

STUDENT EXAMPLE - EMPLOYMENT

Maria Santiago – Student from Spain

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 with employment:

1. Form W-4 – Federal withholding tax form
2. If you are a resident of a tax treaty country (see attached list) and have a Social Security Number (SSN)
 - a. Form 8233
 - b. Form 8233 attachment for students
3. Immigration Status Data form from FNIS

You must have an SSN to file Form W-4 and/or to claim a tax treaty exemption. You can apply for an SSN at the Social Security Administration (SSA) office located at 3971 S. Research Park Drive, Ann Arbor, MI 48108. We cannot process Form 8233 or Forms W-4 unless you have an SSN.

You **MUST** submit a new Form 8233 to the Payroll Office at the beginning of each calendar year for the length of your treaty. A reminder email will be sent to you in November to submit a new Form 8233 for the next year. You do **NOT** need to submit a new Form W-4 each year.

You will receive a Form 1042-S and/or a Form W-2 in February to be used when filing Form 1040-NR (United States 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 EMPLOYMENT

- Apply for and receive an SSN
- Enter information in the Foreign International Information (FNIS) website. If you cannot access the website, email tax.payroll@umich.edu for assistance.
- Print out Form W-4
- J-1 visa holders must submit a copy of their DS-2019
- Print out Form 8233 and Form 8233 attachment for students (if a resident of a tax treaty country)
- Send forms to the Payroll Office by one of these methods:
 1. Have your department submit the forms
 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
STUDENTS WITH WAGES**

Effective 8/5/11

Country	Tax Treaty Limit	Tax Year Limit	Attachment Form	Tax Treaty Article #	Special Restrictions (see below)
Bangladesh	\$8,000	No Limit	8233-OO	21(2)	b, e
Barbados	-	-	-	-	i
Belgium	\$9,000	5	8233-MM	21(1)	b, g, h
Bulgaria	\$9,000	No Limit	8233-NN	19(1)	b, h
Canada	\$10,000	5	8233-LL	XV	b, c
China, P. R.	\$5,000	No Limit	8233-A	20(C)	b, d, e, h
Cyprus	\$2,000	5	8233-D	21(1)	b
Czech Republic	\$5,000	5	8233-I	21(1)	a, h
Egypt	\$3,000	5	8233-E	23(1)	b, h
Estonia	\$5,000	5	8233-I	20(1)	a
France	\$5,000	5	8233-L	21(1)	b, h
Germany	\$9,000	4	8233-K	20(4)	a, f, h
Hungary	-	-	-	-	i
Iceland	\$9,000	5	8233-MM	19(1)	b
Indonesia	\$2,000	5	8233-C	19	a
Israel	\$3,000	5	8233-H	24(1)	b, h
Jamaica	-	-	-	-	i
Korea	\$2,000	5	8233-B	21(1)	b, g
Latvia	\$5,000	5	8233-I	20(1)	a
Lithuania	\$5,000	5	8233-I	20(1)	a
Malta	\$9,000	No Limit	8233-PP	20	b, e
Morocco	\$2,000	5	8233-F	18	a
Netherlands	\$2,000	3	8233-EE	22(1)	a, h
Norway	\$2,000	5	8233-B	16(1)	b
Pakistan	\$5,000	No Limit	8233-G	XIII(1)	b, e
Philippines	\$3,000	5	8233-H	22(1)	b, h
Poland	\$2,000	5	8233-B	18(1)	b, h
Portugal	\$5,000	5	8233-I	23(1)	a
Romania	\$2,000	5	8233-B	20(1)	b, h
Slovak Republic	\$5,000	5	8233-I	21(1)	a, h
Slovenia	\$5,000	5	8233-DD	20(1)	b
Spain	\$5,000	5	8233-I	22(1)	a
Thailand	\$3,000	5	8233-H	22(1)	b, h
Trinidad and Tobago	\$2,000	5	8233-FF	19(1)	b
Tunisia	\$4,000	5	8233-J	20	b
Venezuela	\$5,000	5	8233-DD	21(1)	b

See Special Restrictions on next page

Special Restrictions (Student)

