee's Withholding Allowance Certificate*.

2. Non-Resident Aliens

Aliens who are employed by UCSD, and are determined to be

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“non-resident” for withholding tax purposes may be treated in one of two ways:

- a. If the non-resident alien qualifies for exemption from federal withholding under the terms of an income tax treaty with his/her country of permanent residence, no federal tax will be withheld from the alien's paycheck as long as the alien continues to qualify under the treaty terms for continued exemption.
- b. If the non-resident alien does not qualify for exemption from federal withholding tax under the terms of an income tax treaty, IRS directives dictate that federal tax be withheld from the alien's paycheck at the rate calculated for a single person, claiming only one exemption. This would be true without regard to the alien's actual marital status or number of dependents. (There are exceptions to this rule for residents of Canada, Mexico, Japan and South Korea.)

As for State income tax withholding, the non-resident alien is permitted to claim appropriate marital status and number of **qualified** dependents the same as a U.S. citizen.

c. Determination of Tax Status

After the Accounting Office has reviewed all documentation pertaining to the alien's appointment, a form entitled *Withholding Tax Status* (see [Exhibit E](#)) will be forwarded to the appointee reflecting the tax status as determined by the Accounting Office.

d. Health and Life Insurance

Nonimmigrant aliens should be advised of The Regent's requirement that health insurance coverage must be carried as a condition of employment (See PPM 200-21). Depending upon their appointment, alien employees may qualify for a University sponsored health plan. If not, the alien must provide evidence of other outside health plan coverage which will equal or provide greater benefits than the minimum the University plans provide. A certification of coverage is required of all such employees and should be forwarded with their *Employment* forms. Questions concerning these requirements for non-students should be directed to the UCSD

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Benefits Office for further clarification. Foreign students must enroll in a special student health insurance plan as a condition of registration. Questions concerning the student plan should be directed to Student Health Services.

e. Salary Advances

The Assistant Vice Chancellor, Financial Services has been delegated the authority to approve salary advances to newly appointed aliens not to exceed \$8,000 to any one person. By letter dated September 16, 1985, former University of California President Gardner stated that "the purpose of such advances is to assist aliens employed on research contract or other University activities to cover costs of subsistence and travel when currency restrictions prohibit them from taking sufficient funds out of their countries to defray such costs, with the understanding that repayment of such advances shall be made within six months after arrival or within the period of appointment, whichever is earlier." Should such a salary advance be required, a letter from the hiring department chair to the Assistant Vice Chancellor, Financial Services should provide the following information:

1. The full name of the newly arrived alien,
2. The new appointee's salary rate and title,
3. The proposed length of appointment,
4. The amount of the salary advance required, and
5. The proposed payback schedule (in accordance with President Gardner's directive above.)

Upon approval by the Assistant Vice Chancellor, the letter will be forwarded to the UCSD Payroll Division where a Form U5-6, *Check Request* will be prepared. When the salary advance check becomes available, it will be disbursed to the hiring department by campus mail unless a request for "pickup" has been made.

2. Scholarship and Fellowship Payments (Stipends)

By definition, a payment made to a Pre/Postdoctoral Fellow is not of a payroll

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nature – that is, there is no employer-employee relationship between the University and a fellowship recipient. However, the payroll compute programs are used to generate nonimmigrant and non-California resident predoctoral and all postdoctoral fellowship checks in much the same way that salary payments are provided to regular employees. As such, complete documentation for each fellow is required to ensure accurate tax withholding and reporting. Depending upon whether the scholarship or fellowship payment is being made to a degree candidate or a non-degree candidate, and the alien's immigration status, the payment procedure is quite different.

a. Degree Candidates Who are Permanent U.S. Residents and Permanent California Residents

Permanent Resident Aliens (Green Card holders) who are candidates for a degree and who are receiving undergraduate or graduate scholarships or fellowships, and who are permanent California Residents, are paid by vendor check (through the Disbursements Division). The following conditions and requirements are associated with payments to this type of candidate:

1. Additional Forms Required:

a. Form AT-1, *Statement of Citizenship Status*

b. Form 590, *Certificate of California Residence*

If it is not apparent that a Permanent Resident Alien (Green Card holder) is a resident of California but he/she asserts that he/she is, he/she must complete Form 590 to prevent mandatory state tax withholding.

c. Copy of Alien Registration (Green) card if the candidate is a legal permanent U.S. resident.

2. Taxation:

Aliens in this status will not have any State or Federal Income tax deducted from their stipend payments. However, they should be informed that if their income is at least partially taxable, they should be filing quarterly estimated State and Federal income tax returns to address their liability.

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- b. Degree Candidate who are Nonimmigrants (Visitors), or who are Permanent U.S. Residents but **not** California Residents

All aliens in the status are paid through the use of the payroll compute programs. The following conditions and requirements are associated with payments to this type of candidate:

1. Additional Forms Required:

- a. Form AT-1, *Statement of Citizenship Status*
- b. Form 591A, *Certificate of Non California Residence for Report of Tax withheld at Source from Payments to Nonresidents* (for Green Card Holders or U.S. citizens only).

If a Permanent Resident Alien (a Green Card holder) asserts that he/she is a permanent resident of a location outside the State of California, he/she must complete the Form 591A.

- c. Form W-4, *Employee's Withholding Allowance Certificate*
- d. Copy of the Alien Registration (Green) card if the candidate is a legal permanent U.S. Resident.
- e. Copy of Form I-94 *Arrival and Departure Permit* if the candidate is **not** a legal permanent resident.

2. State Tax Withholding

All aliens in this classification will be subject to State Tax withholding in accordance with the Form W-4 on file at the time of payment. State tax law dictates that withholding through stipend deduction is mandatory for all non-California residents.

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### 3. Federal Tax Withholding

#### a. Nonimmigrant (Visiting) Aliens

Nonimmigrant (visiting) aliens will fall into one of two categories for Federal tax withholding purposes:

1. Aliens exempted from Federal tax under the terms of an income tax treaty.

Nonimmigrant aliens who find themselves in this category will not have any Federal income tax withheld from their stipend payments.

2. Aliens who do not qualify under a tax treaty for Federal tax exemption.

Nonimmigrant aliens who find themselves in this category will experience tax withholding at the rate calculated for a single person, claiming only one exemption.

#### b. Permanent Resident (Green Card) Aliens who are **not** California Residents

While it is extremely convenient, it is not mandatory for these aliens to have Federal tax deducted from their stipend payments. However, they should be informed that if their income is at least partially taxable, they should be filing quarterly estimated Federal income tax returns to address their probable tax liability.

#### c. Non-degree Candidates (Postdoctoral Fellows/Scholars)

Payments to all aliens in this classification will be provided through the use of the payroll compute programs in much the same manner as an employee receives compensation. In addition to the typical paperwork required for a Postdoctoral Fellow, the following items are required for those who are not U.S. citizens:

1. Additional Forms Required:

- a. Form AT-1, *Statement of Citizenship Status*
- b. Form 8233, *Exemption From Withholding on Compensation for Independent Personal Services of a Nonresident Alien Individual*.

If a fellowship exemption exists in a tax treaty with the alien's country of permanent residence, submit Form 8233 to be considered for the tax exempt status.

- c. Form 1078, *Certificate of Alien Claiming Residence in the United States* if appropriate. (See Section IV above.)
- d. Copy of the Alien Registration (Green) card if the scholar is a legal permanent U.S. Resident.
- e. Copy of Form I-94 *Arrival and Departure Permit* if the scholar is **not** a legal permanent resident.

2. State Tax Withholding for Alien Non-degree Candidates

- a. All Nonimmigrant (visitor) aliens, and Permanent Resident (Green Card) Aliens who are not Permanent California Residents.

Aliens in this classification will be subject to State Tax withholding in accordance with the Form W-4 on file at the time of payment. State tax law dictates that withholding through stipend deduction is mandatory for all non-California residents.

- b. Permanent resident aliens who are also permanent California residents.

While it is extremely convenient, it is not mandatory for these aliens to have State tax deducted from their stipend payments. They should be informed, however, that since their income is taxable, they should be filing



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quarterly estimated State income tax returns to address their probable tax liability.

### 3. Federal Tax Withholding

#### a. Nonimmigrant (Visiting) Aliens

Nonimmigrant (visiting) aliens will fall into one of two categories for Federal tax withholding purposes:

1. Aliens exempted from federal tax under the terms of an income tax treaty.

Nonimmigrant aliens who find themselves in this category will not have any federal income tax withheld from their stipend payments.

2. Aliens who do not qualify under a tax treaty for federal tax exemption.

Nonimmigrant aliens who find themselves in this category will experience tax withholding at the rate calculated for a single person, claiming only one exemption.

#### b. Permanent Resident (Green Card) Aliens

While it is extremely convenient, it is not mandatory for these aliens to have Federal tax deducted from their stipend payments. They should be informed, however, that since their income is taxable, they should be filing quarterly estimated Federal income tax returns to address their probable tax liability.

### 3. Non-employee compensation (Vendor Payments)

While the Immigration Reform and Control Act of 1986 focused upon the unlawful employment of improperly documented aliens, it did not place the same responsibility for scrutiny upon payers of non-employee compensation. Thus, the University is permitted to issue payment for limited non-employee/employer

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services and reimbursement for travel expenses to non-citizens who are present in the United States on a B1 or B2 visa. Payments made to nonresident aliens on visits of short duration will be handled in the following manner:

a. Payments for limited services performed

Payments of honoraria or other compensation for services can be made to nonresident aliens engaged as independent contractors without regard to visa classification. However, such payments are taxable in accordance with federal and state laws and the applicable tax treaty, if any, with the alien's country of residence. In order to determine the correct federal withholding rate, the alien must complete and attach the following documentation to the item requesting compensation for independent personal services performed:

1. *Statement of Citizenship Status*, and
2. If a tax treaty exists with the alien's country of permanent residence, Form 8233 *Exemption From Withholding on Compensation for Independent Personal Services of a Nonresident Alien Individual*.

b. Payments for reimbursement of expenses

Payments for reimbursement of expenses, such as travel, can also be made regardless of visa restrictions to nonresident aliens engaged as independent contractors or invited to attend recruitment interviews. These payments represent reimbursement of an expense rather than an income payment which some visitors are not eligible to accept. Since payments for reimbursement of expenses are not compensatory in nature, the University is under no obligation for income tax withholding or reporting.

c. Additional responsibilities

The departmental administrator shall have the responsibility to inform a foreign visitor that they are incurring some risk with the Immigration and Naturalization Service (INS) if they accept payments while in a B-2 (tourist) or similar visa status that does not permit the receipt of any payment from a United States source. While there is no provision under the law for sanction or penalty against the University if it makes a payment not allowable under a particular visa category, the alien is

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nonetheless bound by the limitation of his or her visa and may be subject to sanctions imposed by the INS for noncompliance. Consequently, it is essential that the inviting department advise all prospective foreign visitors regarding the importance of obtaining the proper visa classification in order to assist the alien in making an informed decision.

d. Taxation of Non-employee Compensation

Depending upon "residency" status, a non-payroll payment to an alien could have various tax ramifications.

1. Resident Alien – Federal Tax Withholding

A non-payroll payment to a resident alien for federal tax withholding purposes is the same as that for a U.S. citizen – there is no requirement for the payer to withhold Federal tax. However, it may well be taxable income to the recipient who is required to file a quarterly estimated Federal tax return to avoid possible future penalty and interest payments.

2. Resident Alien – State Tax Withholding

a. Permanent Resident Aliens (Green Card Holders) who are also California Residents

A non-payroll payment to such an individual is treated the same as that for a U.S. citizen – there is no requirement for the payer to withhold State Income tax. However, it may well be taxable income to the recipient who is required to file quarterly estimated State tax return to avoid possible future penalty and interest payments.

b. Permanent Residents (Green Card Holders) who are **not** California Residents

A non-payroll payment to such an individual is subject to a probable 5% State withholding tax if the cumulative calendar year payments total \$1,500 or more. The State Franchise Tax Board requests that all such payments be

reported to them for a rate determination before payment is made.

### 3. Nonimmigrant (Visiting) Aliens – Federal Tax Withholding

Nonimmigrant (visiting) aliens will fall into one of two categories for Federal tax withholding purposes:

- a. Aliens exempted from Federal tax under the terms of an income tax treaty.

