

NDSU

north dakota state university fargo

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Different Categories of Aliens

Under Immigration Law:

- Immigrants
- Nonimmigrants
- Undocumented (Illegal) Aliens

Under U.S. Tax Law:

- Resident Aliens
- Nonresident Aliens

Alien Residency For Tax Purposes

Resident or Nonresident

All aliens are assumed to be Nonresidents unless they pass one of the following:

- Green Card Test- A Lawful Permanent Resident of the USA who has been present in the USA at least 1 day
- Substantial Presence Test- A numerical formula for counting days of presence in the USA over a 3-Year period

Withholding Federal Income Tax on Aliens Employed in the USA

- Identify all aliens (non-U.S. Citizens) on the payroll
- Divide the aliens into two groups: “Resident Aliens” and “Nonresident Aliens” as defined by Internal Revenue Code section 7701 (b).

W4 Processing for Resident Aliens

- For income tax withholding purposes treat the same as U.S. Citizens



W-4 Processing for Nonresidents

- For income tax withholding purposes, treat nonresident aliens according to the following special withholding rules that apply to nonresidents:
 - A nonresident alien cannot write “exempt” on line 7 of Form W-4.
 - A nonresident alien may claim only “single” filing status on line 3 of Form W-4, regardless of marital status.
 - With certain exceptions, a nonresident alien cannot claim more than one personal exemption on Form W-4.
 - Write “Nonresident Alien” or “NRA” above the dotted line on line 6 of Form W-4.

Additional Special Rules for NRA Form W-4

- Wages are grossed up behind the scenes by PeopleSoft for calculating the amount of federal income tax. You just need to make sure you have designated NRA on the tax page.
- IRS goal is to have withholding more properly reflect the tax liability.
- Nonresident alien students from India and business apprentices from India are not subject to this procedure under Article 21 of the USA-India income tax treaty.

Additional withholding exemptions for dependents of:

- Residents of Canada, Mexico, and South Korea
- Students and business apprentices from India
- Nationals of American Samoa and Northern Mariana Islands

Tax Treaties

- Some aliens are eligible for exemptions from federal income tax withholding on wages because of tax treaties.

Tax Treaties

- Are Bi-lateral agreements between two countries
- Currently U.S. has tax treaties with 64 countries
- They eliminate double taxation
 - Residence based tax
 - Source based tax
- Rules & Exceptions vary by treaty

Tax Treaties

- Organized into topical sections called “articles”
 - Dependent Personal Services (i.e. employment)
 - Independent Personal Services (i.e. self-employment)
 - Teachers and Researchers
 - Private Pensions and Annuities
 - Royalties
 - Some articles may not be in a countries treaty

Taxes Covered by Treaties

- Applies to Federal Income Taxes
- Does not apply to Social Security and Medicare Taxes
- State Income Tax
 - ND does not allow treaty exemption on state tax

Claiming Treaty Benefits

- Documentation is required to be submitted prior to the payment for exemption from tax
- NRA treaty claims on compensation for services
 - Form 8233 (send a copy to IRS)
- RA treaty claims
 - Form W9 (kept on file in office)

Most Common Student/Trainee Article Limitations

- Fixed amount
 - \$2,000 to \$5,000
 - No retroactive loss if benefit amount exceeded except for Germany
- Period
 - Most frequently 5 taxable years
 - China, Netherlands reasonable time frame

SUBSTANTIAL PRESENCE TEST REPORT

CAI 102564

Type Visa	Primary Cat	Act	Date Start	Date End	Treaty Benefits Enjoyed	Country Code	Gap Days
F-1	01		02-Aug-2008	10-May-2013	Not applicable	CH	0
			STUDYING-DEGREE PROGRAM			CHINA, PEOPLE'S REPUBLIC OF	

Year	Gross Days	Away Days	Net Days	Type Visa	Date Acquired	First Visa	Exempt Days	Foreign Funded
2009	365	0	365	F-1	02-Aug-08	Yes	2009 Yes	No
2008	152	0	152	F-1	02-Aug-08	Yes	2009 Yes	No

Year	Num	Curr Days	Prev Days	YrB4 Days	Test Days	Actual Days	First		Last		IRC FIT	** Residency **	
							Visa	Cat	Visa	Cat		Change Date	Withholding Date
2009	1	0	0	0	0	365	F-1		F-1		NRA		
2008	1	0	0	0	0	152	F-1		F-1		NRA		

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Residency Analysis log for 102564 CAI at 03Mar09 10:01

2008 Visa F-1 Starting 08/02/2008
from 08/02/2008 thru 12/31/2008 Days 152 Exempt = True

2009 Visa F-1 Starting 08/02/2008
from 01/01/2009 thru 12/31/2009 Days 365 Exempt = True

Residency: Id= 102564 Year 2008 First Visa= F-1 Last Visa= F-1
Total Countable Days in the USA this year = 0
Current Countable Days in USA < 31. NRA.
IRC_FIT = NRA

Residency: Id= 102564 Year 2009 First Visa= F-1 Last Visa= F-1
Total Countable Days in the USA this year = 0
Current Countable Days in USA < 31. NRA.
IRC_FIT = NRA

NOTE

A form W-4 is being prepared now. We have not determined if any
Treaty Benefits are available yet.
The form might not be needed immediately or at all.

Preparing special rules form W-4 - NRA
Requested bypass of Form W-8BEN Certificate.