- a. According to the treaty the Tax Year Limit starts with the date of entry and continues forward X number of years into the future. Therefore a partial year does not count as a full year. If within the treaty time limit, the individual may claim tax treaty benefits even if he/she qualifies as a resident alien for tax purposes. Not applicable if individual is in permanent resident or immigrant status.
- b. According to the treaty the Tax Year Limit counts a partial year as 1 full tax year.
- c. The treaty has a \$10,000 annual limit including income from all U.S. sources. If exceeded, the entire amount is taxable for the year.
- d. The tax treaty with the People's Republic of China does not include residents of Hong Kong or Taiwan
- e. Students may use an otherwise unlimited treaty for a maximum of 6 years at the University of Michigan.
- f. If the student remains in the U.S. for more than 4 years, earnings are taxed retroactively.
- g. If claiming back-to-back student/teacher, 5 year total limit on treaty benefits.
- h. Student & teacher benefits may not be claimed back-to-back without re-establishing home country residency. It takes 365 days to re-establish residency.
- i. Students from Barbados, Hungary and Jamaica can elect to be treated as a resident alien for tax purposes.

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\Student Wage Treaty Countries 08-5-11.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: SANTIAGO
First Name: MARIA
Middle Name:
Maiden Name:
Post Title:
Student Type: Student
Trainee Type: Not a Trainee
Your SSN:
Your mN:
Applied for SSN / mN: 012-34-5555
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: 25 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: MARIASANT@UMICH.EDU
Claiming Personal Exemption: 1
Date First in USA:

U.S. Address Line 1: 610 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:	SPAIN
Passport Number:	
Passport Expiration Date:	
U.S. Citizen?	No
Country of Tax Residence Before Entering US:	SPAIN
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: _____

Employee's Withholding Certificate

OMB No. 1545-0074

▶ **Complete Form W-4 so that your employer can withhold the correct federal income tax from your pay.**
 ▶ **Give Form W-4 to your employer.**
 ▶ **Your withholding is subject to review by the IRS.**

2022

Step 1: Enter Personal Information	(a) First name and middle initial Maria	Last name Santiago	(b) Social security number 012-34-5555
	Address 610 Maple Street		▶ Does your name match the name on your social security card? If not, to ensure you get credit for your earnings, contact SSA at 800-772-1213 or go to www.ssa.gov .
	City or town, state, and ZIP code Ann Arbor, MI 48103		
(c) <input checked="" type="checkbox"/> Single or Married filing separately <input type="checkbox"/> Married filing jointly or Qualifying widow(er) <input type="checkbox"/> Head of household (Check only if you're unmarried and pay more than half the costs of keeping up a home for yourself and a qualifying individual.)			

Complete Steps 2–4 ONLY if they apply to you; otherwise, skip to Step 5. See page 2 for more information on each step, who can claim exemption from withholding, when to use the estimator at www.irs.gov/W4App, and privacy.

**Step 2:
Multiple Jobs
or Spouse
Works**

Complete this step if you (1) hold more than one job at a time, or (2) are married filing jointly and your spouse also works. The correct amount of withholding depends on income earned from all of these jobs. Do **only one** of the following.

(a) Use the estimator at www.irs.gov/W4App for most accurate withholding for this step (and Steps 3–4); or

(b) Use the Multiple Jobs Worksheet on page 3 and enter the result in Step 4(c) below for roughly accurate withholding; or

(c) If there are only two jobs total, you may check this box. Do the same on Form W-4 for the other job. This option is accurate for jobs with similar pay; otherwise, more tax than necessary may be withheld. . . . ▶

TIP: To be accurate, submit a 2022 Form W-4 for all other jobs. If you (or your spouse) have self-employment income, including as an independent contractor, use the estimator.

Complete Steps 3–4(b) on Form W-4 for only ONE of these jobs. Leave those steps blank for the other jobs. (Your withholding will be most accurate if you complete Steps 3–4(b) on the Form W-4 for the highest paying job.)

Step 3: Claim Dependents	If your total income will be \$200,000 or less (\$400,000 or less if married filing jointly): Multiply the number of qualifying children under age 17 by \$2,000 ▶ \$ _____ Multiply the number of other dependents by \$500 ▶ \$ _____ Add the amounts above and enter the total here 3 \$ _____	
Step 4 (optional): Other Adjustments	(a) Other income (not from jobs). If you want tax withheld for other income you expect this year that won't have withholding, enter the amount of other income here. This may include interest, dividends, and retirement income	4(a) \$ _____
	(b) Deductions. If you expect to claim deductions other than the standard deduction and want to reduce your withholding, use the Deductions Worksheet on page 3 and enter the result here	4(b) \$ _____
	(c) Extra withholding. Enter any additional tax you want withheld each pay period	4(c) \$ _____