Nonimmigrant aliens who find themselves in this category will not have any Federal income tax withheld from their vendor payments.

- b. Aliens who do not qualify under a tax treaty for Federal tax exemption.

Nonimmigrant aliens who find themselves in this category will experience a 30% Federal withholding tax rate.

### 4. Nonimmigrant (Visiting) Aliens – State Tax Withholding

A non-payroll payment to such an individual is subject to a probable 5% State withholding tax if the cumulative calendar year payments total \$1,500.00 or more. The State Franchise Tax Board requests that all such payments be reported to them for a rate determination before payment is made.

- 4. Summary information regarding compensation from University sources may be reviewed in the following:

- a. Supplement II                      -                      New Hire Attachments to PAF
- b. Supplement III                     -                     Deductions from Resident Aliens
- c. Supplement IV                    -                    Deductions from Non-Resident Aliens

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**VI. TAX TREATIES**

Nonresident aliens from countries with which the United States has an income tax treaty may be eligible for exemption from Federal Withholding Tax and U.S. Federal Income Tax liability if they meet the requirements of the treaty. (See *Supplement I* for a summary list of tax treaty exemptions.) Note that tax treaty articles usually are based on residence rather than citizenship. Thus, for example, a citizen of Turkey (with which the United States does not have a tax treaty) who is a resident of Greece may qualify under the terms of the Greek treaty for exemption from U.S. Federal income tax liability.

Generally, five types of tax treaty articles may apply to certain payments by the University. These are:

1. Independent Personal Services

Examples of payments of this type include honorarium, independent consultant, independent contractor, or performer. Typically the exemption is granted for short stays of fewer than 180 days in the U.S. Some treaties also impose a maximum annual dollar limitation on earnings.

2. Dependent Personal Services

Examples of payments of this type include payments to persons who are "employed" by the University usually for a period less than 180 days.

3. Dependent Personal Services During Training

Examples of payments of this type include payments to persons who are "employed" by the University but also must be enrolled as a student. There is commonly no time maximum, however there is usually a maximum dollar limitation on earnings per calendar year.

4. Teaching and/or Research

Examples of payments of this type most often include payments to persons who are "employed" by the University to perform teaching and/or research functions. Some treaties do not exempt research, while other treaties extend the research exemption to those who perform research in a "non-employed" capacity such as a postdoctoral fellow. The treaties often require that the exempted person is a faculty member or professional researcher in their homeland before the treaty exemption can be granted. These teaching/research exemptions are not

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generally extended to Research, Teaching, or Language Assistant graduate student appointments. Most treaties have a two-year limitation of this exemption where it applies.

5. Fellowship and/or Scholarship Exemption

Examples of payments of this type are restricted to non-payroll payments of scholarship or fellowship payments. Sometimes the exemption is only granted on scholarship income received from abroad. Many treaties have a five-year limitation for this exemption.

It is essential to not that the language of each tax treaty is unique. Each request for exemption (Form 8233) will be examined on its own merits within the context of the pertinent treaty. The fact that a request has been submitted does not guarantee a tax exempt status for that individual. Departments are invited to discuss unclear cases with the Payroll Division. It should also be noted that when a tax exemption is granted, it is only applicable to Federal Income Tax. **Income tax treaty exemptions do not extend to State Income Tax. All persons who earn income while working within California generate a potential state tax liability without respect to where their place of permanent residence lies.**

## VII. SAILING PERMITS

Except for the cases outlined in E. below, a nonresident alien employee who is ready to depart from the United States must obtain a tax clearance (often called a Sailing Permit) from the Internal Revenue Service. To obtain the Sailing Permit a four step process must be completed:

- A. About three weeks before the alien is to leave the country, the department should fill out the top part of Form AT-6, *Provisional Tax Statement Work Sheet*, and send it to the Accounting Office/Payroll Division.
- B. Based upon the information contained in the "Worksheet" the Payroll Division will prepare a *Provisional Tax Statement* and send it to the alien together with a copy of Form AT-8, *Provisional Tax Statement Instructions*. The Provisional Tax Statement may come in one of three forms:
  1. For holders of Alien Registration (Green) cards and other nonimmigrant aliens who have achieved "residency" for Federal withholding tax purposes the Statement will be produced in the form of a Form W-2, *Wage and Tax Statement*, but with the annotation that it is a "Provisional" statement.

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2. For nonimmigrant aliens who do not qualify for exemption from Federal withholding tax under the terms of a U.S. Income Tax treaty, a notarized letter will be generated, bearing wage and tax information.
  3. For nonimmigrant aliens who do not qualify for exemption from Federal withholding tax under the terms of a U.S. Income tax treaty, a Form 1042S, *Foreign Person's U.S. Source Income Subject to Withholding* will be provided.
- C. The alien must take the *Provisional Tax Statement* along with supporting documentation to the Internal Revenue Service where he/she must file a Form 1040C, *U.S. Departing Alien Income Tax Return*.
- D. When the IRS has determined that the departing alien has satisfied his/her projected income tax liability, the IRS will issue a *Certificate of Compliance* (also known as the Sailing Permit). The alien is required to possess this document as he/she departs the country. Final tax liability cannot be determined until the close of the taxable year at which time the alien must file the form 1040NR from his/her homeland if he/she has since returned.
- E. Exceptions to this policy include:
1. Alien students, industrial trainees, and exchange visitors, including their spouses and children, who enter on F, H-3, H-4 or J visas only and who receive no income from U.S. sources while in the U.S. under those visas other than:
    - a. Allowance to cover expenses incidental to study in the U.S., such as stipend payments.
    - b. The value of any perquisites such as food and lodging connected with an authorized course of study.
    - c. Income from employment authorized by the INS.
  2. Alien visitors for business on a B-1 visa, or B-1/B-2 visa, who do not remain in the U.S. for more than 90 days during the tax year.
  3. Alien residents of Canada or Mexico who frequently commute between that country and the U.S. for employment, and whose wages are subject to the withholding of U.S. tax.

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**VIII. Additional Information**

The Internal Revenue Service Publication 519 *U.S. Tax Guide for Aliens* is an overview of responsibilities facing the nonimmigrant visitor to the United States. This publication is available free of charge by telephone call to the IRS Form Request Line. The telephone number is 1 (800) 829-3676. The Publication 519 can be received by mail within approximately two weeks of the request.



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## EXHIBIT A

U.S. Department of Justice Immigration and Naturalization Service		Form I-9 (Rev. 11-21-91) N	OMB No. 1115-0136 Employment Eligibility Verification
<small>Please read instructions carefully before completing this form. The instructions must be available during completion of this form. <b>ANTI-DISCRIMINATION NOTICE.</b> It is illegal to discriminate against work eligible individuals. Employers <b>CANNOT</b> specify which document(s) they will accept from an employee. The refusal to hire an individual because of a future expiration date may also constitute illegal discrimination.</small>			
<b>Section 1. Employee Information and Verification.</b> To be completed and signed by employee at the time employment begins			
Print Name: Last		First	Middle Initial
Maiden Name			
Address (Street Name and Number)		Apt. #	Date of Birth (month/day/year)
City	State	Zip Code	Social Security #
<small>I am aware that federal law provides for imprisonment and/or fines for false statements or use of false documents in connection with the completion of this form.</small>		<small>I attest, under penalty of perjury, that I am (check one of the following):</small> <input type="checkbox"/> A citizen or national of the United States <input type="checkbox"/> A Lawful Permanent Resident (Alien # A _____) <input type="checkbox"/> An alien authorized to work until ____/____/____ (Alien # or Admission # _____)	
Employee's Signature		Date (month/day/year)	
<b>Preparer and/or Translator Certification.</b> (To be completed and signed if Section 1 is prepared by a person other than the employee.) I attest, under penalty of perjury, that I have assisted in the completion of this form and that to the best of my knowledge the information is true and correct.			
Preparer's/Translator's Signature		Print Name	
Address (Street Name and Number, City, State, Zip Code)		Date (month/day/year)	
<b>Section 2. Employer Review and Verification.</b> To be completed and signed by employer. Examine one document from List A OR examine one document from List B and one from List C as listed on the reverse of this form and record the title, number and expiration date, if any, of the document(s).			
List A	OR	List B	AND
List C			
Document title: _____		_____	_____
Issuing authority: _____		_____	_____
Document #: _____		_____	_____
Expiration Date (if any): ____/____/____		____/____/____	____/____/____
Document #: _____			
Expiration Date (if any): ____/____/____			
<b>CERTIFICATION</b> - I attest, under penalty of perjury, that I have examined the document(s) presented by the above-named employee, that the above-listed document(s) appear to be genuine and to relate to the employee named, that the employee began employment on (month/day/year) ____/____/____ and that to the best of my knowledge the employee is eligible to work in the United States. (State employment agencies may omit the date the employee began employment).			
Signature of Employer or Authorized Representative		Print Name	Title
Business or Organization Name		Address (Street Name and Number, City, State, Zip Code)	
		Date (month/day/year)	
<b>Section 3. Updating and Reverification.</b> To be completed and signed by employer			
A. New Name (if applicable)		B. Date of rehire (month/day/year) (if applicable)	
C. If employee's previous grant of work authorization has expired, provide the information below for the document that establishes current employment eligibility.			
Document Title: _____		Document #: _____	Expiration Date (if any): ____/____/____
I attest, under penalty of perjury, that to the best of my knowledge, this employee is eligible to work in the United States, and if the employee presented document(s), the document(s) I have examined appear to be genuine and to relate to the individual.			
Signature of Employer or Authorized Representative		Print Name	Title
Business or Organization Name		Address (Street Name and Number, City, State, Zip Code)	
		Date (month/day/year)	
RETN: ACCOUNTING 3 years after date of hire, or 1-5 years after separation, WHICHEVER IS LATER. SEE REVERSE FOR PRIVACY NOTIFICATION			
UC Form I-9 (R1/92) 71443-300 EO355			
<small>WHITE - ACCOUNTING CANARY - RETAINED BY EMPLOYEE</small>			