FICA:

FICA applies to employment income only

Start date: 01/01/2009 end date: 12/31/2009
This individual Exempt from FICA under IRC 3121(b)(19)
This individual may be Exempt from FICA under IRC 3121(b)(10)
(Student FICA exception) if the individual follows the rules for enrollment

Analysis Year = 2009

Individual is a Student

Tax Treaty found for CH CHINA, PEOPLE'S REPUBLIC OF. Continuing.

Individual is NRA. Skipping Tie Breaker Rule look up

Income from Employment Services

This Treaty OK. NO prior Treaty exists

Entering Saving Clause routine

SC: Foreign Residency throughout period not Required. Continue Treaty analysis

Entering Student Analysis Routine

Individual is a full time student/trainee

Institution is North Dakota State University

102564 F-1 99 01 8/2/2008 5/10/2013 CH 0

8/2/2008 12/31/2009 Cumulative Used Years Count = 2

Treaty Benefits limited by reasonableness only.

!!!! ALERT !!!!

Institution must determine if time frame taken by student is reasonable

Use 8/2/2008 as start date.

Benefit limit is not extended for post-graduate studies

Treaty Benefits are available by the Student/Trainee Article.

No Student/Trainee benefits allowed beyond 2019

Maximum benefit amount \$ 5000

Entering 1042-S Maintenance Routine

Ten42 record already exists for this year, income type, exemption

Preparing form 8233 for Employment Services income

Look at residency log for FICA exemption.

Preparing Individual Analysis summary

Federal Tax Data | State Tax Data | Local Tax Data

Cal

Person ID:

Company: NDS North Dakota State University

Effective Date		Find View All		First	1 of 1	Last	
*Effective Date:	12/16/2008	This data was last updated by	Windstar	on	01/05/2009		
<input checked="" type="checkbox"/> Exempt from FUT	<input type="checkbox"/> Use Total Wage for Multi-State	<input type="checkbox"/> Always create W2 for NQDC Rptg					
Special Tax Withholding Status							
<input type="radio"/> None <input type="radio"/> Do Not Maintain Taxable Gross and Do Not Withhold Tax <input type="radio"/> Maintain Taxable Gross; FWT zero unless specified in "Additional Withholding" below <input checked="" type="radio"/> Non-Resident Alien; Tax Treaty/IR Data							
W-4 Processing Status: <input type="radio"/> None <input type="radio"/> Notification Sent <input type="radio"/> New W-4 Received							
Federal Withholding Status							
Tax Marital Status:		<input checked="" type="radio"/> Single	<input type="radio"/> Married	Withholding Allowances: <input type="text" value="1"/>			
<input type="checkbox"/> Check here and select Single status if married but withholding at single rate.							
Flagged for IRS							
<input type="checkbox"/> W4 Flagged for Transmission							
FWT Additional Amount							
Amount:		<input type="text"/>	Percentage:		<input type="text"/>		
Lock-In Details							
<input checked="" type="checkbox"/> Letter Received		Limit On Allowances: <input type="text" value="0"/>					
Earned Income Credit				W-5 Processing Status			
<input checked="" type="radio"/> Not applicable <input type="radio"/> Single, or Head of Household <input type="radio"/> Married without spouse filing <input type="radio"/> Married, both spouses filing				<input type="radio"/> None <input type="radio"/> Notification Sent <input type="radio"/> New W-5 Received			
Tax Treaty/IR Data							
Date of Entry:	08/02/2008	Country:	CHN	Treaty ID:	TIAS	Treaty Exp Date:	12/31/2019
*Form 8233 Recd:	Yes	8233 In Effect Date:	12/16/2008	8233 Exp Date:	12/31/2008		
*Form W8 Recd:	No	W8 In Effect Date:		W8 Exp Date:			
*Form W9 Recd:	No	W9 In Effect Date:					
Taxpayer ID Number:		NRA Withholding Rule: <input checked="" type="checkbox"/> Subject to Rule					
Allowable Earnings Codes		Find View All		First	1 of 019	Last	
Income Code (for 1042-S):	Max Earnings Eligible Per Year:	Tax Rate	Tax Rate				
	(after form):	(before form):	(before form):				

Most Common Teacher/Research Article Limitations

- No \$ maximum
- See Table 2, IRS Pubs 901 & 515
- Period
 - Most frequently 2 elapsed years

SUBSTANTIAL PRESENCE TEST REPORT

LI 102485

Type	Primary	Date	Date	Treaty	Benefits	Country	Gap
Visa	Cat	Act	Start	End	Enjoyed	Code	Days
J-1	12	07	30-Dec-2007	31-Dec-2009	Unknown	CH	0
CONDUCTING RESEARCH						CHINA, PEOPLE'S REPUBLIC OF	

Year	Gross	Away	Net	Type	Date	Visa	First	Exempt	Foreign
	Days	Days	Days	Visa	Acquired	Cat	Visa	Days	Funded
2009	365	0	365	J-1	30-Dec-07	99	Yes	2009	No
2008	366	0	366	J-1	30-Dec-07	99	Yes	2009	Yes
2007	2	0	2	J-1	30-Dec-07	99	Yes	2009	Yes

