

## MEMORANDUM

TO: Deans, Department Administrators & Department Assistants

FROM: Paul Frey, Associate Controller

DATE: August, 2001

RE: Tax Treaty Benefits for International Students  
Academic Year 2001-2002

Since July 1, 1998 Case Western Reserve University has provided tax treaty exemptions for non-resident alien graduate and undergraduate student employees who qualify for this benefit. This benefit is provided during the year as non-resident alien student employees receive their payments. The administration of this policy is a joint effort among the Controller's Office, the Office of International Student Services and the Office of Student Employment.

Please note that this policy affects Non-Resident Alien Student Employees only. Non-resident alien faculty, staff and independent contractors should contact the Office of Foreign Faculty & Scholars at 368-4298 for employment and tax treaty matters.

Tax treaty Policy and Procedures for International students and a current listing of countries, which have negotiated tax treaty benefits, will be maintained on the Controller's Web site:

[http://www.cwru.edu/finadmin/controller/student\\_adv/treaty\\_count.htm](http://www.cwru.edu/finadmin/controller/student_adv/treaty_count.htm)

Questions regarding tax treaty benefits for non-resident alien student employees should be directed to Betty Capasso at 368-5938 in the Payroll Office at University West or e-mail [bjc5@po.cwru.edu](mailto:bjc5@po.cwru.edu).

PBF\bjc  
Attachments

## **TAX TREATY POLICY & PROCEDURES FOR INTERNATIONAL STUDENTS**

Case Western Reserve University provides tax treaty exemptions to all non-resident alien student employees who qualify for such benefits. The administration of this policy, for which procedures are outlined below, is a joint effort among the Controller's Office, and the Office of International Student Services and the Office of Student Employment.

1. Make certain you currently reside in a country that has negotiated tax treaty benefits for non-resident alien students. A list of these countries is attached or a current copy can be found on the Controller's Office WEB page at:  
  
**[http://www.cwru.edu/finadmin/controller/student\\_adv/treaty\\_count.htm](http://www.cwru.edu/finadmin/controller/student_adv/treaty_count.htm)**
2. If you currently reside in a country that has a tax treaty in effect, schedule an appointment with Betty Capasso at 368-5938, in the Payroll Office for an interview.
3. Bring the following documents to your interview:
  - Passport
  - Copy of Form I-20 (Issued by the International Office) **OR** the IAP66 form (which is the pink form within your passport.)
  - Social Security Card
  - Completed & Signed Foreign National Information Form
  - Award letter if on a Fellowship
  - I-94 Form (White card inside your passport)
4. The Payroll Office will determine whether you are eligible for tax treaty benefits based on the information provided above.
5. If eligible for tax treaty benefits, Form 8233 or Form W-9 must be completed and signed during the interview. The Payroll Office will provide both forms.
6. Complete W-4 federal tax withholding form and state withholding tax forms, where appropriate, for earnings not covered by the treaty. These forms will be provided by Payroll.
7. Payroll will notify student employees when the tax treaty expires and earnings become subject to withholding taxes.

**TAX TREATY COUNTRIES**

*Academic Year 2001-2002*

<b><u>COUNTRY</u></b>	<b><u>ANNUAL EXEMPTION AMOUNT</u></b>	<b><u>MAXIMUM BENEFIT YEARS</u></b>
Belgium	\$2,000 - Compensation Fellowship - No Limit	5 Years
Canada	*See Below	No Limit
China, People's Republic of	\$5,000 - Compensation Fellowship - No Limit	No Limit
Cyprus	\$2,000 - Compensation Fellowship - No Limit	5 Years
Czech Republic	\$5,000 - Compensation Fellowship - No Limit	5 Years
Egypt	\$3,000 - Compensation Fellowship - No Limit	5 Years
Estonia	\$5,000 - Compensation Fellowship - No Limit	5 Years
France	\$5,000 - Compensation Fellowship - No Limit	5 Years
Germany	\$5,000 - Compensation Fellowship - No Limit	4 Years
Iceland	\$2,000 - Compensation Fellowship - No Limit	5 Years
Indonesia	\$2,000 - Compensation Fellowship - No Limit	5 Years
Israel	\$3,000 - Compensation Fellowship - No Limit	5 Years
Japan	\$2,000 - Compensation Fellowship - No Limit	5 Years
Kazakstan	No Compensation Benefit Fellowship - No Limit	
Korea, Republic of	\$2,000 - Compensation Fellowship - No Limit	5 Years
Latvia	\$5,000 - Compensation Fellowship - No Limit	5 Years
Lithuania	\$5,000 - Compensation Fellowship - No Limit	5 Years