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UNIVERSITY OF CALIFORNIA		UC Form I-9 (R1/92) 71443-300 EO355	
U.S. Department of Justice Immigration and Naturalization Service		OMB No. 1115-0136 Employment Eligibility Verification	
<b>INSTRUCTIONS</b> PLEASE READ ALL INSTRUCTIONS CAREFULLY BEFORE COMPLETING THIS FORM.			
<b>Anti-Discrimination Notice.</b> It is illegal to discriminate against any individual (other than an alien not authorized to work in the U.S.) in hiring, discharging, or recruiting or referring for a fee because of that individual's national origin or citizenship status. It is illegal to discriminate against work eligible individuals. Employers <b>CANNOT</b> specify which document(s) they will accept from an employee. The refusal to hire an individual because of a future expiration date may also constitute illegal discrimination.			
<b>Section 1 - Employee.</b> All employees, citizens and noncitizens, hired after November 6, 1986, must complete Section 1 of this form at the time of hire, which is the actual beginning of employment. The employer is responsible for ensuring that Section 1 is timely and properly completed.		<ul style="list-style-type: none"><li>• If an employee is rehired within three (3) years of the date this form was originally completed and the employee's work authorization has expired or if a current employee's work authorization is about to expire (reverification), complete Block B and:<ul style="list-style-type: none"><li>- examine any document that reflects that the employee is authorized to work in the U.S. (see List A or C),</li><li>- record the document title, document number and expiration date (if any) in Block C, and</li><li>- complete the signature block.</li></ul></li></ul>	
<b>Preparer/Translator Certification.</b> The Preparer/Translator Certification must be completed if Section 1 is prepared by a person other than the employee. A preparer/translator may be used only when the employee is unable to complete Section 1 on his/her own. However, the employee must still sign Section 1 personally.		<b>Photocopying and Retaining Form I-9.</b> A blank I-9 may be reproduced provided both sides are copied. The instructions must be available to all employees completing this form. Employers must retain completed I-9s for three (3) years after the date of hire or one (1) year after the date employment ends, whichever is later.	
<b>Section 2 - Employer.</b> For the purpose of completing this form, the term "employer" includes those recruiters and referrers for a fee who are agricultural associations, agricultural employers, or farm labor contractors.		<b>For more detailed information, you may refer to the INS Handbook for Employers, (Form M-274).</b> You may obtain the handbook at your local INS office.	
<b>Employers must complete Section 2 by examining evidence of identity and employment eligibility within three (3) business days of the date employment begins.</b> If employees are authorized to work, but are unable to present the required document(s) within three business days, they must present a receipt for the application of the document(s) within three business days and the actual document(s) within ninety (90) days. However, if employers hire individuals for a duration of less than three business days, Section 2 must be completed at the time employment begins. Employers must record: 1) document title; 2) issuing authority; 3) document number; 4) expiration date, if any; and 5) the date employment begins. Employers must sign and date the certification. Employees must present original documents. Employers may, but are not required to, photocopy the document(s) presented. These photocopies may only be used for the verification process and must be retained with the I-9. However, employers are still responsible for completing the I-9.		<b>Privacy Act Notice.</b> The authority for collecting this information is the Immigration Reform and Control Act of 1986, Pub. L. 99-603 (8 U.S.C. 1324a).	
<b>Section 3 - Updating and Reverification.</b> Employers must complete Section 3 when updating and/or reverifying the I-9. Employers must reverify employment eligibility of their employees on or before the expiration date recorded in Section 1. Employers <b>CANNOT</b> specify which document(s) they will accept from an employee.		<b>This information is for employers to verify the eligibility of individuals for employment to preclude the unlawful hiring, or recruiting or referring for a fee, of aliens who are not authorized to work in the United States.</b>	
<ul style="list-style-type: none"><li>• If an employee's name has changed at the time this form is being updated/reverified, complete Block A.</li><li>• If an employee is rehired within three (3) years of the date this form was originally completed and the employee is still eligible to be employed on the same basis as previously indicated on this form (updating), complete Block B and the signature block.</li></ul>		<b>This information will be used by employers as a record of their basis for determining eligibility of an employee to work in the United States.</b> The form will be kept by the employer and made available for inspection by officials of the U.S. Immigration and Naturalization Service, the Department of Labor, and the Office of Special Counsel for Immigration Related Unfair Employment Practices.	
		<b>Submission of the information required in this form is voluntary.</b> However, an individual may not begin employment unless this form is completed since employers are subject to civil or criminal penalties if they do not comply with the Immigration Reform and Control Act of 1986.	
		<b>Reporting Burden.</b> We try to create forms and instructions that are accurate, can be easily understood, and which impose the least possible burden on you to provide us with information. Often this is difficult because some immigration laws are very complex. Accordingly, the reporting burden for this collection of information is computed as follows: 1) learning about this form, 5 minutes; 2) completing the form, 5 minutes; and 3) assembling and filing (recordkeeping) the form, 5 minutes, for an average of 15 minutes per response. If you have comments regarding the accuracy of this burden estimate, or suggestions for making this form simpler, you can write to both the Immigration and Naturalization Service, 425 I Street, N.W., Room 5304, Washington, D. C. 20536, and the Office of Management and Budget, Paperwork Reduction Project, OMB No. 1115-0136, Washington, D.C. 20503.	
Form I-9 (Rev. 11-21-91) N			
EMPLOYERS MUST RETAIN COMPLETED I-9 PLEASE DO NOT MAIL COMPLETED I-9 TO INS			
UC Form I-9 (R1/92) 71443-300 EO355			

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## LISTS OF ACCEPTABLE DOCUMENTS

LIST A		LIST B		LIST C
Documents that Establish Both Identity and Employment Eligibility	OR	Documents that Establish Identity	AND	Documents that Establish Employment Eligibility
1. U.S. Passport (unexpired or expired)		1. Driver's license or ID card issued by a state or outlying possession of the United States provided it contains a photograph or information such as name, date of birth, sex, height, eye color, and address		1. U.S. social security card issued by the Social Security Administration (other than a card stating it is not valid for employment)
2. Certificate of U.S. Citizenship (INS Form N-560 or N-561)		2. ID card issued by federal, state, or local government agencies or entities provided it contains a photograph or information such as name, date of birth, sex, height, eye color, and address		2. Certification of Birth Abroad issued by the Department of State (Form FS-545 or Form DS-1350)
3. Certificate of Naturalization (INS Form N-550 or N-570)		3. School ID card with a photograph		3. Original or certified copy of a birth certificate issued by a state, county, municipal authority or outlying possession of the United States bearing an official seal
4. Unexpired foreign passport, with I-551 stamp or attached INS Form I-94 indicating unexpired employment authorization		4. Voter's registration card		4. Native American tribal document
5. Alien Registration Receipt Card with photograph (INS Form I-151 or I-551)		5. U.S. Military card or draft record		5. U.S. Citizen ID Card (INS Form I-197)
6. Unexpired Temporary Resident Card (INS Form I-688)		6. Military dependent's ID card		6. ID Card for use of Resident Citizen in the United States (INS Form I-179)
7. Unexpired Employment Authorization Card (INS Form I-688A)		7. U.S. Coast Guard Merchant Mariner Card		7. Unexpired employment authorization document issued by the INS (other than those listed under List A)
8. Unexpired Reentry Permit (INS Form I-327)		8. Native American tribal document		
9. Unexpired Refugee Travel Document (INS Form I-571)		9. Driver's license issued by a Canadian government authority		
10. Unexpired Employment Authorization Document issued by the INS which contains a photograph (INS Form I-688B)		For persons under age 18 who are unable to present a document listed above:		
		10. School record or report card		
		11. Clinic, doctor, or hospital record		
		12. Day-care or nursery school record		

Illustrations of many of these documents appear in Part 8 of the Handbook for Employers (M-274)

Form I-9 (Rev. 11-21-91) N



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University of California, San Diego STATEMENT OF CITIZENSHIP STATUS	
The following information is furnished for the purpose of determining U.S. Federal Income Tax withholding status as an employee of the University of California.	
Name _____	Employing Department _____
Citizen of _____	Resident of _____
I (am / am not) currently a legal permanent resident or citizen of the U.S.	
If I am not currently a legal permanent U.S. resident or citizen, I (do / do not) intend to apply for permanent U.S. residency or citizenship.	
Occupation prior to arrival in the U.S.: _____	
I (do / do not) intend to return to the same position after leaving the U.S.	
Purpose of entry into the U.S. _____	
Period of time anticipated to accomplish this purpose _____	
Date of arrival in the U.S. _____	Current employment authorization status (I-94) _____
Expiration date of employment authorization (I-94) _____ This authorization (is / is not) renewable.	
I hold the following degree(s): _____ I (am / am not) now a candidate for a degree.	
Enrollment as a student (is / is not) required as a condition of employment.	
I (have / have not) lived in the U.S. at another time prior to my current date of arrival in the U.S.	
If an income tax treaty exists between my country of permanent residence and the U.S., I (have / have not) previously claimed an income tax exemption under that treaty.	
Home address _____	Current _____
in country _____	home _____
of legal _____	address _____
residence _____	in the U.S. _____
I declare under the penalties of perjury that this statement, to the best of my knowledge and belief, is true and correct.	
Date _____	Signature _____
Tax Payer Identification Number _____ (U.S. Social Security Number)	
<b>STATE AND FEDERAL PRIVACY NOTIFICATION STATEMENTS</b>	
<b>STATE:</b> The State of California Information Practices Act of 1977 (effective July 1, 1978) requires the University to provide the following information to individuals being asked to supply personal information about themselves. 1) The principal purpose for requesting the information on this form is to determine tax liability as instructed by Federal and State agencies. 2) Furnishing all information on this form is mandatory—failure to provide such information will delay or may even prevent the payment for which the form is being filled out.	
<b>FEDERAL:</b> Pursuant to the Federal Privacy Act of 1974, you are hereby notified that disclosure of your social security number is mandatory. Disclosure of the social security number is required pursuant to Section 6011 and 6051 of Subtitle F of the Internal Revenue Code and pursuant to Regulation 4, Section 404.1256, Code of Federal Regulations, under Section 218, Title II of the Social Security act, as amended. The social security number is used to verify your identity. The principal uses of the number shall be to report payments and income taxes withheld to Federal and State governments.	
AT-1 (rev. 8/90)	

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## EXHIBIT C

<b>Form 8233</b> (Rev. October 1987) Department of the Treasury Internal Revenue Service	<b>Exemption From Withholding on Compensation for Independent Personal Services of a Nonresident Alien Individual</b>	OMB No. 1545-0795 Expires 8-31-90
This exemption is applicable for compensation for calendar year 19____ or other tax year beginning _____ 19____ and ending _____ 19____		
<b>Part I Nonresident Alien Individual</b> <i>(Students, teachers, and researchers: See Changes You Should Note below.)</i>		
Name _____		Taxpayer identification number _____ (see instructions)
Address (number and street) in the United States _____		United States visa number (if any) _____
City, state, and ZIP code _____		
<small>Citizens of Canada or Mexico complete either item 1 or item 2; all other filers complete items 1 and 2.</small>		
<b>1a Country issuing passport</b> _____ <b>b Passport number</b> _____		<b>2 Permanent foreign address</b> _____
<b>3 Compensation for independent personal services</b> <b>a Description</b> _____ _____ <b>b Amount (see instructions) \$</b> _____ <b>c If compensation is exempt from withholding because of a U.S. tax treaty, provide:</b> <b>(1) Tax treaty and provision under which you are claiming exemption from withholding</b> _____ <b>(2) Your country of residence</b> _____ <b>d Is your compensation otherwise exempt (or will it be otherwise exempt) from income tax during the tax year?</b> <input type="checkbox"/> Yes <input type="checkbox"/> No (If you checked "Yes," attach a statement explaining why.) <b>e Additional facts to justify the exemption from withholding</b> _____ _____ _____		
<b>4 Number of personal exemptions you are claiming:</b> _____ (see instructions)		<b>5 Number of days in the period during which independent personal services are to be performed in the United States:</b> _____
<small>Under penalties of perjury, I declare that I have examined this form and any accompanying statements, and, to the best of my knowledge and belief, they are true, correct, and complete. I also declare, under penalties of perjury, that I am not a citizen or resident of the United States.</small>		
Signature of nonresident alien individual ► _____		Date ► _____
<b>Part II Withholding Agent Certification</b>		
Name _____		Employer identification number _____
Address (number and street) _____ UNIVERSITY OF CALIFORNIA, SAN DIEGO ACCOUNTING OFFICE/PAYROLL DIVISION 0952, LA JOLLA, CA - 92093-0952		
City, state, and ZIP code _____		Telephone number _____ ( ) _____
<small>Under penalties of perjury, I certify that I have examined this form and any accompanying statements, that I am satisfied that an exemption from withholding is warranted, and that I do not know or have reason to know that the nonresident alien individual's compensation is not entitled to the exemption or that the eligibility of the nonresident alien's compensation for the exemption cannot be readily determined.</small>		
Signature of withholding agent ► _____		Date ► _____
<b>General Instructions</b> (Section references are to the Internal Revenue Code unless otherwise indicated.) <b>Paperwork Reduction Act Notice.</b> —We ask for this information to carry out the Internal Revenue laws of the United States. We need it to ensure that taxpayers are complying with these laws and to allow us to figure and collect the right amount of tax. If you want to receive exemption from withholding on compensation		
for independent personal services, you are required to give us this information. <b>Changes You Should Note</b> • Withholding agents will now attach all Forms 8233 to the Form 1042, Annual Withholding Tax Return for U.S. Source Income of Foreign Persons, that they file with the IRS. Previously, Form 8233 was attached to Form 1042S, Foreign Person's U.S. Source Income Subject to Withholding. • Form 8233 should be used by nonresident alien students, teachers, and researchers to claim exemption from withholding on compensation for services that is exempt from taxation under a U.S. tax treaty. Students must provide the information required by Revenue Procedure 87-8, 1987-2 I.R.B. 8. Teachers and researchers must provide the information required by Revenue Procedure 87-9, 1987-2 I.R.B. 10. All these individuals		



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must also provide the information required by Form 8233, disregarding references to independent personal services, and then submit the form to their withholding agent.

**Purpose of Form.**—In general, section 1441 requires that 30% of amounts paid to a nonresident alien individual as compensation for independent personal services (i.e., services performed where there is no employer-employee relationship) be withheld by the person paying the amount (the withholding agent) to the individual. This form is used by nonresident alien individuals to claim exemption from withholding on compensation for independent personal services (under section 1441 and its regulations) if the exemption is based on a U.S. tax treaty or on the personal exemption amount. The form is completed by the nonresident alien individual claiming exemption and presented to the withholding agent for review. If the withholding agent accepts Form 8233, the withholding agent so certifies on the same form and forwards it to the Director, Office of Compliance, Assistant Commissioner (International), at the address shown on this page. An accepted Form 8233 is effective only for the tax year shown on the form. Do not use Form 8233 if you have an office in the United States regularly available to you for performing personal services. If you have an office in the United States regularly available to you, contact the Director, Office of Compliance, Assistant Commissioner (International), for more information.