Year	Num	Curr	Prev	YrB4	Test	Actual	First	Last	IRC	**	Residency	**
		Days	Days	Days	Days	Days	Visa	Visa	FIT	Change	Date	Withholding
							Cat	Cat		Date		Date
2009	1	365	0	0	365	365	J-1	J-1	RA	02-Jul-09	01-Jan-09	
2008	1	0	0	0	0	366	J-1	J-1	NRA			
2007	1	0	0	0	0	2	J-1	J-1	NRA			

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Residency Analysis log for 102485 LI at 03Mar09 10:10

2007 Visa J-1 Starting 12/30/2007
from 12/30/2007 thru 12/31/2007 Days 002 Exempt = True

2008 Visa J-1 Starting 12/30/2007
from 01/01/2008 thru 12/31/2008 Days 366 Exempt = True

2009 Visa J-1 Starting 12/30/2007
from 01/01/2009 thru 12/31/2009 Days 365 Exempt = False

Residency: Id= 102485 Year 2007 First Visa= J-1 Last Visa= J-1
Total Countable Days in the USA this year = 0
Current Countable Days in USA < 31. NRA.
IRC_FIT = NRA

Residency: Id= 102485 Year 2008 First Visa= J-1 Last Visa= J-1
Total Countable Days in the USA this year = 0
Current Countable Days in USA < 31. NRA.
IRC_FIT = NRA

Residency: Id= 102485 Year 2009 First Visa= J-1 Last Visa= J-1
Total Physical Days in the USA this year = 365
Total COUNTABLE Days in the USA this year = 365
Days => 183 in Current Year. RA.
IRC_FIT and FICA = RA

Individual becomes a Resident Alien on 07/02/2009
This is the day the individual mathematically passes the Substantial Presence Test
It is also known as the Residency Change Date

Beginning Analysis for Residency Start Date
102485 12/30/2007 12/31/2009 J-1 12
Exempt status for this year, visa is False

Residency Start Date is: 01/01/2009
This is the date that you start treating the individual as a Resident Alien for all purposes
This individual is a Resident Alien for the full calendar year

Ending Analysis for Residency Start Date

Requested bypass of W-9 Certificate

Preparing regular rules form W4

FICA:

FICA applies to employment income only

Start date: 01/01/2009 end date: 12/31/2009

This individual NOT Exempt from FICA under any Code provision

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03Mar09 10:10 ID 102485 Batch 6622 Rpt 97 BATCH632:2009.0.0.26

Treaty Analysis log for 102485 LI at 03Mar09 10:10 Batch 6622 Rpt 100

Analysis Year = 2009

Individual is a Researcher
Tax Treaty found for CH CHINA, PEOPLE'S REPUBLIC OF. Continuing.

Income from Employment Services

This Treaty OK. NO prior Treaty exists

Entering Saving Clause routine
Individual is a 'Resident Alien' of the USA for tax purposes
SC: Foreign Residency throughout period not Required. Continue Treaty analysis

Entering Teacher/Researcher Routine.
Institute is OK
Looking at visa: J-1 12 12/30/2007 12/31/2009 country: CH gap days: 0 Prim. Purpose code: 07
Treaty Benefits are available by the Teacher/Researcher Article.
No Teacher/Researcher benefits allowed beyond 12/29/2010
Individual plans to leave before Benefit period ends: 12/31/2009
Treaty Benefits allowed under Teacher Article.
Entering 1042-S Maintenance Routine

Ten42 record already exists for this year, income type, exemption
Preparing form W-9 with Treaty Statement for Resident Alien with Employment Services income

Look at residency log for FICA exemption.
Preparing Individual Analysis summary

Copyright Windstar Technologies, Inc. 1996-2009 US Patent No. 6,183,140
03Mar09 10:10 19055064ALG BATCH632:2009.0.0.26

Federal Tax Data | State Tax Data | Local Tax Data

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Person ID:

Company: NDS North Dakota State University

Effective Date		Find View All		First	1 of 1	Last	
*Effective Date:	12/16/2008	This data was last updated by	System	on	01/09/2009		
<input checked="" type="checkbox"/> Exempt from FUT	<input type="checkbox"/> Use Total Wage for Multi-State	<input type="checkbox"/> Always create W2 for NQDC Rptg					
Special Tax Withholding Status							
<input type="radio"/> None <input type="radio"/> Do Not Maintain Taxable Gross and Do Not Withhold Tax <input type="radio"/> Maintain Taxable Gross; FWT zero unless specified in 'Additional Withholding' below <input checked="" type="radio"/> Non-Resident Alien; Tax Treaty/NR Data W-4 Processing Status: <input type="radio"/> None <input type="radio"/> Notification Sent <input type="radio"/> New W-4 Received							
Federal Withholding Status							
Tax Marital Status:	<input checked="" type="radio"/> Single	<input type="radio"/> Married	Withholding Allowances:	1			
<input type="checkbox"/> Check here and select Single status if married but withholding at single rate.							
Flagged for IRS							
<input type="checkbox"/> W4 Flagged for Transmission							
FWT Additional Amount							
Amount:			Percentage:				
Lock-In Details							
<input type="checkbox"/> Letter Received			Limit On Allowances:	0			
Earned Income Credit				W-5 Processing Status			
<input checked="" type="radio"/> Not applicable <input type="radio"/> Single, or Head of Household <input type="radio"/> Married without spouse filing <input type="radio"/> Married, both spouses filing				<input type="radio"/> None <input type="radio"/> Notification Sent <input type="radio"/> New W-5 Received			
Tax Treaty/NR Data							
Date of Entry:	12/30/2007	Country:	CHN	Treaty ID:	TIAS	Treaty Exp Date:	12/29/2010
*Form 8233 Recd:	Yes	8233 In Effect Date:	12/16/2008	8233 Exp Date:	12/31/200		
*Form W8 Recd:	No	W8 In Effect Date:		W8 Exp Date:			
*Form W9 Recd:	No	W9 In Effect Date:	12/16/2008				
Taxpayer ID Number:			NRA Withholding Rule:	Not Applicable			
Allowable Earnings Codes		Find View All		First	1-3 of 9	Last	
Income Code (for 1042-S):	Max Earnings Eligible Per Year:	Tax Rate (after form):	Tax Rate (before form):				

