

**STUDENT – FELLOWSHIP/SCHOLARSHIP
YELLOW PACKET**

- 1) Payment received from the University of Michigan for fellowship/scholarship income
- 2) Email University of Michigan Payroll office at tax.payroll@umich.edu with UMID to notify Tax Area of the Payroll office a payment has been processed and to receive log in information to FNIS software to enter personal information
- 3) Based on information entered in FNIS the paperwork will be produced to correctly tax and report your payments
- 4) A Form 1042-S will be issued in the next calendar year for reporting this income on your United States income tax return.
- 5) Any questions regarding this process please email the tax staff at:

Tanesha McLaughlin – Payroll Tax Specialist
tanesmcl@umich.edu (734) 764-1485

Steve Miller – Payroll Tax Specialist
sdmiller@umich.edu (734) 763-6106

Alex Storey – Payroll Tax Specialist
alstorey@umich.edu (734) 763-2661

tax.payroll@umich.edu for entire Tax area staff

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. If you cannot access the website, email tax.payroll@umich.edu for assistance.
- 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 via email at tax.payroll@umich.edu to submit Visa, Passport, I-94 and DS-2019 or I-20 to the Payroll Office and 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 via campus mail or email
 2. Email forms to tax.payroll@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

**COUNTRIES WITH TAX TREATY PROVISIONS RELATING TO
FELLOWSHIP/SCHOLARSHIP GRANTS**

Effective 8/5/11

Country	Tax Treaty Limit	Tax Year Limit	Tax Treaty Article #	Special Restrictions (see below)
Armenia	\$10,000	5	VI(1)	d
Azerbaijan	\$10,000	5	VI(1)	d
Bangladesh	No Limit	No Limit	21(2)	c, In effect after 1/1/07
Belarus	\$10,000	5	VI(1)	d
China, P. R.	No Limit	No Limit	20(b)	b, c
Cyprus	No Limit	5	21(1)	
Czech Republic	No Limit	5	21(1)	
Egypt	No Limit	5	23(1)	
Estonia	No Limit	5	20(1)	
France	No Limit	5	21(1)	
Georgia	\$10,000	5	VI(1)	d
Germany	No Limit	No Limit	20(3)	c
Iceland	No Limit	5	19(1)	
Indonesia	No Limit	5	19(1)	
Israel	No Limit	5	24(1)	
Kazakhstan	No Limit	5	19	
Korea	No Limit	5	21(1)	
Kyrgyzstan	\$10,000	5	VI(1)	d
Latvia	No Limit	5	20(1)	
Lithuania	No Limit	5	20(1)	
Luxembourg	No Limit	No Limit	21(1)	c
Moldova	\$10,000	5	VI(1)	d
Morocco	No Limit	5	18	
Netherlands	No Limit	3	22(2)	f
Norway	No Limit	5	16(1)	
Philippines	No Limit	5	22(1)	
Poland	No Limit	5	18(1)	
Portugal	No Limit	5	23(1)	
Romania	No Limit	5	20(1)	
Russia	No Limit	5	18	
Slovak Republic	No Limit	5	21(1)	
Slovenia	No Limit	5	20(1)	e
Spain	No Limit	5	22(1)	
Tajikistan	\$10,000	5	VI(1)	d
Thailand	No Limit	5	22(1)	
Trinidad and Tobago	No Limit	5	19(1)	
Tunisia	No Limit	5	20	
Turkmenistan	\$10,000	5	VI(1)	d
Ukraine	No Limit	5	20	
Uzbekistan	\$10,000	5	VI(1)	d
Venezuela	No Limit	5	21(1)	e

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.
- f. If student remains in the U.S. for more than 3 years, scholarship/fellowship income is taxed retroactively.

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

Immigration Status Data

I hereby authorize The Regents of the University of Michigan to release this information to Thomson Reuters (Tax & Accounting) Inc., 2395 Midway Road, Carrollton, TX 75006 for the following purpose: technical software support for the International Tax Navigator system.

I hereby certify under penalty of perjury that all of the following information is true, complete and correct. I understand that if my status changes from that which I have indicated on this form I must submit a new form to the appropriate department.

Title:
Last Name: GUO
First Name: XIAO
Middle Name:
Maiden Name:
Post Title:
Student Type: Student
Trainee Type: Not a Trainee
Your SSN:
Your mN:
Applied for SSN / mN: 012-45-8888
Institution-Assigned ID Number: 123456789
Department at Institution:
Occupation at Institution:
Occupation at Institution (2):
Foreign Taxpayer ID:
Payroll system IO:
FinanciaVAccounts system ID:
Student system ID:
Visa System ID:

Date of Birth: 15-July-1999
Marital Status: Single
Spouse in USA? No
Spouse Working in USA? No
Is your spouse claimed as dependent by another taxpayer for United States tax purpose? No

**The three following dependent items are only applicable to you if:
You are a national of American Samoa, the Northern Mariana Islands, or the US Virgin Islands;
or you are a tax resident of Canada or Mexico or Korea;
or you are a tax resident of India who entered the USA for the primary purpose of studying/acquiring training.**

Total Number of Dependents: 0
Number of Dependents Who Were With Me In the U.S. at Some Time in the calendar Year: 0
Number of Dependents Who Are U.S. Citizens or Residents: 0

Home Phone: Ext.
Day Phone: Ext.
Fax:
Email Address: XIAOGUO19@UMICH ,EDU
Claiming Personal Exemption: 1
Date First in USA:

U.S. Address Line 1: 2364 Maple Street
U.S. Address Line 2:
U.S. Address Line 3:
City: Ann Arbor
State: MI
Zip code: 48105
Foreign Address Line 1:
Foreign Address Line 2:
Foreign Address Line 3:

Foreign City:
Province/Region:
Postal Code:
Country of Residence Address:

Country of Passport/Citizenship:	CHINA
Passport Number:	
Passport Expiration Date:	
U.S. Citizen?	No
Country of Tax Residence Before Entering US:	CHINA
Office in USA?	No
Days of Office Availability:	0
Recipient of a foreign grant?	No
Proven Closer Connection?	No
Application for LPR?	No
In Full-time Program?	Yes
Wish to claim treaty benefits?	Yes

Signature: _____ Date: _____

Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding and Reporting (Individuals)

(Rev. July 2017)

► For use by individuals. Entities must use Form W-8BEN-E.

