STUDENT EXAMPLE – FELLOWSHIP/SCHOLARSHIP

Xiao Guo – Student from China

As a student at the University of Michigan, you may be receiving one or both of the following types of payments:

- scholarship and/or fellowship
- wages from employment at the University

Enter information in Foreign International Information (FNIS) website and submit the following forms to the Payroll office if you are a student being paid a scholarship and/or fellowship:

1. Immigration Status Data form from FNIS.
2. Form W-8BEN, if you are a resident of a tax treaty country (see attached list) and have a Social Security Number (SSN) or Individual Taxpayer Identification Number (ITIN)

The Form W-8BEN is valid for 5 years. You do NOT need to submit a new W-8BEN each year.

You must have an SSN or ITIN to claim a tax treaty exemption. If you have neither, you may make an appointment with the Payroll Office to complete Form W-7 (application for an ITIN).

You will receive a Form 1042-S in February to be used when filing Form 1040NR (annual federal tax return). Please consider using the Glacier Tax Prep software program to prepare your annual tax returns. It is available at the International Center’s website at http://internationalcenter.umich.edu/taxes/taxsoftware.html

CHECKLIST FOR STUDENTS WITH FELLOWSHIP/SCHOLARSHIP

☐ Enter information in the Foreign International Information (FNIS) website.

☐ Print out W-8 BEN (if a resident of a tax treaty country) COMPLETED W-8BEN MUST INCLUDE SSN OR ITIN

☐ J-1 visa holders must attach a copy of their DS-2019

☐ If an ITIN is needed, contact the Payroll office to schedule an appointment and then bring your Visa, Passport, I-94 and DS-2019 or I-20 to the Payroll Office to complete Form W7 (application for an ITIN).

☐ Send forms to the Payroll Office by one of these methods:
  1. Have your department submit the forms
  2. Email forms to tanesmcl@umich.edu, ashlbrow@umich.edu or kellyesk@umich.edu
  3. Fax forms to the Payroll Office - (734) 647-3983
  4. Send forms to the Payroll Office - 3003 S. State Street. G395
      Ann Arbor, MI 48109-1279
  5. Drop off forms at the Payroll Office in Wolverine Tower
## COUNTRIES WITH TAX TREATY PROVISIONS RELATING TO FELLOWSHIP/SCHOLARSHIP GRANTS

**Effective 8/5/11**

<table>
<thead>
<tr>
<th>Country</th>
<th>Tax Treaty Limit</th>
<th>Tax Year Limit</th>
<th>Tax Treaty Article #</th>
<th>Special Restrictions (see below)</th>
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</tr>
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<td>Venezuela</td>
<td>No Limit</td>
<td>5</td>
<td>21(1)</td>
<td>e</td>
</tr>
</tbody>
</table>

See Special Restrictions on next page
Special Restrictions (Fellowship/Scholarship)

a. Tax Year Limit includes the year of entry into the U.S.

b. The tax treaty with the People's Republic of China does not include residents of Hong Kong or Taiwan.

c. Students may use an otherwise unlimited treaty for a maximum of 6 years at the University of Michigan.

d. The Commonwealth of Independent States (CIS) still using the former USSR/US treaty are: Armenia, Azerbaijan, Belarus, Georgia, Kyrgyzstan, Moldova, Tajikistan, Turkmenistan, and Uzbekistan.

e. Tax Year Limit may be extended for the additional time needed to complete degree requirements if student is continuing on as a graduate level student.

DISCLAIMER
All information provided in official University of Michigan Web sites is provided for information purposes only and does not constitute a legal contract between the University and any person or entity unless otherwise specified. Information on these web sites is subject to change without prior notice. Although every reasonable effort is made to present current and accurate information, the University of Michigan makes no guarantees of any kind.

This information is not a substitute for advice obtained from the Internal Revenue Service or a qualified tax professional. If you believe you have complicated tax issues please consult the Internal Revenue Service or a qualified tax professional.

G:\ADMINDOC\Tax Treaty Table\Scholarship-Fellowship Treaty Countries 08_07.doc, 08/5/11
Form W-8BEN
Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding and Reporting (Individuals)

Do NOT use this form if: Instead, use Form:
• You are NOT an individual ................................................. W-8BEN-E
• You are a U.S. citizen or other U.S. person, including a resident alien individual ................................................. W-9
• You are a beneficial owner claiming that income is effectively connected with the conduct of trade or business within the U.S. (other than personal services) ................................................. W-8ECI
• You are a beneficial owner who is receiving compensation for personal services performed in the United States ................................................. 8233 or W-4
• You are a person acting as an intermediary ................................................. W-8IMY

Note: If you are resident in a FATCA partner jurisdiction (e.g., a Model 1 IGA jurisdiction with reciprocity), certain tax account information may be provided to your jurisdiction of residence.

