

Eckerd College-Business Office procedures for paying Honoraria to Foreign Visitors, Non Resident Aliens (NRA's)

The IRS does not make it easy to pay foreign visitors to the US. If payment is to be available to them after their appearance on campus, preparations for payment to the Non-Resident Alien (NRA's) must be taken well in advance of a NRA's arrival on campus. The NRA must have a Visa Type that allows us to make a payment to them. There are many documents that must be obtained before we can prepare a check. If they have a sponsoring agency that is bringing them into the US and we can make the payment to the US agency in lieu of paying the NRA directly, it is much less complicated. If we are sponsoring them they must get a B-1 Visa. If they have a B-1, B-2, WT or WB type of Visa, another option is to reimburse them for their travel expense or partial travel, instead of paying a honoraria. Obtain a copy of their travel expense receipts (the same as EC staff reimbursement documentation requirements) and process for an expense reimbursement. Otherwise, the documentation listed below must be presented to the Business Office before payment is processed. Note, that withholding taxes may be deducted from the check. Cash payments may not be made to NRA's. (Also, see detailed instruction for Special Payment Form).

Required documents for Foreign Visitor (NRA) Honoraria Payments:

1. Advise the NRA to apply for an Individual Taxpayer Identification Number, ITIN (if they don't already have a US Social Security Number, SSN or ITIN) on Form **W-7, Application for IRS Individual Tax Identification Number** (this can be printed from the IRS website <http://www.irs.gov> Forms and Publications. **Note: The NRA will receive a Form 1042-S, Foreign Person's U. S. Source Income subject to Withholding from Eckerd College and will be required to file a Form 1040NR, US Income Tax Return for Certain Nonresident Aliens.**
2. If eligible for a tax treaty exemption, they must complete the **Form 8233, Exemption from Withholding on Compensation for Independent (and Certain Dependent) Personal Services of a Nonresident Alien Individual** from the above IRS website. In most cases they will know if they are from a tax treaty exempt country. **If from a country not eligible for a tax treaty exemption, tax must be withheld at 30%.** Please contact the business office regarding countries that have tax treaties to exempt withholding if the NRA does not know. The exemption from withholding is effective for payments made retroactive to the date of the first payment covered by the Form 8233, even though we must wait at least 10 days after mailing the Form 8233 to the IRS to see whether the IRS has any objections to the Form 8233.
3. Complete an **Obligation Expense Voucher**. Attach a copy of the offer letter or description of the services to be performed, the related event and dates of performance.
4. Attach a completed **Form W-8 BEN Certificate of Foreign Status for Individuals** from the IRS website above. Also, attach a copy of the SSN or ITIN card, if available.
5. A copy of the **first page of the passport**.
6. A copy of the **visa page in the passport**. (NRAs from Canada or a visa waiver country will not have a visa page.)
7. A copy of the **Foreign Visitors Honoraria Eligibility Certification**.
8. A copy of Form **I-94 or I-94W, Departure Record**, which is in the passport. (Available after arrival in the USA.).
9. **Eckerd College is not authorized to pay NRA's with a J-1 visa** unless they are sponsored by another agency or university. Attach a copy of **DS-2019** (formerly IAP-66) stamped J-1 and the **prior written authorization acknowledging that we may make a payment to them from the Sponsor agency or university "responsible officer."**
10. Please consult with the Business Office with any questions and make your request for payment as early as possible since this process takes 6-8 weeks lead time to obtain the necessary documents required.