Job Earnings Distribution

EMP	ID:	Empl Rcd #:	0
Earnings Distribution Type		Find	First <input type="button" value="←"/> of <input type="button" value="→"/> Last
Effective Date:	12/16/2008	Effective Sequence:	0 <input type="checkbox"/>
Action / Reason:	Date Chg	Job Indicator:	Primary Job
		Windstar Interface	Current
Standard Hours:	40.00	Work Period:	W Weekly
Compensation Rate:	22,000.000000 <input type="button" value="⌨"/>	Comp Freq:	A Annual
*Earnings Distribution Type:	By Amount <input type="button" value="⌨"/>		
Job Earnings Distribution		Find	First <input type="button" value="←"/> of <input type="button" value="→"/> Last
Position	Unit	Department	Job Code
<input type="text"/>	NDSU1 <input type="button" value="⌨"/>	<input type="text"/>	<input type="text"/>
		Shift	<input type="text"/>
		<input type="button" value="⌨"/>	
*Earn Code	GL Pay Type	Compensation Rate	Std Hrs
HIS <input type="button" value="⌨"/>	IntTeach <input type="text"/>	22,000.000000 <input type="button" value="⌨"/>	<input type="text"/>
Earnings Chartfields		Distrib % <input type="text"/>	
Combination Code:		<input type="text"/>	
		<input type="button" value="Edit ChartFields"/>	
Job Data	Employment Data	Earnings Distribution	Benefits Program Participation

Indian with Treaty in PeopleSoft
(exempt from W4 rules)

Federal Tax Data | State Tax Data | Local Tax Data

: Agarwal

Person ID:

Company: NDS North Dakota State University

Effective Date		Find View All		First	1 of 1	Last	
*Effective Date:	11/16/2008	This data was last updated by	Online Usr	on	12/02/2008		
<input checked="" type="checkbox"/> Exempt from FUT	<input type="checkbox"/> Use Total Wage for Multi-State	<input type="checkbox"/> Always create W2 for NQDC Rptg					
Special Tax Withholding Status							
<input type="radio"/> None <input type="radio"/> Do Not Maintain Taxable Gross and Do Not Withhold Tax <input type="radio"/> Maintain Taxable Gross; FWT zero unless specified in 'Additional Withholding' below <input checked="" type="radio"/> Non-Resident Alien; Tax Treaty/NR Data							
W-4 Processing Status: <input type="radio"/> None <input type="radio"/> Notification Sent <input type="radio"/> New W-4 Received							
Federal Withholding Status							
Tax Marital Status:		<input checked="" type="radio"/> Single	<input type="radio"/> Married	Withholding Allowances:			1
<input type="checkbox"/> Check here and select Single status if married but withholding at single rate.							
Flagged for IRS							
<input type="checkbox"/> W4 Flagged for Transmission							
FWT Additional Amount							
Amount:		Percentage:					
Lock-In Details							
<input checked="" type="checkbox"/> Letter Received		Limit On Allowances:					0
Earned Income Credit				W-5 Processing Status			
<input checked="" type="radio"/> Not applicable <input type="radio"/> Single, or Head of Household <input type="radio"/> Married without spouse filing <input type="radio"/> Married, both spouses filing				<input type="radio"/> None <input type="radio"/> Notification Sent <input type="radio"/> New W-5 Received			
Tax Treaty/NR Data							
Date of Entry:	08/11/2008	Country:	IND	Treaty ID:	TIAS	Treaty Exp Date:	
*Form 8233 Recd:	No	8233 In Effect Date:		8233 Exp Date:			
*Form W8 Recd:	No	W8 In Effect Date:		W8 Exp Date:			
*Form W9 Recd:	No	W9 In Effect Date:					
Taxpayer ID Number:		NRA Withholding Rule: Exempt from Rule					
Allowable Earnings Codes		Find View All		First	1-3 of 6	Last	
Income Code (for 1042-S):	Max Earnings Eligible Per Year:	(after form):	Tax Rate	Tax Rate	(before form):		
















Indian without Treaty In
PeopleSoft (subject to W4 rules)

Federal Tax Data | State Tax Data | Local Tax Data

i Modali

Person ID:

Company: NDS North Dakota State University

Effective Date		Find View All		First	1 of 1	Last
*Effective Date: 04/16/2008 		This data was last updated by Windstar		on	05/07/2008	 
<input checked="" type="checkbox"/> Exempt from FUT	<input type="checkbox"/> Use Total Wage for Multi-State	<input type="checkbox"/> Always create W2 for NQDC Rptg				
Special Tax Withholding Status						
<input type="radio"/> None <input type="radio"/> Do Not Maintain Taxable Gross and Do Not Withhold Tax <input type="radio"/> Maintain Taxable Gross; FWT zero unless specified in 'Additional Withholding' below <input checked="" type="radio"/> Non-Resident Alien; Tax Treaty/NR Data W-4 Processing Status: <input type="radio"/> None <input type="radio"/> Notification Sent <input type="radio"/> New W-4 Received						
Federal Withholding Status						
Tax Marital Status: <input checked="" type="radio"/> Single <input type="radio"/> Married		Withholding Allowances: <input type="text" value="1"/>				
<input type="checkbox"/> Check here and select Single status if married but withholding at single rate.						
Flagged for IRS						
<input type="checkbox"/> W4 Flagged for Transmission						
FWT Additional Amount						
Amount: <input type="text"/>		Percentage: <input type="text"/>				
Lock-In Details						
<input checked="" type="checkbox"/> Letter Received		Limit On Allowances: <input type="text" value="0"/>				
Earned Income Credit				W-5 Processing Status		
<input checked="" type="radio"/> Not applicable <input type="radio"/> Single, or Head of Household <input type="radio"/> Married without spouse filing <input type="radio"/> Married, both spouses filing				<input type="radio"/> None <input type="radio"/> Notification Sent <input type="radio"/> New W-5 Received		
Tax Treaty/NR Data						
Date of Entry: 04/01/2005 						
Country: IND 		Treaty ID: TIAS 		Treaty Exp Date: <input type="text"/> 		
*Form 8233 Recd: No 		8233 In Effect Date: <input type="text"/> 		8233 Exp Date: <input type="text"/> 		
*Form W8 Recd: No 		W8 In Effect Date: <input type="text"/> 		W8 Exp Date: <input type="text"/> 		
*Form W9 Recd: No 		W9 In Effect Date: <input type="text"/> 				
Taxpayer ID Number: <input type="text"/>		NRA Withholding Rule: <input checked="" type="checkbox"/> Subject to Rule				
Allowable Earnings Codes		Find View All		First	1-3 of 6	Last
Income Code (for 1042-S):		Max Earnings Eligible Per Year: (after form):		Tax Rate (before form):		

Reporting Treaty Earnings

- Employers must report wages exempt under a tax treaty paid to a nonresident alien on Forms 1042 and 1042-S. Any additional wages paid to a nonresident alien over and above the exempt amount are reported on Form W-2 in the normal manner.
- Even in situations in which all of a nonresident alien's wages are exempt from federal income tax under an income tax treaty, and in which all his federal wages would be reported on the Form 1042-S, the filing of a Form W-2 is still required in order to report state and local wage amounts and state and local income taxes withheld on such alien's wages.

Form 1042-S

- Recipient copy due March 15
 - Multiple income lines possible on copy
- Good practice to send out early to get corrections back early
 - Avoids correction process
- All taxable payments to NRA except wage subject withholding
 - Taxable unqualified scholarships/fellowships-Income Code 15
 - No reporting required for qualified scholarship and fellowships
- All treaty exempt income

**Annual Withholding Tax Return for
U.S. Source Income of Foreign Persons**
▶ See Instructions.

Department of the Treasury
Internal Revenue Service(77)If this is an amended return, check here

Name of withholding agent North Dakota State University		Employer identification no.	For IRS Use Only	
Number, street, and room or suite no. (if a P.O. box, see instructions) P.O. Box 5345, 205 Old Main,			CC	FD
City or town, province or state, and country (including postal code) Fargo, ND 58105-5345			RD	FF
			CAF	FP
			CR	I
			EDC	SIC

If you will not be liable for returns in the future, check here Enter date final income paid ▶Check here if you made quarter-monthly deposits using the 90% rule (see **Deposit Requirements** in the instructions). Check if you are a: QI/Withholding foreign partnership or trust NQI/Flow-through entity (See instructions.)

Record of Federal Tax Liability (Do not show federal tax deposits here.)											
Line No.	Period ending	Tax liability for period (Including any taxes assumed on Form(s) 1000)	Line No.	Period ending	Tax liability for period (Including any taxes assumed on Form(s) 1000)	Line No.	Period ending	Tax liability for period (Including any taxes assumed on Form(s) 1000)	Line No.	Period ending	Tax liability for period (Including any taxes assumed on Form(s) 1000)
1		0.00	21		0.00	41		0.00			0.00
2	Jan. 15	0.00	22	May 15	0.00	42	Sept. 15	0.00			0.00
3	22	0.00	23	22	0.00	43	22	0.00			0.00
4	31	0.00	24	31	0.00	44	30	0.00			0.00
5	Jan. total	0.00	25	May total	0.00	45	Sept. total	0.00			0.00
6	7	0.00	26	7	0.00	46	7	0.00			0.00
7	15	0.00	27	15	0.00	47	15	0.00			0.00
8	22	0.00	28	22	0.00	48	22	0.00			0.00
9	28	0.00	29	30	0.00	49	31	0.00			0.00
10	Feb. total	0.00	30	June total	0.00	50	Oct. total	0.00			0.00
11	7	0.00	31	7	0.00	51	7	0.00			0.00
12	15	0.00	32	15	0.00	52	15	0.00			0.00
13	22	0.00	33	22	0.00	53	22	0.00			0.00
14	31	0.00	34	31	0.00	54	30	0.00			0.00
15	Mar. total	0.00	35	July total	0.00	55	Nov. total	0.00			0.00
16	7	0.00	36	7	0.00	56	7	0.00			0.00
17	15	0.00	37	15	0.00	57	15	0.00			0.00
18	22	0.00	38	22	0.00	58	22	0.00			0.00
19	30	0.00	39	31	0.00	59	31	0.00			0.00
20	Apr. total	0.00	40	Aug. total	0.00	60	Dec. total	0.00			0.00