OMB No. 1545-1621

Department of the Treasury
Internal Revenue Service

► Go to www.irs.gov/FormW8BEN for instructions and the latest information.
► Give this form to the withholding agent or payer. Do not send to the IRS.

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 (i.e., 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		2 Country of citizenship	
Xiao Guo		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.			
Apt 210 Building 21 No 10 Nansanhuandonglu St. Haidian District		Country	
Beijing 100081		China	
4 Mailing address (if different from above)			
2364 Maple Street		Country	
Ann Arbor, MI 48105		United States of America	
5 U.S. taxpayer identification number (SSN or ITIN), if required (see instructions)		6 Foreign tax identifying number (see instructions)	
012-45-8888			
7 Reference number(s) (see instructions)		8 Date of birth (MM-DD-YYYY) (see instructions)	
		07-15-1999	

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 % 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: F-1 student claiming tax treaty exemption

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)

08/15/2021

Date (MM-DD-YYYY)

Print name of signer

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

1 2 3 4 5 6 7 8 9 0 UNIQUE FORM IDENTIFIER AMENDED AMENDMENT NO.

1 Income code 16	2 Gross income 10000.00	3 Chapter indicator. Enter "3" or "4" 3	3a Exemption code 04	4a Exemption code	13e Recipient's U.S. TIN, if any 012-45-8888	13f Ch. 3 status code	13g Ch. 4 status code
5 Withholding allowance		3b Tax rate 00 . 00		4b Tax rate		13h Recipient's GIIN	13i Recipient's foreign tax identification number, if any
6 Net income		7a Federal tax withheld 0.00		7b Check if federal tax withheld was not deposited with the IRS because escrow procedures were applied (see instructions) <input type="checkbox"/>		13j LOB code	
7c Check if withholding occurred in subsequent year with respect to a partnership interest <input type="checkbox"/>		8 Tax withheld by other agents		9 Overwithheld tax repaid to recipient pursuant to adjustment procedures (see instructions)		13k Recipient's account number	
10 Total withholding credit (combine boxes 7a, 8, and 9)		11 Tax paid by withholding agent (amounts not withheld) (see instructions)		12a Withholding agent's EIN 38-6006309		12b Ch. 3 status code	
12c Ch. 4 status code		12d Withholding agent's name Regents of the University of Michigan		12e Withholding agent's Global Intermediary Identification Number (GIIN)		12f Country code	
12g Foreign tax identification number, if any		12h Address (number and street) 3003 S State Street G395		12i City or town, state or province, country, ZIP or foreign postal code Ann Arbor MI 48109		12j Country code	
12k Address (number and street) 2364 Maple Street		12l City or town, state or province, country, ZIP or foreign postal code Ann Arbor, MI 48105		12m Country code		12n Foreign tax identification number, if any	
13a Recipient's name Xiao Guo		13b Recipient's country code CH		13c Address (number and street) 2364 Maple Street		13d City or town, state or province, country, ZIP or foreign postal code Ann Arbor, MI 48105	
14a Primary Withholding Agent's Name (if applicable)		14b Primary Withholding Agent's EIN		15 Check if pro-rata basis reporting <input type="checkbox"/>		15a Intermediary or flow-through entity's EIN, if any	
14c Intermediary or flow-through entity's EIN, if any		14d Intermediary or flow-through entity's name		14e Intermediary or flow-through entity's GIIN		14f Country code	
14g Foreign tax identification number, if any		14h Address (number and street)		14i City or town, state or province, country, ZIP or foreign postal code		14j Payer's name	
14k Payer's TIN		14l Payer's GIIN		14m Ch. 3 status code		14n Ch. 4 status code	
14o State income tax withheld		14p Payer's state tax no.		14q Name of state		14r Recipient's U.S. TIN, if any	

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

Cat. No. 11386R

Form **1042-S** (2021)

Example of the year-end form you will receive in 2022 from the University of Michigan.

The 1042-S form summarizes the income paid to you in 2021 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

Am I a resident of a treaty country?

NO

YES

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.

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 and submit an original
Form W-7 (ITIN application) to the Payroll office
The other forms needed, passport, Visa, I-94 or DS-2019
can be emailed to Payroll. Please email tax.payroll@umich.edu
to coordinate the submission of these forms.

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, 2022.

If you are unable to print the forms in the FNIS 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.

Please email tax.payroll@umich.edu for any questions or concerns.

Payroll Tax Area Contacts:

Leslie Brown
Payroll Manager
(734) 647-3964
leslibro@umich.edu

Kim Hassan
Payroll Tax Supervisor
(734) 936-3512
khassan@umich.edu

Tansesha McLaughlin
Payroll Clerk Senior
(734) 764-1485
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Steve Miller
Payroll Clerk
(734) 763-6106
sdmiller@umich.edu

Alex Storey
Payroll Clerk
(734) 763-2661
alstorey@umich.edu

Payroll website:
www.payroll.umich.edu