### Definitions

**Nonresident Alien Individual.**—Any individual who is not a resident or citizen of the United States is a nonresident alien individual. The term also includes a nonresident alien fiduciary. An alien individual meeting either the "green card test" or the "substantial presence test" for the calendar year is a resident. Those not meeting either test are nonresident alien individuals. *Note: Nonresident alien individuals married to U.S. citizens or resident aliens may choose to be treated as resident aliens for income tax purposes (e.g., for purposes of filing a joint income tax return). However, these individuals are considered nonresidents for purposes of withholding taxes on nonresident aliens.* For further information on resident and nonresident alien status, the tests for residence, and the exceptions to them, see Publication 519, U.S. Tax Guide for Aliens, available from the IRS.

**Nonresident Alien Fiduciary.**—A nonresident alien fiduciary is a nonresident alien guardian, trustee, executor, administrator, receiver, conservator, or other person acting in any fiduciary capacity for any person. However, a nonresident alien fiduciary is not a nominee.

**Compensation for Independent Personal Services.**—Independent personal services are personal services performed in the United States by an independent nonresident alien contractor, rather than by a nonresident alien employee. Included in compensation are payments for professional services, such as fees of an attorney, physician, or accountant made directly to the person performing the services, consulting fees, and payments for performances by public entertainers, such as artists, actors, musicians, and athletes. For further information, see Publication 515, Withholding of Tax on Nonresident Aliens and Foreign Corporations, available from the IRS.

**Withholding Agent.**—Any person required to withhold tax on payments made to a nonresident alien individual is a withholding agent. Generally, the person who pays or conveys the item of U.S. source income to the nonresident alien individual (or to his or her agent) is liable for the tax and must withhold. The withholding agent may be an individual, corporation, partnership, trust, association, or any other entity. For further information, see Publication 515.

### Specific Instructions

#### Part I

**Taxpayer identification number.**—Nonresident alien individuals (other than nonresident alien fiduciaries) must enter their social security number. If you have applied for one but have not yet received it, enter "Applied For" and the date you applied in the space provided. If you do not have a social security number, apply for one using Form SS-5, Application for a Social Security Number Card, and enter "Applied For" and the date you applied in the space provided. When the number is received, promptly give it to the withholding agent. If you are a nonresident alien fiduciary, enter your employer identification number.

**Items 1 and 2.**—All filers must complete items 1 and 2, except citizens of Canada or Mexico, who can complete either item 1 or item 2.

**Item 3a.**—Describe the independent personal services for which the compensation is being (or will be) received, and describe the manner of compensation (e.g., lump sum, monthly payments, etc.).

**Item 3b.**—Enter the amount of compensation for independent personal services you will be receiving during the tax year to which this Form 8233 applies. Enter an estimated amount if the exact amount is not known.

**Item 3d.**—If the exemption from income tax withholding is (or will be) based on other than a U.S. tax treaty (e.g., the personal exemption amount), explain this in an attached statement.

**Item 4.**—For determining the amount of compensation exempt from 30% withholding because of the personal exemption amount, one personal exemption is allowed a nonresident alien individual who is not a resident of Canada or Mexico, or is not a U.S. national during the tax year. However, a nonresident alien individual covered by a U.S. tax treaty with his or her country may be entitled to exemptions for a spouse and dependents under certain circumstances. See the applicable tax treaty for further information. A nonresident alien individual who is a resident of Canada or Mexico or is a U.S. national is generally allowed the same personal exemptions as a U.S. citizen or resident. (For further information, see Publication 519.) Each allowable exemption must be prorated according to the number of days in the period during which the personal services are to be performed in the United States (item 5 on Form 8233). To figure the daily proration amount for each allowable exemption, divide the personal exemption amount (for example, \$1,950 if the individual's tax year begins in 1988) by 365 (366 for a leap year). Round off the result to the nearest cent. *Note: The personal exemption amount for any year can be obtained from the IRS.*

**Signature.**—The nonresident alien individual, or his or her legally authorized representative, must sign and date Form 8233 in the appropriate place.

#### Part II

**Withholding Agent's Responsibilities Regarding Form 8233.**—When you are presented Form 8233 by the nonresident alien individual, review it to see if you are satisfied that the exemption from withholding is warranted. If, based on the facts presented, you are satisfied, accept Form 8233 by making a certification, under penalties of perjury:

- That you have examined Form 8233 and any accompanying statements;
- That you are satisfied that an exemption from withholding is warranted; and
- That you do not know or have reason to know that the nonresident alien individual's compensation is not entitled to exemption or that the eligibility of the nonresident alien individual's compensation for the exemption cannot be readily determined.

Forward Form 8233 and any attachments within 5 days of your acceptance to:

Assistant Commissioner (International)  
Director, Office of Compliance  
IN-C:62  
Internal Revenue Service  
950 L'Enfant Plaza South, S.W.  
Washington, DC 20024

Give the nonresident alien individual a copy of Form 8233, and attach a copy of Form 8233 to the Form 1042 that you file with the IRS. Keep a copy of Form 8233 for your records.

*Note: The copies of Form 8233 must also include any attachments submitted by the nonresident alien individual originally.*

The exemption from withholding becomes effective for payments made at least 10 days after you have mailed Form 8233 to the IRS. (See the instructions for Part I, item 4, for information on amounts exempt from withholding because of the personal exemption amount.)

You must not accept Form 8233 if either of the following applies:

- If you know or have reason to know that any of the facts or statements on Form 8233 may be false; or
- You know or have reason to know that the eligibility of the nonresident alien individual's compensation for the exemption cannot be readily determined (e.g., if you know or have reason to know that a nonresident alien individual has an office in the United States regularly available for performing personal services).

If you accept Form 8233 and subsequently find that either of the situations described immediately above applies, you must promptly notify the Director, Office of Compliance, Assistant Commissioner (International), in writing, and you must withhold on any amounts not yet paid. If you are notified by that office that the eligibility for the exemption of the nonresident alien individual's compensation is in doubt or that the compensation is ineligible for the exemption, you must withhold. See Regulations section 1.1441-4(b)(2)(iii) for examples illustrating these rules.

**Signature.**—The withholding agent, or a duly authorized agent of the withholding agent, must sign and date Form 8233 in the appropriate place. (See Regulations section 1.1441-7(b) for further information regarding duly authorized agents.)

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## EXHIBIT D

<b>Form 1078</b> (Rev. Nov. 1981) Department of the Treasury Internal Revenue Service		<b>Certificate of Alien Claiming Residence in the United States</b> (This certificate has no effect on citizenship)	
Your name		Your social security number	
Address (Number and street or rural route)		Your occupation	
City, town or post office, State, and ZIP code		Date of employment	
Name and address (including ZIP code) of withholding agent		Employer identification number	
Under the penalties of perjury, I declare that I am a citizen or subject of _____; that I was admitted to the United States on or about _____, under a _____ visa or permit; that I have established residence in the United States; and I understand that my income derived from all sources, including sources without the United States, will be subject to tax under the Internal Revenue laws applicable to residents of the United States until such time as I may abandon my residence in the United States.			
Date _____, 19____		Your signature _____	

(back)

<b>Instructions</b>	
<p><b>Who must file this form?</b>—A resident alien must file the original and one copy of this certificate with the withholding agent to claim the benefit of U.S. residence for income tax purposes. (A withholding agent is responsible for withholding tax from your income.)</p> <p>The withholding agent keeps the original certificate and sends the duplicate to the Internal Revenue Service Center, Philadelphia, PA 19255.</p> <p><b>Taxation of aliens.</b>—If you are a resident alien, you must report income on Form 1040 or Form 1040A in the same manner as U.S. citizens.</p> <p>If you are a nonresident alien, you must report income on Form 1040NR. Your income, regardless of source, that is effectively connected with the conduct of a United States trade or business is taxed at the same rates as income of U.S. citizens. Your income derived from sources within the United States that is not effectively connected with the conduct of a U.S. trade or business is taxed at a flat 30% or lower treaty rate.</p> <p>If you are a nonresident alien married to a U.S. citizen or resident at the end of the year, you may choose to be treated as a U.S. resident for most income tax purposes.</p> <p><b>Who is a resident?</b>—You are a resident of the United States for income tax purposes if you are actually present in the United States and are not</p>	<p>merely a transient or sojourner. Your status as a transient depends on your intentions regarding the length and nature of your stay. You are not considered a transient just because of a general, indefinite intention to return to another country. If you live in the United States and have no definite intention as to your stay, you are a resident.</p> <p>You are considered a transient if you come to the United States for a definite purpose that may be promptly accomplished. But you become a resident if you make your home temporarily in the United States because your purpose is such that you must extend your stay to accomplish it. This applies even if it is always your intention to return to another country when you have accomplished or abandoned your purpose for coming to the United States.</p> <p>Except in exceptional circumstances, you are not considered a resident of the United States if your stay is limited to a definite period by the immigration laws.</p> <p><b>Social security number.</b>—Enter the number as shown on your social security card. If you do not have a social security number, you can apply for one by filling out Form SS-5. You can get a copy of the form from a Social Security office.</p>



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Issuing Office: [General Accounting Division](#)**EXHIBIT E**

University of California, San Diego Accounting Office/Payroll Division	
WITHHOLDING TAX STATUS	
Date _____	
To: _____	
The information that you furnished this office has been reviewed and your Federal withholding tax status at the University of California will be in accordance with the statement check below for the period from _____, 19__ to _____, 19__ (not to exceed one calendar year.)	
<input type="checkbox"/>	You are a nonresident alien and compensation paid to you is subject to Federal income tax withholding at the same rate as a single United States citizen with one personal exemption.
<input type="checkbox"/>	You are a nonresident alien who is a resident of Canada, Mexico, Japan, or Korea(South). You meet the conditions to qualify for Federal income tax withholding on the same basis as United States citizens. This means you are subject to regular graduated tax withholding and may claim allowable personal exemptions for dependents (within limitations for Japanese and Korean residents.)
<input type="checkbox"/>	You are entitled to benefits under Article _____ of the Income Tax Convention between the United States and _____. All or part of the compensation paid to you will be exempt from Federal income tax withholding. According to the Article your exemption is projected to expire on _____. <b>Important:</b> Upon this expiration you must notify the Payroll Office immediately, so that the proper income tax withholding can be established.
<input type="checkbox"/>	You are a U.S. permanent resident or a nonresident alien who has qualified for resident alien tax status under the terms of the Substantial Presence Test, and compensation paid to you is subject to withholding of Federal Income tax at the same rates applied to citizens of the United States.
Regardless of your Federal income tax status, you are subject to California State tax on all income earned in this state. State income tax will be withheld according to what you have indicated on the W-4 form.	
Please note that you are required to file Federal and State income tax returns regardless of your tax withholding status. The Government Documents Department of the Central University Library has information about filing tax returns, including copies of many Federal and State forms which you may photocopy for your use.	
If you have any questions about the information on this form, you may contact the Payroll Division, telephone: 534-0291.	
cc:	Employing Department OGSR
AT-2 (rev. 8/90)	



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Issuing Office: [General Accounting Division](#)**EXHIBIT F**

CALENDAR YEAR <b>19</b>	<b>Certificate of California Residence</b>	CALIFORNIA FORM <b>590</b>
<small>► For Privacy Act Notice, see Form FTB 1131. To provide certification of residence to payer for this calendar year only.</small>		
Type or Print Full Name of Payee		Social Security Number
Home Address		Area Code Telephone Number
City		California, Zip Code
<input type="checkbox"/> Married <input type="checkbox"/> Single		Number of exemptions claimed on Federal Form W-4
<b>PAYER</b> — Keep a copy of this certificate with your records. Forward the original on or before the engagement to Withholding All Source, P.O. Box 1673, Sacramento, CA 95808-1673. Telephone (916) 369-4900. Payees must complete a new Form 590 certificate annually. If the payee becomes a nonresident at any time, tax must be withheld at source and Form 591 must be completed.		
To _____ <small>Employer</small>		
I hereby declare, under penalty of perjury, that I am a resident of the State of California, and that I reside at the address shown above. Should I become a nonresident at any time, I will promptly inform you of that fact.		
Signature _____		Date _____
<b>Form 590 1987 Side 1</b>		

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The term "resident" includes every individual who is in California for other than a temporary or transitory purpose. Generally, an individual who comes to California for a purpose which will require a long or indefinite period will be considered a resident. However, an individual who comes to California to perform a particular contract of a short duration generally will be considered a nonresident. For assistance in determining residence status, call the toll-free telephone number for your area.

