

U.S. TAX INFORMATION FOR NONRESIDENT ALIEN CONSULTANTS AND GUEST SPEAKERS

The Internal Revenue Service (IRS), the U.S. Government taxing authority, has issued strict regulations regarding the taxation and reporting of payments made to non-United States citizens. As a result, the Nevada System of Higher Education ("NSHE") may be required to withhold U.S. income tax and file reports with the IRS in connection with payments made by the NSHE to consultants and guest speakers who are not U.S. citizens or permanent resident aliens (green card holders) and who receive compensation for services performed and/or reimbursement for travel.

The NSHE must determine whether you will be treated as a "resident alien" or "nonresident alien" for U.S. tax purposes. Consultants or guest speakers who enter the U.S. under a visitor's visa (e.g., B-1 or B-2) or a waiver of a visa (e.g., VWB or VWT) are generally treated as nonresident aliens if they are present in the U.S. for a total of less than six months over a three year period. Consultants or guest speakers who are present in the U.S. under a J-1 visa are usually considered nonresident aliens for the first two calendar years that they are present in the U.S.

The NSHE is generally required to withhold taxes from all payments made to nonresident aliens. So that NSHE can make a correct determination about tax withholding, all guest speakers who are not citizens or permanent resident aliens of the U.S. must complete the *Alien Information Collection Form* and return it to the Nonresident Alien Tax (NRAT) Specialist. You will need to meet with the NRA Specialist to sign forms while you are here on campus. Bring your passport to your appointment. Once your U.S. tax status has been determined, if you are a nonresident alien, a tax equal to 30 percent is generally required to be withheld. Taxable items include, but are not limited to:

- Honoraria
- Consulting fee
- Compensation
- Speaker fee
- Living Allowance
- Cash Award

The U.S. has income tax treaties with a number of foreign countries. Certain taxable payments made by the NSHE to you may be exempt from U.S. tax based on an income tax treaty entered into between the U.S. and your country of residency. The existence of a tax treaty does not automatically ensure an exemption from taxation; rather, you must satisfy the requirements for the exemption set forth in the tax treaty. In order to be considered for a tax treaty exemption, you must have a U.S. Social Security Number or Individual Tax Identification Number (ITIN). You must meet with the NRAT Specialist to sign the forms. **A 30 percent withholding tax will be deducted from compensation payments made to consultants or guest speakers (i) who are from countries that do not maintain an income tax treaty with the U.S., (ii) whose payment does not qualify for exemption under a tax treaty, or (iii) who do not have a U.S. Social Security Number or ITIN.**

If you do not meet with the NRAT Specialist, the NSHE cannot refund the tax to you. You must file a U.S. income tax return at year-end to apply for a refund of tax withheld from the IRS. Please note that the NSHE is also required by law to report to the IRS all payments made to a nonresident alien, or to a third party on his or her behalf, regardless of whether the payment is subject to U.S. tax.

All individuals who receive payment from the NSHE are also required by law to disclose their U.S. Social Security or ITIN.

All consultants and guest speakers who are not citizens or permanent resident aliens of the U.S. are required to meet with the NRAT Specialist and will complete forms during the appointment prior to receiving any payments or financial assistance. If you need information concerning tax-withholding obligations, please contact the Nonresident Alien Tax Specialist by email at: nrat@unlv.edu.