61 No. of Forms 1042-S filed: a On magnetic media b On paper c Electronically 207

62 For all Form(s) 1042-S and 1000: a Gross income paid 1135591.00 b Taxes withheld or assumed 1583.00

63a	Total tax liability (add monthly total lines from above)	63a	0.00	63c	0.00	Copyright 2007 Grestland/Nelco - Forms Software Only
b	Adjustments (see instructions)	63b	0.00			
c	Total net tax liability (combine lines 63a and 63b)	63c	0.00			
64	Total paid by federal tax deposit coupons or by electronic funds transfer (or with a request for an extension of time to file) for 2007	64	0.00			
65	Enter overpayment applied as a credit from 2006 Form 1042	65	0.00			
66	Credit for amounts withheld by other withholding agents (see instructions)	66	0.00			
67	Total payments. Add lines 64 through 66	67	0.00			
68	If line 63c is larger than line 67, enter balance due here	68				
69	If line 67 is larger than line 63c, enter overpayment here	69				
70	Penalty for failure to deposit tax when due. Also include on line 68 or line 69 (see instructions)	70	0.00			
71	Apply overpayment on line 69 to (check one): <input type="checkbox"/> Credit on 2008 Form 1042 or <input type="checkbox"/> Refund					

Third Party Designee Do you want to allow another person to discuss this return with the IRS (see instructions)? Yes. Complete the following. No

Sign Here	Your signature ▶	Date ▶	Capacity in which acting ▶
	Preparer's signature ▶	Date ▶	Daytime phone number ▶
Paid Preparer's Use Only	Firm's name (or yours if self-employed), address, and ZIP code ▶	Check if self-employed <input type="checkbox"/>	Preparer's SSN or PTIN
			EIN ▶ Phone no.

**Foreign Person's U.S. Source Income
Subject to Withholding**

2008

OMB No. 1545-0098

Copy D for Recipient

Attach to any state tax rtn. you file

AMENDED		PRO-RATA BASIS REPORTING									
1 Inc. code	2 Gross income	3 Withholding allowances	4 Net income	5 Tax rate	6 Exempt code	7 Federal tax withheld	8 Withholding by other agents	9 Total withholding credit	10 Amount paid to recipient		
19	2800			00.00	04	0	0	0	0		
11 Withholding agent's EIN ▶ <input checked="" type="checkbox"/> EIN <input type="checkbox"/> QI-EIN					14 Recipient's U.S. TIN, if any ▶ <input checked="" type="checkbox"/> SSN or ITIN <input type="checkbox"/> EIN <input type="checkbox"/> QI-EIN						
12 WITHHOLDING AGENT'S name and address (including ZIP code) NORTH DAKOTA STATE UNIVERSITY LAURA GARSKE-HERMANSON DEPT 3040 P.O. BOX 6050 FARGO, ND 58108-6050					15 Recipient's foreign tax identifying number, if any			16 Country code CH			
					17 NQI's/FLOW-THROUGH ENTITY'S name			18 Country code			
13a RECIPIENT'S name and address (including postal code) CHINA, PEOPLE'S REPUBLIC OF					19 NQI's/Entity's address (including postal code)						
					13b Recipient code 01		20 NQI's/Entity's U.S. TIN, if any ▶			21 PAYER'S name and TIN (if different from withholding agent's)	
					22 Recipient account number (optional)						
					23 State income tax withheld 0		24 Payer's state tax no. 45-6002439-01		25 Name of state ND		

For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions.

38-2099603

Form **1042-S** (2008)

8 WT42SD1 NTF 2572271A Copyright 2008 Greatland/Necco - Forms Software Only
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(Cut Here)

ONLY the below addresses should show through the windows!

**NORTH DAKOTA STATE UNIVERSITY
LAURA GARSKE-HERMANSON
DEPT 3040
P.O. BOX 6050
FARGO, ND 58108-6050**

If you have any questions about this form, please call: 701-231-7328

FARGO, ND 58102

Alien Liability For Social Security/Medicare Tax

- Resident aliens, in general, have the same liability for Social Security/Medicare Taxes as U.S. Citizens.
- Nonresident aliens, in general are also liable for Social Security/Medicare Taxes on wages paid to them for services performed by them in the United States, with certain exceptions based on their nonimmigrant status.

Most Common NRA Exception to FICA Liability

- F-visa, J-visas, M-visas, Q-visas. Nonresident alien students, scholars, professors, teacher trainers, researchers, and other aliens temporarily present in the U.S. in F-1, J-1, M-1, or Q-1/Q-2 nonimmigrant status are exempt from wages paid to them for services performed within the United States as long as such services are allowed by the USCIS for these nonimmigrant statuses, and such services are performed to carry out the purposes for which these aliens were admitted into the USA.