TELEPHONE ASSISTANCE		
Southern California (Area Codes 213, 619, 714, 805, 818) (800) 852-5711	Northern California (Area Codes 209, 408, 415, 707, 916) (800) 852-7050	Sacramento Metropolitan Area and Out of State *(916) 369-0500
For hearing impaired with TDD (800) 822-6268 <small>*If this is a toll call from your Sacramento location, call (800) 852-7050.</small>		

**Side 2 Form 590 1987**

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Issuing Office: [General Accounting Division](#)**EXHIBIT G**

<u>CALENDAR YEAR</u>	<b>Certificate of</b>	<u>CALIFORNIA FORM</u>
19 _____	<b>Non California Residence</b>	591A
For Report of Tax Withheld at Source From Payments to Nonresidents		
Recipient: _____		Social Security Number: _____
First Name _____	Initial _____	Last Name _____
Date Entered California: _____		Intended Length of Stay: _____
Permanent Out-of-State Residence Address:		
_____		
Street		
_____		
City	State	Zip
_____		
Country (if not U.S.A.)		
I hereby certify that my permanent residence is as shown above.		
_____		
Signature		
<p><b>Recipient Please Note:</b> The signing of this certificate and the withholding of State income tax do not relieve you from the liability to file an individual income tax return, Form 540NR, within three months and fifteen days after the close of the taxable year.</p> <p>Failure to file a tax return on time may result in the assessment of a penalty as provided by law, if the amount withheld is not sufficient to satisfy your tax liability, or California income exceeds the amounts prescribed by law for filing a return.</p>		
<b>PRIVACY NOTIFICATION</b>		
<p>The Information Practices Act of 1977 and the Federal Privacy Act require this department to provide the following to individuals who are asked by the Operations Division of the Franchise Tax Board to supply information:</p> <p>The principal purpose for requesting tax return information is to administer the personal income tax law of the State of California. This includes the determination and collection of the correct amount of tax.</p> <p>The California Revenue and Taxation Code requires every individual taxable under Part 10 (Personal Income Tax) meeting the income requirements to file a return or statement in such form as prescribed by the Franchise Tax Board (Sections 18401 and 18431 and the regulations pertaining thereto). Individuals filing tax returns, statements, or other documents are required to include their social security numbers for proper identification and return processing (Section 18431 and the regulations pertaining thereto).</p> <p>It is mandatory to furnish all the appropriate information requested by the return forms and related data where a return or statement is required to be filed. The law provides penalties for failure to file a return, failure to supply information required by law or regulations, failure to furnish specific information required on return forms, or for furnishing fraudulent information. Failure to provide all or part of the requested information may also result in disallowance of claimed exemptions, exclusions, credits, deductions, or adjustments which may result in increased tax liability, loss or delay in issuance of a refund for overpayment, interest and penalty charges on unpaid taxes, and other sanctions against the taxpayer.</p> <p>As authorized by law, information furnished on this form may be given to the United States Internal Revenue Service, the proper official of any state imposing an income tax or a tax measured by income, the Multistate Tax Commission, and to the following government agencies and officials of the State: Attorney General, Auditor General, Board of Control, Board of Equalization, California Parent Locator Service, county welfare departments and probation officer, Department of Finance, Department of Social Services, District Attorneys, Employment Development Department, Legislative Analyst, Legislative Committees, local tax administrators, Office of the State Controller and the Registry of Charitable Trusts.</p> <p>For the purpose of collecting the amount due from individuals with outstanding tax liabilities, the total amount due may be disclosed to: employers, financial institutions, County Recorder, vacation trust funds, process agents, and other payers.</p> <p>An individual has a right of access to records containing his/her personal information that are maintained by the Franchise Tax Board. The official responsible for maintaining the information is: Director, Taxpayer Services, Franchise Tax Board, Sacramento California 95807, Telephone (916) 355-0370.</p>		

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Issuing Office: [General Accounting Division](#)**EXHIBIT H**

University of California, San Diego Accounting Office/Payroll Division		
PROVISIONAL TAX STATEMENT - WORKSHEET		
Employee's Name _____	Department _____	
Date leaving San Diego Campus _____	Date leaving the U.S. _____	
Type of statement required (check one):		
<input type="checkbox"/> Resident Alien		
<input type="checkbox"/> Nonresident Alien who is leaving the U.S. temporarily, and who is expected to return during the current taxable year.		
<input type="checkbox"/> Nonresident Alien who is terminating employment with the University, who is leaving the U.S. within 30 days following his termination date, and who is not expected to return during the current taxable year.		
If the alien is terminating, please complete the following:		
Final Period's earnings: From: _____	To: _____	
Time: _____ (hrs. or %)	X _____ (pay rate)	= _____ (gross) (must agree with hours to be reported on final PTR, if appropriate)
Terminal vacation to be paid:		
_____ (hours)	X _____ (hourly rate)	= _____ (gross) (must agree with hours indicated on Separation form, if appropriate)
I certify that there will be no additions or changes to the earnings reported: _____ (Department Chairman)		
(If the employee is paid by two departments, both department chairmen must certify) _____		
-----		
FOR ACCOUNTING OFFICE USE ONLY:	Taxable Gross	Federal Tax W/H
YTD data from Record of Earnings:	_____	_____
Additional recent pay data not already incorporated into Record of Earnings	_____	_____
Final payment calculated above:	_____	_____
Terminal Vacation payoff:	_____	_____
Other:	_____	_____
Total:	=====	=====
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Issuing Office: [General Accounting Division](#)**EXHIBIT I**

University of California, San Diego  
Accounting Office/Payroll Division

**PROVISIONAL TAX STATEMENT INSTRUCTIONS**

In accordance with your request, you will find enclosed a provisional tax statement covering payments made to you from January 1 of the current year to the date of your departure.

Before your departure from the United States you must file Form 1040C, *U.S. Departing Alien Income Tax Return*. Upon successful completion of this process you will be issued a *Certificate of Compliance*, otherwise known as the "Sailing Permit" or "Tax Clearance," which you must possess in order to legally exit the United States.

You must obtain your tax clearance from the Internal Revenue Service. It will be necessary that you appear in person at the address shown below during the hours indicated. The office is open Monday through Friday, except for holidays.

A separate clearance is needed for each departing alien. If both husband and wife are aliens and leaving the country, both must appear even though joint tax returns are filed.

We suggest that you get your "Sailing Permit" at least two weeks before departure, but not earlier than 30 days before departure. Do not wait until the last minute as there may be some unexpected problems to settle.

Obtaining your "Sailing Permit" will be made easier if you take to the Internal Revenue Office papers and documents related to your income and stay in the United States. The following is a list of some of these papers and documents:

1. A valid passport with your Alien Registration Card or visa.
2. Copies of your U.S. income tax returns filed for the past 2 years. (if you were in the United States for less than 2 years, bring copies of the income tax returns you filed in that period.)
3. Receipts for income taxes paid on these returns.
4. Receipts, bank records, cancelled checks and other documents that prove your deductions, business expenses, and dependents claimed on the returns.
5. A statement (your enclosed provisional tax statement) from each employer you worked for this year, showing wages paid and tax withheld. If you are self-employed (i.e. received honorarium payment(s) from outside UCSD), you must bring a statement of income and expenses up to the date you plan to leave.
6. Proof of any payments of estimated tax for the past year, as well as the current year.
7. Documents showing any gain or loss from the sale of personal property, including capital assets and merchandise.
8. Documents concerning scholarships or fellowship grants --
  - a) Copies of the application for, and approval of, the grant,
  - b) Statement of the amount paid, and the duties and obligations under the grant, and
  - c) List of any previous grants.
9. Documents indicating qualification for special tax treaty benefits.

IRS Address: 880 Front Street  
San Diego, CA

9:00 AM to 4:30 PM  
Office Hours

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***SUPPLEMENT I***

**COMPENSATION FOR PERSONAL SERVICES PERFORMED IN THE UNITED STATES  
EXEMPT FROM WITHHOLDING AND U.S. INCOME TAX UNDER INCOME TAX TREATIES**

This supplement is reproduced from Internal Revenue Service Publication 901, U.S. Tax Treaties which categorically summarizes tax treaty highlights in alphabetical order by country. Note that income which is exempt for one treaty country may not be exempt for another treaty country. There are subtle phrases in some treaties which may exclude an exemption where at first glance it might have been granted. The Accounting Office/Payroll Division reserves the right to make the final determination to award tax exempt status under a treaty.

There are several footnote references throughout these pages. The footnotes are contained on the last page of this appendix.



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Table 2. Compensation for Personal Services Performed in United States Exempt from U.S. Income Tax Under Income Tax Treaties

Country (1)	Code <sup>a</sup> (2)	Category of Personal Services Purpose (3)	Maximum Presence in U.S. (4)	Required Employer or Payer (5)	Maximum Amount of Compensation (6)	Treaty Article Citation (7)
Australia	16	Independent personal services <sup>22</sup>	183 days	Any contractor	No limit	14
	20	Public entertainment	183 days	Any contractor	\$10,000	17
	17	Dependent personal services <sup>23</sup>	183 days	Any foreign resident	No limit	15
	20	Public entertainment <sup>24</sup>	183 days	Any foreign resident	\$10,000	17
	19	Studying and training: Remittances or allowances	No limit	Any foreign resident	No limit	20
Austria	15	Scholarship or fellowship grant <sup>25</sup>	No limit	Any U.S. or foreign resident <sup>a</sup>	No limit	XIII(3)
	16	Independent personal services	183 days	Austrian resident contractor	No limit	X
	17	Dependent personal services	183 days	Other foreign or U.S. resident contractor	\$3,000	X
	18	Teaching	183 days	Austrian resident	No limit	X
	19	Studying and training: Remittances or allowances Compensation while gaining experience <sup>26</sup>	2 years	Other foreign or U.S. resident U.S. educational institution	\$3,000 No limit	X XII
Barbados	16	Independent personal services <sup>27,28</sup>	89 days	Any foreign contractor	No limit	14
	20	Public entertainment	89 days	Any U.S. contractor	\$5,000	14
	17	Dependent personal services <sup>29,30</sup>	No limit	Any contractor	\$250 per day or \$4,000 p.a. <sup>a</sup>	17
	20	Public entertainment	183 days	Any foreign resident	\$5,000	15
	19	Studying and training: Remittances or allowances <sup>31</sup>	No limit	Any U.S. or foreign resident	\$250 per day or \$4,000 p.a. <sup>a</sup>	17
Belgium	15	Scholarship or fellowship grant <sup>25</sup>	No limit	Any foreign resident	No limit	20
	16	Independent personal services <sup>22</sup>	5 years	Any U.S. or foreign resident <sup>a</sup>	No limit	21(1)
	20	Public entertainment	182 days	Any contractor	No limit	14(2)(a)(b)
	17	Dependent personal services	90 days	Any contractor	\$3,000	14(2)(c)
	18	Teaching <sup>32</sup>	182 days	Belgian resident	No limit	15
Belgium	19	Studying and training: Remittances or allowances Compensation during training	2 years	U.S. educational institution	No limit	20
		Compensation while gaining experience <sup>33</sup>	5 years	Any foreign resident	No limit	21(1)
		Compensation under U.S. Government program	5 years	U.S. resident	\$2,000 p.a.	21(1)
			12 consec. mo.	Belgian resident	\$5,000	21(2)(b)
			12 consec. mo.	Belgian resident	\$5,000	21(2)(a)
Canada	16	Independent personal services <sup>22</sup>	1 year	U.S. Government or its contractor	\$10,000	21(3)
	17	Dependent personal services	No limit	Any contractor	No limit <sup>34</sup>	XIV
			No limit	Any U.S. or foreign resident	\$10,000	XV
			183 days	Any foreign resident <sup>35</sup>	No limit <sup>36</sup>	XV
	19	Studying and training: Remittances or allowances <sup>37</sup>	No limit	Any foreign resident	No limit	XX
China, People's Rep. of	15	Scholarship or fellowship grant <sup>25</sup>	No specific limit	Any U.S. or foreign resident <sup>a</sup>	No limit	20(b)
	16	Independent personal services <sup>22</sup>	183 days	Any contractor	No limit	13
	20	Public entertainment <sup>24</sup>	No limit	Any contractor	No limit	16
	17	Dependent personal services <sup>23,38</sup>	183 days	Any foreign resident	No limit	14
	20	Public entertainment <sup>24</sup>	No limit	Any U.S. or foreign resident	No limit	16
China, People's Rep. of	18	Teaching or research	3 years	U.S. educational or research institute	No limit	19
	19	Studying and training: Remittances or allowances Compensation during training or while gaining experience	No specific limit	Any foreign resident	No limit	20(a)
			No specific limit	Any U.S. or foreign resident	\$5,000 p.a.	20(c)