Morocco	\$2,000 - Compensation Fellowship - No Limit	5 Years
Netherlands	\$2,000 - Compensation Compensation while on a Fellowship Fellowship - No Limit	No Limit 3 Years
Norway	\$2,000 - Compensation Fellowship - No Limit	5 Years
Pakistan	\$5,000 - Compensation Fellowship - No Limit	No Limit
Philippines	\$3,000 - Compensation Fellowship - No Limit	5 Years
Poland	\$2,000 - Compensation Fellowship - No Limit	5 Years
Portugal	\$5,000 - Compensation Fellowship - No Limit	5 Years
Romania	\$2,000 - Compensation Fellowship - No Limit	5 Years
Russia	No Compensation Benefit Fellowship - No Limit	
Slovak Republic	\$5,000 - Compensation Fellowship - No Limit	5 Years
Spain	\$5,000 - Compensation Fellowship - No Limit	5 Years
Thailand	\$3,000 - Compensation Fellowship - No Limit	5 Years
Trinidad	\$2,000 - Compensation Fellowship - No Limit	5 Years
Tobago	\$2,000 - Compensation Fellowship - No Limit	5 Years
Tunisia	\$4,000 - Compensation Fellowship - No Limit	5 Years
Venezuela	\$5,000 - Compensation Fellowship - No Limit	5 Years

\*Income that residents from Canada receive in the US is exempt from US tax if it is not more than \$10,000 for the year. If it is more than \$10,000 for the year, the residents must be present in the US for no more than 183 days during the calendar year.

**FOREIGN NATIONAL INFORMATION FORM**

**The Foreign National Information Form must be completed before you can receive any form of payment. All applicable questions below must be answered. A copy of both sides of your I-94 Form "Arrival and Departure Record", (a small white card inside your passport, copy of your U.S. VISA from your passport, and I-20 or IAP66 must be attached to this form. This form must be returned before any check can be issued by the Payroll or Accounts Payable Department and must be completed by anyone receiving tuition remission/scholarship.**

1. Last or Family Name \_\_\_\_\_ First \_\_\_\_\_ Middle \_\_\_\_\_

2. Social Security #: \_\_\_\_\_ 3. ID#: \_\_\_\_\_

4. U.S. Local Street Address \_\_\_\_\_ 5. Foreign Residence Address \_\_\_\_\_

4. Address Line 2: \_\_\_\_\_ 5. Address Line 2: \_\_\_\_\_

4. Address Line 3: \_\_\_\_\_ 5. Address Line 3/City: \_\_\_\_\_

4. City: \_\_\_\_\_ 5. Postal Code: \_\_\_\_\_ Province/Region \_\_\_\_\_

4. State: \_\_\_\_\_ Zip \_\_\_\_\_ 5. Foreign Country: \_\_\_\_\_

6. Country of Citizenship: \_\_\_\_\_ 7. Country That Issued Passport: \_\_\_\_\_

8. Passport #: \_\_\_\_\_ 9. Visa #: \_\_\_\_\_

10. Have you ever had another immigration status in the United States?       Yes     No      If yes see section 2

11. Immigration Status:  
 U.S. Immigrant/Permanent Resident       F-1 Student       J-2 Spouse or Child of Exchange Visitor  
 J-I Exchange Visitor       H-1 Temporary Employee      Other \_\_\_\_\_

12. If Immigration Status is J-1, what is the subtype? Check One:  
 01 Student     02 Short Term Scholar     05 Professor     12 Research Scholar    Other \_\_\_\_\_

13. What is the actual primary purpose of the visit? Check One:  
 01 Studying in a Degree Program     02 Studying in a Non-Degree Program     03 Teaching  
 04 Lecturing     05 Observing     06 Consulting  
 07 Conducting Research     08 Training     09 Demonstrating Special Skills  
 10 Clinical Activities     11 Temporary Employee     12 Here with Spouse

