

TO: All Foreign Students and Scholars at the University of Rhode Island

FROM: Jim Cacciola, University of Rhode Island Payroll Manager

The payroll office is required to withhold taxes from foreign students and scholars working at the University according to specific federal regulations. Before we can effectively comply with these regulations we must identify the status of all non-U.S. citizens receiving compensation at the University. The first step in determining the tax status of foreign employees involves the collection of data from all foreign nationals receiving compensation at the University.

Most of you who are receiving compensation through our student, graduate assistant, or Internal payroll systems have already completed and submitted a Foreign National Information Form to us. That form collects information used to evaluate a foreign employee's requirement to pay taxes in the United States. Individuals who have submitted this form with incomplete or outdated information will be notified on a case by case basis to update their records. If you have previously submitted this form to the payroll office and your visa status has not changed, we will use that data to identify your tax status for the current calendar year.

If you have not yet completed this form, or your status has changed, you must report immediately to the payroll office with a copy of your passport, visa, social security card, and either a Form I-20 (F1 visa) or an DS2019 (J1 visa). Be prepared to document all your stays in the United States.

As of mid December of each year, individuals identified as "nonresident aliens" subject to federal and state withholding in the following calendar year will be required to file a Form W-4 (Employee's Allowance Withholding Certificate). Most will be required to have a filing status of Single with one dependent and an additional \$15.30 a biweekly pay period. Residents from Canada, Mexico, Japan, India, and the Republic of (South) Korea may be able to claim additional withholding allowances for spouses and dependents.

Nonresident aliens from countries that have tax treaties with the United States may be able to exempt some or all of their earnings from taxes by signing a Form 8233, (Exemption From Withholding on Compensation for Independent Personal Services of a Nonresident Alien Individual). Tax exemption forms (Form 8233) for all eligible foreign nationals who have completed Foreign National Information Forms will be completed in mid December. Individuals will be notified by e-mail when they can come to the payroll office to sign the completed forms.

Foreign nationals who have not completed the proper forms as of mid December of each year will be taxed with a status of Single and no dependents (maximum withholding) beginning with the first January paycheck. Forms filed after mid December will be processed as they are received and status corrections made as necessary. However, there will be no refunds of taxes processed after paychecks are issued.