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Table 2. (Continued)

Country (1)	Code (2)	Category of Personal Services	Maximum Presence in U.S. (4)	Required Employer or Payer (5)	Maximum Amount of Compensation (6)	Treaty Article Citation (7)
		Purpose (3)				
Commonwealth of Independent States	15	Scholarship or fellowship grant .....	5 years .....	Any U.S. or foreign resident .....	\$9,999.99 p.a. ....	VI(1)
	16	Independent personal services .....	183 days .....	Any U.S. or foreign contractor .....	No limit .....	VI(2)
	17	Dependent personal services .....	183 days .....	Any U.S. or foreign resident .....	No limit .....	VI(2)
	18	Teaching <sup>14</sup> .....	2 years .....	U.S. educational or scientific institution .....	No limit .....	VI(1)
	19	Studying and training: Remittances or allowances .....	5 years .....	Any U.S. or foreign resident .....	\$10,000 p.a. ....	VI(1)
		Compensation while gaining experience .....	1 year .....	C.I.S. resident .....	No limit <sup>14</sup> .....	VI(1)
		Compensation under U.S. Government program .....	1 year .....	Any U.S. or foreign resident .....	No limit .....	VI(1)
Cyprus	15	Scholarship or fellowship grant <sup>14</sup> .....	Generally, 5 years .....	Any U.S. or foreign resident <sup>1</sup> .....	No limit .....	21(1)
	16	Independent personal services <sup>19</sup> .....	182 days .....	Any contractor .....	No limit .....	17
	20	Public entertainment .....	No limit .....	Any contractor .....	\$500 per day or \$5,000 p.a. <sup>4</sup> .....	19(1)
	17	Dependent personal services <sup>14</sup> .....	182 days .....	Any foreign resident .....	No limit .....	18
		Directors' fees .....	No limit .....	U.S. corporation .....	No limit <sup>19</sup> .....	20
	20	Public entertainment .....	No limit .....	Any U.S. or foreign resident .....	\$500 per day or \$5,000 p.a. <sup>4</sup> .....	19(1)
	19	Studying and training: Remittances or allowances .....	Generally, 5 years .....	Any foreign resident .....	No limit .....	21(1)
		Compensation during training .....	Generally, 5 years .....	Any U.S. or foreign resident .....	\$2,000 p.a. ....	21(1)
		Compensation while gaining experience <sup>4</sup> .....	1 year .....	Cyprus resident .....	\$7,500 .....	21(2)
		Compensation under U.S. Government program .....	1 year .....	U.S. Government or its contractor .....	\$10,000 .....	21(3)
Denmark	16	Independent personal services .....	180 days .....	Danish resident contractor .....	No limit .....	XI
			90 days .....	Other foreign or U.S. resident contractor .....	\$3,000 .....	XI
	17	Dependent personal services .....	180 days .....	Danish resident .....	No limit .....	XI
			90 days .....	Other foreign or U.S. resident .....	\$3,000 .....	XI
	18	Teaching .....	2 years .....	U.S. educational institution .....	No limit .....	XIV
Egypt	19	Studying and training: Remittances or allowances .....	No limit .....	Any foreign resident .....	No limit .....	XIII
	15	Scholarship or fellowship grant <sup>14</sup> .....	5 years .....	Any U.S. or foreign resident .....	No limit .....	23(1)
	16	Independent personal services .....	89 days .....	Any contractor .....	No limit .....	15
	20	Public entertainment .....	No limit .....	Any contractor .....	\$400 per day .....	17
	17	Dependent personal services <sup>14,15</sup> .....	89 days .....	Egyptian resident .....	No limit .....	16
	20	Public entertainment .....	No limit .....	Any U.S. or foreign resident .....	\$400 per day .....	17
	18	Teaching <sup>4</sup> .....	2 years .....	U.S. educational institution .....	No limit .....	22
	19	Studying and training: Remittances or allowances .....	5 years .....	Any foreign resident .....	No limit .....	23(1)
		Compensation during training .....	5 years .....	U.S. or any foreign resident .....	\$3,000 p.a. ....	23(1)
		Compensation while gaining experience .....	12 consec. mo. .....	Egyptian resident .....	\$7,500 .....	23(2)
		Compensation under U.S. Government program .....	1 year .....	U.S. Government or its contractor .....	\$10,000 .....	23(3)

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Table 2. (Continued)

Country (1)	Code (2)	Category of Personal Services Purpose (3)	Maximum Presence In U.S. (4)	Required Employer or Payer (5)	Maximum Amount of Compensation (6)	Treaty Article Citation (7)
Finland	16	Independent personal services <sup>27</sup>	no limit	Any contractor	No limit	14
	20	Public entertainment	no limit	Any contractor	\$20,000 p.a. <sup>28</sup>	17
	17	Dependent personal services <sup>19</sup>	183 days	Any foreign resident	No limit	15
	20	Public entertainment	no limit	Any U.S. or foreign resident	\$20,000 p.a. <sup>28</sup>	17
	19	Studying and training: Remittances or allowances <sup>19</sup>	no limit	Any foreign resident	No limit	20
France	15	Scholarship or fellowship grant <sup>24</sup>	5 years	Any U.S. or foreign resident <sup>18</sup>	No limit	18(1)
	16	Independent personal services <sup>27</sup>	183 days	Any contractor	No limit <sup>12</sup>	14
	17	Dependent personal services <sup>19</sup>	183 days	Any foreign resident	No limit <sup>12</sup>	15
	18	Teaching <sup>4</sup>	2 years	U.S. educational or research institution	No limit	17
	19	Studying and training: Remittances or allowances	5 years	Any foreign resident	No limit	18(1)
		Compensation during training	5 years	U.S. resident	\$2,000 p.a.	18(1)
		Compensation while gaining experience	1 year	French resident	\$5,000	18(2)
Germany	15	Scholarship or fellowship grant	No limit	Any U.S. or foreign resident <sup>18</sup>	No limit	20(3)
	16	Independent personal services <sup>1,22</sup>	No limit	Any contractor	No limit	14
	20	Public entertainment <sup>22</sup>	No limit	Any contractor	\$20,000 p.a. <sup>28</sup>	17
	17	Dependent personal services <sup>1,13</sup>	183 days	Any foreign resident	No limit	15
	20	Public entertainment <sup>13</sup>	183 days	Any foreign resident	\$20,000 p.a. <sup>28</sup>	17
	18	Teaching <sup>4</sup>	2 years	U.S. educational or research institution	No limit	20(1)
	19	Studying and training: Remittances or allowances	No limit	Any foreign resident	No limit	20(2)
Greece	16	Independent personal services	183 days	Greek resident contractor	No limit	X
			183 days	Other foreign or U.S. resident contractor	\$10,000	X
	17	Dependent personal services	183 days	Greek resident	No limit	X
			183 days	Other foreign or U.S. resident	\$10,000	X
	18	Teaching	3 years	U.S. educational institution	No limit	XII
Hungary	19	Studying and training: Remittances or allowances <sup>19</sup>	No limit	Any foreign resident	No limit	XIII
	16	Independent personal services <sup>27</sup>	183 days	Any contractor	No limit	13
	17	Dependent personal services <sup>19</sup>	183 days	Any foreign resident	No limit	14
	18	Teaching <sup>4</sup>	2 years	U.S. educational institution	No limit	17
	19	Studying and training: Remittances or allowances <sup>19</sup>	No limit	Any foreign resident	No limit	18(1)

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		Purpose (3)				
Iceland	15	Scholarship or fellowship grant <sup>24</sup>	5 years	Any U.S. or foreign resident <sup>4</sup>	No limit	22(1)
	16	Independent personal services <sup>25</sup>	182 days	Any contractor	No limit	18
	20	Public entertainment	90 days	Any contractor	\$100 per day	18
	17	Dependent personal services <sup>13</sup>	182 days	Iceland resident <sup>4</sup>	No limit	19
	18	Teaching <sup>4</sup>	2 years	U.S. educational institution	No limit	21
	19	Studying and training:				
		Remittances or allowances	5 years	Any foreign resident	No limit	22(1)
		Compensation during training	5 years	U.S. or any foreign resident	\$2,000 p.a.	22(1)
		Compensation while gaining experience	12 consec. mo.	Iceland resident	\$5,000	22(2)
		Compensation under U.S. Government program	1 year	U.S. Government or its contractor	\$10,000	22(3)
India	16	Independent personal services <sup>7,27</sup>	89 days	Any contractor	No limit	15
	20	Public entertainment <sup>28</sup>	89 days	Any contractor	\$1,500 p.a. <sup>28</sup>	18
	17	Dependent personal services <sup>15</sup>	183 days	Any foreign resident	No limit	16
	20	Public entertainment <sup>15</sup>	183 days	Any foreign resident	\$1,500 p.a. <sup>28</sup>	18
	18	Teaching <sup>4</sup>	2 years	U.S. educational institution	no limit	22
	19	Studying and training:				
Indonesia		Remittances or allowances	no limit	Any foreign resident <sup>27</sup>	No limit	21(1)
	15	Scholarship or fellowship grant <sup>24</sup>	5 years	Any U.S. or foreign resident <sup>4</sup>	No limit	19(1)
	16	Independent personal services <sup>28</sup>	119 days	Any contractor	no limit	15
	20	Public entertainment	no limit	Any contractor	\$2,000 p.a. <sup>25</sup>	17
	17	Dependent personal services <sup>13</sup>	119 days	Any foreign resident	no limit	16
	20	Public entertainment	no limit	Any U.S. or foreign resident	\$2,000 p.a. <sup>25</sup>	17
	18	Teaching <sup>4</sup>	2 years	U.S. educational institution	no limit	20
	19	Studying and training:				
		Remittances or allowances	5 years	Any foreign resident	No limit	19(1)
		Compensation during training	5 years	Any foreign or U.S. resident	\$2,000 p.a.	19(1)
Ireland		Compensation while gaining experience	12 consec. mo.	Any U.S. or foreign resident	\$7,500	19(2)
	16	Independent personal services	183 days	Irish resident contractor	No limit	XI
	17	Dependent personal services	183 days	Irish resident	No limit	XI
	18	Teaching	2 years	U.S. educational institution	No limit	XVIII
	19	Studying and training:				
Italy		Remittances or allowances <sup>9</sup>	No limit	Irish resident	No limit	XIX
	16	Independent personal services <sup>7,27</sup>	183 days	Any contractor	No limit	14
	20	Public entertainment	90 days	Any contractor	\$12,000 p.a.	17(1)
	17	Dependent personal services <sup>7,15</sup>	183 days	Any foreign resident	No limit	15
	20	Public entertainment	90 days	Any U.S. or foreign resident	\$12,000 p.a.	17(1)
	18	Teaching <sup>4</sup>	2 years	U.S. educational institution	No limit	20
	19	Studying and training:				
		Remittances or allowances	No limit	Any foreign resident	No limit	21