14. What is the actual date you entered the United States?      \_\_\_\_/\_\_\_\_/\_\_\_\_

15. What is the start date of your immigration status:      \_\_\_\_/\_\_\_\_/\_\_\_\_

16. What is the end date of your immigration status primary activity?      \_\_\_\_/\_\_\_\_/\_\_\_\_

17. Income providing activity: (e.g. Professor of Chemistry)?: \_\_\_\_\_

18. What type of student?:  
 Undergraduate     Masters     Doctoral    Other \_\_\_\_\_

19. Married     Yes     No      Spouse in USA?:     Yes     No      Number of Dependents \_\_\_\_\_

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 an office (fixed base)? \_\_\_\_\_

21. Country of residence if different from foreign residence address:

Did tax residency end?  Yes  No If yes, when? \_\_\_\_/\_\_\_\_/\_\_\_\_

**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 Department.**

Signature: \_\_\_\_\_

Local Phone Number: \_\_\_\_\_ E-Mail address: \_\_\_\_\_

Date: \_\_\_\_\_

**SECTION TWO**

**The Foreign National Information Form must be completed before you can receive any form of payment. Please list any VISA Immigration Activity in last three calendar years and all F, J, M or Q Visas since 1/1/85:**

Date of Entry	Date of Exit	Visa Immigration Status	J-1 Subtype	Primary Activity	Have you taken any 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
____/____/____	____/____/____	_____	_____	_____	<input type="checkbox"/> Yes <input type="checkbox"/> No
____/____/____	____/____/____	_____	_____	_____	<input type="checkbox"/> Yes <input type="checkbox"/> No

**VISA IMMIGRATION STATUS:**

- U.S Immigrant/Permanent Resident   
 F-1 Student   
 J-2 Spouse or child of Exchange Visitor  
 J-1 Exchange Visitor   
 H-1 Temporary Employee   
 Other \_\_\_\_\_

**PRIMARY PURPOSE:**

- 01 Studying in a degree program   
 05 Observing   
 09 Demonstrating Special Skills  
 02 Studying in a Non-Degree program   
 06 Consulting   
 10 Clinical Activities  
 03 Teaching   
 07 Conducting Research   
 11 Temporary Employee  
 04 Lecturing   
 08 Training   
 12 Here with Spouse  
 99 Other, please specify: \_\_\_\_\_

**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 Department.**

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

### HOW TO COMPLETE THE FOREIGN NATIONAL INFORMATION FORM

1. Name: List full name.
2. Social Security Number: Enter US social security number issued by the US Social Security Administration, not your ID number. Do not list numbers not assigned by the United States Social Security, i.e. Canadian social security number. All employees must have a social security number in order to work. If none, enter your ITIN issued by the IRS.
3. ID#: Enter your Employee/Student/Faculty Identification Number. (Not Applicable for Students)
4. Local Street Address: List your local US address.
5. Residence: List your non US address.
6. Country of Citizenship(s)
7. Country that Issued Passport: List Country in which you were issued your passport. Not the country where it was issued.
8. Passport#: Enter your passport number.
9. Visa#: Enter your Visa number.
10. Immigration Status: Check yes or no. If yes, complete section 2 for the time you were present in the United States. Approximate if you do not know.
11. Immigration Status: Check the type of immigration status that you currently hold. If you check U.S. Immigrant/Permanent Resident, holder of a "green" card, you may proceed to the bottom of section 2. Sign and date.
12. Immigration Status for J-1: Check the appropriate J-1 subtype.
13. Actual Primary Activity: Check one activity.
14. Actual Entry Date into the United States: Must include month, day, and year. Approximate if you do not know.
15. Start Date: Must include month, day, and year. Approximate if you do not know.
16. End Date: Must include month, day, and year. Approximate if you do not know.
17. Occupation: Describe in general the service you will perform.
18. Check the appropriate box.
19. Is your spouse in the USA?: Check the appropriate box. Give the number of other dependents in the USA.
20. Consultants/Self-employed Individuals: Check the appropriate box. This includes any office at any location specifically identified with you.
21. Tax residence is where you last paid taxes as a resident and can be different from legal residence. Do not include the USA.