Student FICA Exception

- Same rules as for US citizen students
- On-campus employment
 - Where the student is enrolled and
 - Regularly attending classes
- Does not apply to:
 - Off-campus employment
 - OPT and Academic training after graduation

Changes in Tax Residency Status

- Residency Start Date
 - The first day the alien is present in the United States during the calendar year in which the alien passes the SPT
 - Loses NRA FICA exemptions, begin withholding from 1st day in the year that will become an RA

North Dakota State University Foreign National Information Form

This form must be completed before you can receive any form of payment. All applicable questions below must be answered. We will need to see the following documents: 1) your I-94 card "Arrival and Departure Record" (white card inside your passport) 2) your passport 3) Form I-20, DS-2019 or other work authorization 4) social security card. This form must be completed and the above documents brought to the Payroll Office before any check can be issued to you. This form must also be completed by anyone receiving tuition remission/scholarships.

1) Last or Family Name: _____ First: _____ Middle: _____

2) Social Security # _____ 3) Empl ID # _____

4) U.S. LOCAL STREET ADDRESS:

City

State Zip

5) FOREIGN RESIDENCE ADDRESS:

City Postal Code

Provincia/Region Foreign Country

6) Country of Citizenship: _____ 7) Country That Issued Passport: _____

8) Passport #: _____ 9) Passport Expiration Date: _____

10) Have you ever had another immigration status or previous visits to the U.S.? Yes No **If YES, see Page 2**

11) IMMIGRATION STATUS:

<input type="checkbox"/> U.S. Immigrant/Permanent Resident	<input type="checkbox"/> F-1 Student	<input type="checkbox"/> J-2 Spouse or Child of Exchange Visitor
<input type="checkbox"/> J-1 Exchange Visitor	<input type="checkbox"/> H-1B Temporary Employee	
<input type="checkbox"/> Other: _____		

12) IF IMMIGRATION STATUS IS J-1, WHAT IS THE SUBTYPE? CHECK ONE:

<input type="checkbox"/> 01 Studying in a Degree Program	<input type="checkbox"/> 05 Professor	<input type="checkbox"/> 12 Research Scholar
<input type="checkbox"/> 02 Short Term Scholar	<input type="checkbox"/> Other: _____	

13) WHAT IS THE ACTUAL PRIMARY ACTIVITY OF THE VISIT? CHECK ONE:

<input type="checkbox"/> 01 Studying in a Degree Program	<input type="checkbox"/> 05 Observing	<input type="checkbox"/> 09 Demonstrating Special Skills
<input type="checkbox"/> 02 Studying in a Non-Degree Program	<input type="checkbox"/> 06 Consulting	<input type="checkbox"/> 10 Clinical Activities
<input type="checkbox"/> 03 Teaching	<input type="checkbox"/> 07 Conducting Research	<input type="checkbox"/> 11 Temporary Employment
<input type="checkbox"/> 04 Lecturing	<input type="checkbox"/> 08 Training	<input type="checkbox"/> 12 Here with Spouse

14) WHAT IS THE ACTUAL DATE YOU ENTERED THE UNITED STATES FOR THE FIRST TIME?

____ / ____ / ____

MONTH DAY YEAR

15) WHAT IS THE START DATE OF YOUR IMMIGRATION STATUS FOR THIS PRIMARY ACTIVITY?

____ / ____ / ____

MONTH DAY YEAR

16) WHAT IS THE END DATE OF YOUR IMMIGRATION STATUS FOR THIS PRIMARY ACTIVITY?

____ / ____ / ____

MONTH DAY YEAR

17) TYPE OF WORK AND DEPT.
(EX: Grad Teaching Assistant for Math Dept)

18) WHAT TYPE OF STUDENT?

<input type="checkbox"/> Undergraduate	<input type="checkbox"/> Master
<input type="checkbox"/> Doctoral	<input type="checkbox"/> Other

19) Married? Yes No
Spouse in USA? Yes No
If Yes, Spouse Immigration Status _____

20) FOR CONSULTANTS/SELF EMPLOYED INDIVIDUALS

Do you/will you have an office (fixed base) in the USA?

Yes No If yes, how many days in this tax year did you/will you have office (fixed base)? _____

Days

21) COUNTRY OF TAX RESIDENCE IF DIFFERENT FROM FOREIGN RESIDENCE ADDRESS:

Did tax residency end? Yes No

If yes, when? _____

Month Day Year

I hereby certify that all of the above information is true and correct. I understand that if my status changes from that which I have indicated on this form I must submit a new Foreign National Information Form to the Payroll Office.

Signature: _____ Date: _____ Home Phone #: _____

Email Address: _____ Work Phone #: _____

FOR OFFICE USE ONLY:

____ Windstar ____ Label

____ Excel

Please list any VISA immigration activity in the last three years and all F, J, M or Q VISA's since 1/1/85						
Date of Entry	Date of Exit	Visa Immigration Status	J1 Subtype	Primary Activity	Have you taken Treaty Benefits?	
/ /	/ /				<input type="checkbox"/> Yes	<input type="checkbox"/> No
/ /	/ /				<input type="checkbox"/> Yes	<input type="checkbox"/> No
/ /	/ /				<input type="checkbox"/> Yes	<input type="checkbox"/> No
/ /	/ /				<input type="checkbox"/> Yes	<input type="checkbox"/> No
/ /	/ /				<input type="checkbox"/> Yes	<input type="checkbox"/> No
/ /	/ /				<input type="checkbox"/> Yes	<input type="checkbox"/> No
/ /	/ /				<input type="checkbox"/> Yes	<input type="checkbox"/> No
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/ /	/ /				<input type="checkbox"/> Yes	<input type="checkbox"/> No
/ /	/ /				<input type="checkbox"/> Yes	<input type="checkbox"/> No
/ /	/ /				<input type="checkbox"/> Yes	<input type="checkbox"/> No
/ /	/ /				<input type="checkbox"/> Yes	<input type="checkbox"/> No
/ /	/ /				<input type="checkbox"/> Yes	<input type="checkbox"/> No