Part I Identification of Beneficial Owner (see instructions)

1 Name of individual who is the beneficial owner
Xiao Guo

2 Country of citizenship
China

3 Permanent residence address (street, apt. or suite no., or rural route). Do not use a P.O. box or in-care-of address.
Apartment 210 Building 21 No. 10 Nansanhuaqun Chu St. Haiqian District
Beijing 100081

4 Mailing address (if different from above)

City or town, state or province. Include postal code where appropriate.

5 U.S. taxpayer identification number (SSN or ITIN), if required (see instructions)

6 Foreign tax identifying number (see instructions)

7 Reference number(s) (see instructions)

8 Date of birth (MM-DD-YYYY) (see instructions)
07-05-1955

Part II Claim of Tax Treaty Benefits (for chapter 3 purposes only) (see instructions)

9 I certify that the beneficial owner is a resident of China within the meaning of the income tax treaty between the United States and that country.

10 Special rates and conditions (if applicable—see instructions): The beneficial owner is claiming the provisions of Article and paragraph 20 (b) of the treaty identified on line 9 above to claim a ___0.00% rate of withholding on (specify type of income):

scholarship/fellowship

Explain the additional conditions in the Article and paragraph the beneficial owner meets to be eligible for the rate of withholding:

Part III Certification

Under penalties of perjury, I declare that I have examined the information on this form and to the best of my knowledge and belief it is true, correct, and complete. I further certify under penalties of perjury that:

• I am the individual that is the beneficial owner (or am authorized to sign for the individual that is the beneficial owner) of all the income to which this form relates or am using this form to document myself for chapter 4 purposes,

• The person named on line 1 of this form is not a U.S. person,

• The income to which this form relates is:
(a) not effectively connected with the conduct of a trade or business in the United States,
(b) effectively connected but is not subject to tax under an applicable income tax treaty, or
(c) the partner's share of a partnership's effectively connected income,

• The person named on line 1 of this form is a resident of the treaty country listed on line 9 of the form (if any) within the meaning of the income tax treaty between the United States and that country, and

• For broker transactions or barter exchanges, the beneficial owner is an exempt foreign person as defined in the instructions.

Furthermore, I authorize this form to be provided to any withholding agent that has control, receipt, or custody of the income of which I am the beneficial owner or any withholding agent that can disburse or make payments of the income of which I am the beneficial owner. I agree that I will submit a new form within 30 days if any certification made on this form becomes incorrect.

Sign Here

Signature of beneficial owner (or individual authorized to sign for beneficial owner)

Date (MM-DD-YYYY)

Print name of signer

Capacity in which acting (if form is not signed by beneficial owner)

For Paperwork Reduction Act Notice, see separate instructions.

Cat. No. 25047Z

Form W-8BEN (Rev. 7-2017)
Example of the year-end form you will receive in 2019 from the University of Michigan.

The 1042-S form summarizes the income paid to you in 2018 for scholarship/fellowship payments. The 1042-S form will be available to be downloaded in early February.

You will use the information from the 1042-S form when completing your United States (Federal) income tax return (Form 1040-NR).
Scholarship/Fellowship

Are you receiving a Scholarship or Fellowship?

Yes

Receive an email from UM Payroll office to enter your information in FNIS

Are I a resident of a treaty country?

NO

After review of your forms by the UM Payroll office you will print out paperwork, Immigration Status Data and go to next step to apply for an ITIN.

YES

After review of your forms by the UM Payroll office you will print out paperwork, Immigration Status Data and W-8BEN and go to next step to apply for an ITIN.

You will have to complete a Form W-7 (ITIN application).
You must make an appointment with the payroll office and complete the form there.
Bring your passport, Visa, I-94 and I-20 or DS-2019.
Contact Tanesha McLaughlin at tanesmcl@umich.edu,
Ashley Brown at ashlbrow@umich.edu or
Kellye Knowles at kellyesk@umich.edu
to make an appointment.

In February of next year you will receive an email to download your Form 1042-S which will summarize your income received for the year.
You will use this form to file your United States (Federal) income tax return (Form 1040-NR). Use the tax software Glacier that can be found on the International Center’s website to enter your information and print your forms.
The income tax return is due April 15, 2019.
If you are unable to print the forms in the FNIA website, forms are located on the UM Payroll website at:

www.payroll.umich.edu, scroll down the page and click on the link ‘Foreign Students, Faculty & Staff’, then click on ‘Required Tax Forms’, under ‘Student on Fellowship/Scholarship’ you will find the Alien Certificate, Form W8-BEN and Form W-7 to complete.

Contacts:

Leslie Brown
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leslibro@umich.edu

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Kellye Knowles
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kellyesk@umich.edu

Payroll website:
www.payroll.umich.edu