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Country (1)	Code' (2)	Category of Personal Services Purpose (3)	Maximum Presence in U.S. (4)	Required Employer or Payer (5)	Maximum Amount of Compensation (6)	Treaty Article Citation (7)
Jamaica	16	Independent personal services <sup>22</sup>	89 days	Any foreign contractor	No limit	14
	20	Public entertainment	89 days	Any U.S. contractor	\$5,000 p.a.	14
			No limit	Any contractor	\$400 per day or \$5,000 p.a.*	18
	17	Dependent personal services <sup>15</sup>	183 days	Any foreign resident	\$5,000 p.a.	15
	20	Public entertainment	No limit	Any U.S. or foreign resident	\$400 per day or \$5,000 p.a.*	18
		Directors' fees	No limit	U.S. resident	\$400 per day*	16
	18	Teaching <sup>4</sup>	2 years	U.S. educational institution	No limit	22
	19	Studying and training: <sup>26</sup>				
		Remittances or allowances <sup>16</sup>	No limit	Any foreign resident	No limit	21(1)
		Compensation during study	12 consec. mo.	Jamaican resident	\$7,500 p.a.	21(2)
Japan	15	Scholarship or fellowship grant <sup>14</sup>	5 years	Any U.S. or foreign resident <sup>4</sup>	No limit	20(1)
	16	Independent personal services <sup>22</sup>	183 days	Any contractor	No limit	17
	20	Public entertainment	90 days	Any contractor	\$3,000*	17
	17	Dependent personal services <sup>15,17</sup>	183 days	Japanese resident <sup>4</sup>	No limit	18
	18	Teaching <sup>4</sup>	2 years	U.S. educational institution	No limit	19
	19	Studying and training:				
		Remittances or allowances	5 years	Any foreign resident	No limit	20(1)
		Compensation during training	5 years	U.S. or any foreign resident	\$2,000 p.a.*	20(1)
		Compensation while gaining experience	12 consec. mo.	Japanese resident	\$5,000*	20(2)
		Compensation under U.S. Government program	1 year	U.S. Government or its contractor	\$10,000*	20(3)
Korea, Rep. of	15	Scholarship or fellowship grant <sup>14</sup>	5 years	Any U.S. or foreign resident <sup>4</sup>	No limit	21(1)
	16	Independent personal services <sup>22</sup>	182 days	Any contractor	\$3,000 p.a.	18
	17	Dependent personal services <sup>15</sup>	182 days	Korean resident	\$3,000 p.a.	19
	18	Teaching <sup>4</sup>	2 years	U.S. educational institution	No limit	20
	19	Studying and training:				
		Remittances or allowances	5 years	Any foreign resident	No limit	21(1)
		Compensation during training	5 years	Any foreign or U.S. resident	\$2,000 p.a.	21(1)
		Compensation while gaining experience	1 year	Korean resident	\$5,000	21(2)
		Compensation under U.S. Government program	1 year	U.S. Government or its contractor	\$10,000	21(3)
Luxembourg	15	Scholarship or fellowship grant	No limit	Any foreign resident	No limit	XIV(1)
	16	Independent personal services	180 days	Luxembourg resident	No limit	XII
			180 days	Any U.S. or foreign resident	\$3,000	XII
	17	Dependent personal services <sup>7</sup>	180 days	Luxembourg resident	No limit	XII
			180 days	Any U.S. or foreign resident	\$3,000	XII
	18	Teaching <sup>4</sup>	2 years	U.S. educational institution	No limit	XIII
	19	Studying and training:				
		Remittances or allowances	No limit	Any foreign resident	No limit	XIV(1)
		Compensation during training	1 year	Any foreign resident	No limit	XIV(1)
		Compensation while gaining experience <sup>8</sup>	1 year	Any foreign resident	\$5,000	XIV(2)
		Compensation under U.S. Government program	1 year	U.S. Government, its contractor, or a foreign resident	\$10,000	XIV(3)

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Table 2. (Continued)

Country (1)	Code <sup>1</sup> (2)	Category of Personal Services (3)	Maximum Presence in U.S. (4)	Required Employer or Payer (5)	Maximum Amount of Compensation (6)	Treaty Article Citation (7)
		Purpose (3)				
Malta	16	Independent personal services <sup>22</sup>	90 days	Any foreign contractor	No limit	14
			90 days	Any U.S. contractor	\$10,000 p.a.	14
	20	Public entertainment	89 days	Any contractor	\$500 per day or \$5,000 p.a.	18
	17	Dependent personal services <sup>14</sup>	183 days	Any foreign resident	No limit	15
	20	Public entertainment	89 days	Any U.S. or foreign resident	\$500 per day or \$5,000 p.a.	18
		Directors' fees	No limit	U.S. corporation	No limit <sup>24</sup>	17
	18	Teaching <sup>4</sup>	2 years	Any foreign resident	No limit	21
	19	Studying and training: <sup>6</sup>				
		Remittances or allowances <sup>18</sup>	No limit	Any foreign resident	No limit	22
Morocco	15	Scholarship or fellowship grant <sup>24</sup>	5 years	Any U.S. or foreign resident <sup>1</sup>	No limit	18
	16	Independent personal services <sup>22</sup>	182 days	Any contractor <sup>17</sup>	\$5,000	14
	17	Dependent personal services <sup>14</sup>	182 days	Moroccan resident <sup>12,16</sup>	No limit	15
	19	Studying and training: Remittances or allowances	5 years	Any foreign resident	No limit	18
		Compensation during training	5 years	U.S. or any foreign resident	\$2,000 p.a.	18
Netherlands	15	Scholarship or fellowship grant <sup>24</sup>	5 years	Any U.S. or foreign resident <sup>1</sup>	No limit	XVIII(1)
	16	Independent personal services	183 days	Any contractor	No limit	XVI
	17	Dependent personal services	183 days	Any foreign resident	No limit	XVI
	18	Teaching <sup>4</sup>	2 years	U.S. educational institution	No limit	XVII
	19	Studying and training: Remittances or allowances	5 years	Any foreign resident	No limit	XVIII(1)
		Compensation during training	5 years	U.S. or any foreign resident	\$2,000 p.a.	XVIII(1)
		Compensation while gaining experience <sup>2</sup>	1 year	Netherlands resident	\$5,000	XVIII(2)
New Zealand	16	Independent personal services <sup>22</sup>	183 days	Any contractor	No limit	14
	20	Public entertainment	183 days	Any contractor	\$10,000	17
	17	Dependent personal services <sup>14</sup>	183 days	Any foreign resident	No limit	15
	20	Public entertainment <sup>15</sup>	183 days	Any foreign resident	\$10,000	17
	19	Studying and training: Remittances or allowances	No limit	Any foreign resident	No limit	20
Norway	15	Scholarship or fellowship grant <sup>24</sup>	5 years	Any U.S. or foreign resident <sup>1</sup>	No limit	16(1)
	16	Independent personal services <sup>22</sup>	182 days	Any contractor	No limit	13
	20	Public entertainment	90 days	Any contractor	\$10,000 p.a.	13
	17	Dependent personal services	182 days	Norwegian resident <sup>18</sup>	No limit	14
	18	Teaching <sup>4</sup>	2 years	U.S. educational institution	No limit	15
	19	Studying and training: Remittances or allowances	5 years	Any foreign resident	No limit	16(1)
		Compensation during training	5 years	U.S. or any foreign resident	\$2,000 p.a.	16(1)
		Compensation while gaining experience <sup>2</sup>	12 consec. mo.	Norwegian resident	\$5,000	16(2)
		Compensation under U.S. Government program	1 year	U.S. Government or its contractor	\$10,000	16(3)



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Country (1)	Code (2)	Category of Personal Services Purpose (3)	Maximum Presence in U.S. (4)	Required Employer or Payer (5)	Maximum Amount of Compensation (6)	Treaty Article Citation (7)
Pakistan <sup>1</sup>	15	Scholarship or fellowship grant <sup>1a</sup>	No limit	Pakistani nonprofit organization	No limit	XIII(1)
	16	Independent personal services <sup>1a</sup>	183 days	Pakistani resident contractor	No limit	XI
	17	Dependent personal services <sup>1a</sup>	183 days	Pakistani resident	No limit	XI
	18	Teaching	2 years	U.S. educational institution	No limit	XII
	19	Studying and training:				
		Remittances or allowances	No limit	Any foreign resident	No limit	XIII(1)
		Compensation during training	No limit	U.S. or any foreign resident	\$5,000 p.a.	XIII(1)
		Compensation while gaining experience <sup>1a</sup>	1 year	Pakistani resident	\$6,000	XIII(2)
		Compensation while under U.S. Government program	No limit	U.S. Government, its contractor, or any foreign resident employer	\$10,000	XIII(3)
Philippines	15	Scholarship or fellowship grant <sup>1a</sup>	5 years	Any U.S. or foreign resident <sup>1a</sup>	No limit	22(1)
	16	Independent personal services <sup>1a</sup>	89 days	Any foreign contractor	No limit	15
	20	Public entertainment	89 days	Any U.S. resident	\$10,000 p.a.	15
			No limit	Any contractor	\$100 per day or \$3,000 p.a.	17
	17	Dependent personal services <sup>1a</sup>	89 days	Any Philippines resident	No limit	16
	20	Public entertainment	No limit	Any U.S. or foreign resident	\$100 per day or \$3,000 p.a.	17
	18	Teaching <sup>1a</sup>	2 years	U.S. educational institution	No limit	21
	19	Studying and training:				
		Remittances or allowances	No limit	Any foreign resident	No limit	22(1)
		Compensation during study	5 years	Any U.S. or foreign resident	\$3,000 p.a.	22(1)
		Compensation while gaining experience <sup>1a</sup>	12 consec. mo.	Philippines resident	\$7,500 p.a.	22(2)
		Compensation while under U.S. Government program	1 year	U.S. Government or its contractor	\$10,000 p.a.	22(3)
Poland	15	Scholarship or fellowship grant <sup>1a</sup>	5 years	Any U.S. or foreign resident	No limit	18(1)
	16	Independent personal services	182 days	Any contractor	No limit	15
	17	Dependent personal services <sup>1a</sup>	182 days	Any foreign resident	No limit	16
	18	Teaching <sup>1a</sup>	2 years	U.S. educational institution	No limit	17
	19	Studying and training:				
		Remittances or allowances	5 years	Any foreign resident	No limit	18(1)
		Compensation during training	5 years	U.S. or any foreign resident	\$2,000 p.a.	18(1)
		Compensation while gaining experience	1 year	Polish resident	\$5,000	18(2)
		Compensation while under U.S. Government program	1 year	U.S. Government or its contractor	\$10,000	18(3)
Romania	15	Scholarship or fellowship grant <sup>1a</sup>	5 years	Any U.S. or foreign resident <sup>1a</sup>	No limit	20(1)
	16	Independent personal services <sup>1a</sup>	182 days	Any contractor	No limit	14
	20	Public entertainment	90 days	Any contractor	\$3,000	14
	17	Dependent personal services <sup>1a</sup>	182 days	Romanian resident	No limit	15
	20	Public entertainment	89 days	Romanian resident	\$2,999.99	15
	18	Teaching <sup>1a</sup>	2 years	U.S. educational institution	No limit	19
	19	Studying and training:				
		Remittances or allowances	5 years	Any foreign resident	No limit	20(1)
		Compensation during training	5 years	U.S. or any foreign resident	\$2,000 p.a.	20(1)
		Compensation while gaining experience	1 year	Romanian resident	\$5,000	20(2)
		Compensation while under U.S. Government program	1 year	U.S. Government or its contractor	\$10,000	20(3)