If you have any questions please contact:

Laura Garske-Hermanson
International Payroll Specialist

North Dakota State University
Office of Human Resources and Payroll
PO Box 5345
SGC 102, Room H103
Fargo, ND 58105-5345

Phone: 701.231.7328
Fax: 701.231.9686
Email: laura.garske-hermanson@ndsu.edu



Documentation to bring to HR/Payroll Office

- Unexpired Passport
- I-94 Card
- Employment Authorization Document
 - F-1 needs a copy of I-20
 - J-1 needs a copy of DS-2019
- Social Security Card



F-1 and J-1 Student Work Authorization

- On campus employment
 - 20 hours per week while school is session
- CPT
 - Endorsed by DSO, earn academic credit and/or be required for graduation
- OPT
 - One year maximum, limited to area and level of study
- Employment Authorization based on unanticipated hardship
 - DSO may endorse EAD application for unrestricted temporary work authorization if financial hardship could not have been anticipated when I-20 was issued



They may not exceed 20 hours a week during the following Holidays

- Martin Luther King Jr. Day
- President's Day
- Easter
- Labor Day
- Veterans Day
- Thanksgiving



They may work 40 hours a week during the following Breaks

- Spring Break
- Summer Break
- Winter Break

Visa vs. I-94

- Visa
 - Reflects classification under immigration law
 - Issued by the State Department, is important only outside the United States
 - Essentially it is a travel document
- I-94
 - Reflects classification under immigration law
 - Issued by the Department of Homeland Security, is important only inside the United States
 - Proves current status

LISTS OF ACCEPTABLE DOCUMENTS



LIST A Documents that Establish Both Identity and Employment Eligibility	OR	LIST B Documents that Establish Identity	AND	LIST C 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, gender, height, eye color and address		1. U.S. Social Security card issued by the Social Security Administration <i>(other than a card stating it is not valid for employment)</i>
2. Permanent Resident Card or Alien Registration Receipt Card (Form I-551)		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, gender, height, eye color and address		2. Certification of Birth Abroad issued by the Department of State <i>(Form FS-545 or Form DS-1350)</i>
3. An unexpired foreign passport with a temporary I-551 stamp		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. An unexpired Employment Authorization Document that contains a photograph <i>(Form I-766, I-688, I-688A, I-688B)</i>		4. Voter's registration card		4. Native American tribal document
5. An unexpired foreign passport with an unexpired Arrival-Departure Record, Form I-94, bearing the same name as the passport and containing an endorsement of the alien's nonimmigrant status, if that status authorizes the alien to work for the employer		5. U.S. Military card or draft record		5. U.S. Citizen ID Card <i>(Form I-197)</i>
		6. Military dependent's ID card		6. ID Card for use of Resident Citizen in the United States <i>(Form I-179)</i>
		7. U.S. Coast Guard Merchant Mariner Card		
		8. Native American tribal document		7. Unexpired employment authorization document issued by DHS <i>(other than those listed under List A)</i>
	9. Driver's license issued by a Canadian government authority			
		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)



How to Setup Citizenship and Identification Data in People Soft



Citizenship/Passport | [Visa/Permit Data](#) | [Employee Photo](#)



.....I Cai Person ID:


Citizenship/Passport Find | View All First  1 of 1  Last


*Country:  China Citizenship Status:  

Passport Information Find | View All First  1 of 1  Last

*Passport Number:  



Issue Date:  Expiration Date: 


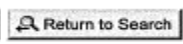





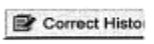
Country:  China

Province: 

City:

Authority:

Comment:  

 Save |  Return to Search |  Notify |  Previous tab |  Next tab |  Update/Display |  Include History |  Correct History

[Citizenship/Passport](#) | [Visa/Permit Data](#) | [Employee Photo](#)

Citizenship/Passport | **Visa/Permit Data** | Employee Photo

Cai

Person ID:

Visa/Permit Data Find | View All First 1 of 1 Last

*Country: USA

*Type: F1 Student Visa

*Effective Date:

Number:

*Status: *Status Date:

Duration: Months

Issue Date:

Date of Entry into Country: Expiration Date:

Issuing Authority:

Issue Place:

Supporting Documents Needed Customize | Find | View All First 1 of 1 Last

*Sup Doc ID	Description	Request Date	Date Received
1 <input type="text"/>		<input type="text"/>	<input type="text"/>

Citizenship/Passport | Visa/Permit Data | Employee Photo

IRS Publications

- Publication 515 Withholding of Tax on Nonresident Aliens and Foreign Entities
- Publication 15 Circular E Employer's Tax Guide
- Publication 519 U.S. Tax Guide For Aliens
- Publication 901 U.S. Tax Treaties

Questions?