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Spain	15	Scholarship or fellowship grant <sup>24</sup>	5 years	Any U.S. or foreign resident <sup>4</sup>	No limit	22(1)
	16	Independent personal services <sup>27</sup>	no limit	Any contractor	No limit	15
	20	Public entertainment	no limit	Any contractor	\$10,000 p.a. <sup>28</sup>	19
	17	Dependent personal services <sup>18</sup>	183 days	Any foreign resident	No limit	16
	20	Public entertainment	no limit	Any U.S. or foreign resident	\$10,000 p.a. <sup>28</sup>	19
	19	Studying and training: <sup>4</sup>				
		Remittances or allowances	5 years	Any foreign resident	No limit	22(1)
Sweden	15	Scholarship or fellowship grant	No limit	Any foreign resident <sup>8</sup>	No limit	XII(1)
	16	Independent personal services <sup>17</sup>	180 days	Swedish resident contractor	No limit	XI(b)(1)
			90 days	Other foreign or U.S. contractor	\$3,000	XI(b)(2)
	17	Dependent personal services	180 days	Swedish resident	No limit	XI(b)(1)
			90 days	Other foreign or U.S. resident	\$3,000	XI(b)(2)
	18	Teaching <sup>4</sup>	2 years	U.S. educational institution	No limit	XII(3)
	19	Studying and training: <sup>4</sup>				
Switzerland		Remittances or allowances	No limit	Any foreign resident	No limit	XII(1)
		Compensation under U.S. Government program	No limit	U.S. Government, its contractor, or any foreign resident employer	\$10,000	XII(2)
	16	Independent personal services <sup>8</sup>	183 days	Swiss resident contractor	No limit	X
			183 days	Other foreign or U.S. contractor	\$10,000	X
	17	Dependent personal services <sup>8</sup>	183 days	Swiss resident	No limit	X
			183 days	Other foreign or U.S. resident	\$10,000	X
	18	Teaching	2 years	U.S. educational institution	No limit	XII
Trinidad and Tobago	19	Studying and training: <sup>4</sup>				
		Remittances or allowances	No limit	Any foreign resident	No limit	XIII
	15	Scholarship or fellowship grant <sup>24</sup>	5 years	Any U.S. or foreign resident <sup>4</sup>	No limit	19(1)
	16	Independent personal services <sup>13</sup>	183 days	Any foreign resident contractor	No limit	17
			183 days	Any U.S. contractor	\$3,000 <sup>4</sup>	17
	17	Dependent personal services <sup>13</sup>	183 days	Any foreign resident	No limit	17
			183 days	Any U.S. resident	\$3,000 <sup>4</sup>	17
Tunisia	18	Teaching <sup>4</sup>	2 years	U.S. educational institution or U.S. Government	No limit	18
	19	Studying and training: <sup>4</sup>				
		Remittances or allowances	5 years	Any foreign resident	No limit	19(1)
		Compensation during training	5 years	U.S. or any foreign resident	\$2,000 p.a. <sup>4</sup>	19(1)
		Compensation during professional training	5 years	U.S. or any foreign resident	\$5,000 p.a. <sup>4</sup>	19(1)
		Compensation while gaining experience	1 year	Trinidad—Tobago resident	\$5,000 <sup>4</sup>	19(2)
		Compensation under U.S. Government program	1 year	U.S. Government or its contractor	\$10,000 <sup>4</sup>	19(3)
	15	Scholarship or fellowship grant <sup>18,24</sup>	5 years	Any U.S. or foreign resident <sup>4</sup>	No limit	20
	16	Independent personal services <sup>29</sup>	183 days	U.S. resident contractor	\$7,500 p.a.	14
	20	Public entertainment	no limit	Any contractor	\$7,500 p.a. <sup>28</sup>	17
	17	Dependent personal services <sup>18</sup>	183 days	Any foreign resident	No limit	15
	20	Public entertainment	no limit	Any U.S. or foreign resident	\$7,500 p.a. <sup>28</sup>	17
	19	Studying and training: <sup>10</sup>				
		Remittances or allowances	5 years	Any foreign resident	No limit	20
		Compensation during training	5 years	Any U.S. or foreign resident	\$4,000 p.a.	20

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Table 2. (Continued)

Country (1)	Code <sup>1</sup> (2)	Category of Personal Services Purpose (3)	Maximum Presence in U.S. (4)	Required Employer or Payer (5)	Maximum Amount of Compensation (6)	Treaty Article Citation (7)
United Kingdom	16	Independent personal services <sup>2*</sup>	183 days	Any contractor	No limit <sup>21</sup>	14
	17	Dependent personal services <sup>11</sup>	183 days	Any foreign resident	No limit <sup>21</sup>	15
	18	Teaching <sup>7</sup>	2 years	U.S. educational institution	No limit	20
	19	Studying and training; Remittances or allowances <sup>10</sup>	No limit	Any foreign resident	No limit	21

<sup>1</sup> Refers to income code numbers under which the income is reported on Forms 1042S. Personal services must be performed by a nonresident alien individual who is a resident of the specified treaty country.

<sup>2</sup> Applies only if training or experience is received from a person other than alien's employer.

<sup>3</sup> Annual compensation for services wherever performed.

<sup>4</sup> Does not apply to compensation for research work primarily for private benefit.

<sup>5</sup> Grant must be from a nonprofit organization that may be a U.S. or foreign resident. For Sweden, the organization must be located outside the United States. In the case of Indonesia, the exemption also applies to amounts from either the U.S. or Indonesian government.

<sup>6</sup> Reimbursed expenses are not taken into account in figuring any maximum compensation to which the exemption applies. For Japan and Trinidad and Tobago, only reimbursed travel expenses are disregarded in figuring the maximum compensation.

<sup>7</sup> Does not apply to fees of a foreign director of a U.S. corporation.

<sup>8</sup> Does not apply to compensation for research work for other than the U.S. educational institution involved.

<sup>9</sup> Applies to public entertainment in accordance with U.S. reservation rejecting exclusion contained in Art. X(4) of the Switzerland treaty.

<sup>10</sup> Applies only to full-time student or trainee.

<sup>11</sup> Bangladesh has not indicated that it wishes to assume the responsibilities or exercise the rights of the United States—Pakistan income tax treaty.

<sup>12</sup> Does not apply to compensation paid to public entertainers (actors, artists, musicians, athletes, etc.). For Canadian or U.K. resident public entertainers, the exemption does not apply if the gross receipts (including reimbursements) are \$15,000 or more in any year. For French resident public entertainers, the exemption does not apply if their gross receipts (including reimbursements) are more than \$10,000 in any tax year.

<sup>13</sup> Does not apply to compensation paid to public entertainers that is more than \$100 a day.

<sup>14</sup> Exemption applies only if the compensation is subject to tax in the country of residence.

<sup>15</sup> The exemption does not apply if the employee's compensation is borne by a permanent establishment that the employer has in the United States.

<sup>16</sup> The exemption also applies if the employer is a permanent establishment in the treaty country of a resident of any country other than the treaty country.

<sup>17</sup> This exemption does not apply in certain cases if the employee is a substantial owner of that employer and the employer is engaged in certain defined activities.

<sup>18</sup> The exemption is also extended to journalists and correspondents who are temporarily in the U.S. for periods not longer than 2 years and who receive compensation from abroad.

<sup>19</sup> Also exempt are amounts of \$10,000 or less received from U.S. sources to provide ordinary living expenses.

<sup>20</sup> A student or trainee may choose to be treated as a U.S. resident for tax purposes. If the choice is made, it may not be changed without the consent of the U.S. competent authority.

<sup>21</sup> Does not apply to amounts received in excess of a reasonable fixed amount payable to all directors for attending meetings in the United States.

<sup>22</sup> Exemption does not apply to the extent income is attributable to the recipient's fixed U.S. base. For residents of France and Japan, this fixed base must be maintained in the U.S. for more than 183 days during the tax year for the exemption not to apply; for residents of Belgium, Iceland, Korea, and Norway, the fixed base must be maintained for more than 182 days.

<sup>23</sup> Exemption does not apply if the recipient maintains a permanent establishment in the U.S. with which the income is effectively connected.

<sup>24</sup> Does not apply to payments from the National Institutes of Health (NIH) under its Visiting Associate Program and Visiting Scientist Program.

<sup>25</sup> Exemption does not apply if gross receipts (including reimbursements) exceed this amount during the year. For German or Spanish residents, income is fully exempt if visit to the United States is substantially supported by public funds of Germany or Spain or a German or Spanish political subdivision or local authority.

<sup>26</sup> Exemption does not apply if net income exceeds this amount.

<sup>27</sup> Exemption does not apply to payments borne by a permanent establishment in the United States or paid by a U.S. citizen or resident or the federal, state, or local government.

<sup>28</sup> Exemption does not apply if compensation exceeds this amount.

<sup>29</sup> The exemption applies only to income from activities performed under special cultural exchange programs agreed to by the U.S. and Chinese governments.



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Issuing Office: [General Accounting Division](#)**SUPPLEMENT II****NEW HIRE ATTACHMENTS**

ATTACHMENTS	EMPLOYEE CITIZEN	EMPLOYEE RESIDENT ALIEN	EMPLOYEE NON RESIDENT ALIEN	POST DOC CITIZEN	POST DOC RESIDENT ALIEN	POST DOC NON RESIDENT ALIEN
PATENT AGREEMENT	X	X	X	X	X	X
OATH OF ALLEGINACE	X					
I-9	X	X	X			
BELI	X	X	X			
AA DATA SHEET	X	X	X	X	X	X
TIME KEEPER DATA FORM	X	X	X			
PERSONNEL DATA FORM	X	X	X	X	X	X
UC W-4	X	X	X	X	X	X
WAGE DISTR. CARD	X	X	X	X	X	X
AT-1		X	X		X	X
COPY OF GREEN CARD		X			X	
I-94		*** SEE NOTE			***SEE NOTE	***SEE NOTE
8233*			*SEE NOTE			*SEE NOTE
1078*		**SEE NOTE			**SEE NOTE	

\*This form should be filed only when a non-resident alien can claim exemption from Federal tax withholding under a U.S. tax treaty with their country of residence.

\* \*This form should be filed only when an alien can claim residency for tax purposes after qualifying under the Substantial Presence Test.

\*\*\*If resident for tax purposes while visiting the U.S. on a non-immigrant visa.

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**SUPPLEMENT III**

**DEDUCTIONS FROM RESIDENT ALIENS**  
(As Defined for Tax Purposes)

STATUS	FEDERAL TAX	FICA TAX	MEDICARE TAX	STATE TAX	RETIRE- MENT
<b>CASUAL EMPLOYEES</b>					
Visitors on F-1 or J-1 visas	X			X	*1
Visitors not on F-1 or J-1 visas	X	*2	X	X	*1
Immigrants	X	*2	X	X	*1
<b>CAREER STATUS EMPLOYEES</b>					
Visitors on F-1 or J-1 visas and	X			X	X
Visitors not on F-1 or J-1 visas under a tax treaty	X	X	X	X	X
Immigrants	X	X	X	X	X
<b>SCHOLARSHIPS/FELLOWSHIPS</b>					
Visitors who are degree candidates	*3			X	
Visitors who are not degree candidates	X			X	
Immigrants who are degree candidates and California residents	*3			*3	
Immigrants who are degree candidates but not California residents	*3			X	
Immigrants who are not degree candidates	X			X	
<b>VENDOR PAYMENTS</b>					
All visitors, and those immigrants who are not California Residents	*3			5% if over \$1,500	
Immigrants who are California Residents	*3			*3	

\*1 A casual non-student appointment may elect participation in the Safe Harbor Plan

\*2 A casual non-student appointment who has not elected Safe Harbor Plan participation will be subject to FICA tax withholding

\*3 No tax will be deducted, but the recipient of the payment should be advised to file quarterly estimated taxes to address a probable tax liability.

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## SUPPLEMENT IV

DEDUCTIONS FROM NON-RESIDENT ALIENS  
(AS DEFINED FOR TAX PURPOSES)

STATUS	FEDERAL TAX	FICA TAX	MEDICARE TAX	STATE TAX	RETIRE- MENT
<b>CASUAL EMPLOYEES</b>					
Visitors on F-1 or J-1 visas and under a tax treaty				X	*1
Visitors on F-1 or J-1 visas and not under a tax treaty	X			X	*1
Visitors not on F-1 or J-1 visas, but under a tax treaty		*2	X	X	*1
Visitors not on F-1 or J-1 visas, and not under a tax treaty	X	*2	X	X	*1
<b>CAREER STATUS EMPLOYEES</b>					
Visitors on F-1 or J-1 visas and under a tax treaty				X	X
Visitors on F-1 or J-1 visas and not under a tax treaty	X			X	X
Visitors not on F-1 or J-1 visas, but under a tax treaty		X	X	X	X
Visitors not on F-1 or J-1 visas, and not under a tax treaty	X	X	X	X	X
<b>SCHOLARSHIPS/FELLOWSHIPS</b>					
Visitors under a tax treaty				X	
Visitors not under a tax treaty	X			X	
<b>VENDOR PAYMENTS</b>					
Visitors under a tax treaty				5% if over \$1,500	
Visitors not under a tax treaty	30% tax rate			5% if over \$1,500	

\*1 A casual non-student appointment may elect participation in the Safe Harbor Plan

\*2 A casual non-student appointment who has not elected Safe Harbor Plan participation will be subject to FICA tax withholding