Nonresident Alien (NRA)

Step 5: Sign Here	Under penalties of perjury, I declare that this certificate, to the best of my knowledge and belief, is true, correct, and complete.		
	Employee's signature (This form is not valid unless you sign it.)	08/18/2022 Date	
Employers Only	Employer's name and address	First date of employment	Employer identification number (EIN)

Form **8233**

(Rev. September 2018)

Department of the Treasury
Internal Revenue Service

**Exemption From Withholding on Compensation
for Independent (and Certain Dependent) Personal
Services of a Nonresident Alien Individual**

OMB No. 1545-0795

▶ Go to www.irs.gov/Form8233 for instructions and the latest information. ▶ See separate instructions.

Who Should Use This Form? Note: For definitions of terms used in this section and detailed instructions on required withholding forms for each type of income, see Definitions in the instructions.	IF you are a nonresident alien individual who is receiving. . .	THEN , if you are the beneficial owner of that income, use this form to claim. . .
	Compensation for independent personal services performed in the United States	A tax treaty withholding exemption (Independent personal services, Business profits) for part or all of that compensation.
	Compensation for dependent personal services performed in the United States	A tax treaty withholding exemption for part or all of that compensation.
	Noncompensatory scholarship or fellowship income and personal services income from the same withholding agent	A tax treaty withholding exemption for part or all of both types of income.
DO NOT Use This Form. . .	IF you are a beneficial owner who is. . .	INSTEAD , use. . .
	Receiving compensation for dependent personal services performed in the United States and you are not claiming a tax treaty withholding exemption for that compensation	Form W-4 (See the Instructions for Form 8233 for how to complete Form W-4.)
	Receiving noncompensatory scholarship or fellowship income and you are not receiving any personal services income from the same withholding agent	Form W-8BEN or, if elected by the withholding agent, Form W-4 for the noncompensatory scholarship or fellowship income
	Claiming only foreign status or treaty benefits with respect to income that is not compensation for personal services	Form W-8BEN

This exemption is applicable for compensation for calendar year 2022, or other tax year beginning _____ and ending _____.

Part I Identification of Beneficial Owner (See instructions.)

1 Name of individual who is the beneficial owner Maria Santiago	2 U.S. taxpayer identification number 012-34-5555	3 Foreign tax identification number, if any
4 Permanent residence address (street, apt. or suite no., or rural route). Do not use a P.O. box. 82 Mariposa City or town, state or province. Include postal code where appropriate. Madrid Country (do not abbreviate) Spain		
5 Address in the United States (street, apt. or suite no., or rural route). Do not use a P.O. box. 610 Maple Street City or town, state, and ZIP code Ann Arbor, MI 48103		
Note: Citizens of Canada or Mexico are not required to complete lines 7a and 7b.		
6 U.S. visa type F-1	7a Country issuing passport Spain	7b Passport number S012345678
8 Date of entry into the United States August 10, 2022	9a Current nonimmigrant status Student F-1	9b Date your current nonimmigrant status expires D/S
10 If you are a foreign student, trainee, professor/teacher, or researcher, check this box <input checked="" type="checkbox"/> Caution: See the line 10 instructions for the required additional statement you must attach.		

CERTIFICATION FOR WITHHOLDING EXEMPTION FOR FORM 8233

NAME: *MARIA SANTIAGO*
Taxpayer Identification Number:
TAX YEAR: *2022*
COUNTRY OF TAX RESIDENCE: *SPAIN*

I was a resident of the *SPAIN* on the date of my arrival in the United States. I am not a U.S. citizen. I have not been lawfully accorded the privilege of residing permanently in the United States as an immigrant.

I am present in the United States solely for the purpose of my education or training.

I will receive compensation for personal services performed in the United States. This compensation qualifies for exemption from withholding of federal income tax under the tax treaty between the United States and the *SPAIN* an amount not in excess of \$5,000 for any tax year.

I arrived in the United States on *08/10/2022* I am claiming this exemption only for such period of time as is reasonably necessary to complete the education or training.

Under the penalties of perjury, I declare that to the best of my knowledge and belief, the above statements are true, correct, and complete.

Signed:

Date:

Maria Santiago

MARIA SANTIAGO

8/31/2022

Form 1042-S		Foreign Person's U.S. Source Income Subject to Withholding			2022	OMB No. 1545-0096	
Department of the Treasury Internal Revenue Service		▶ Go to www.irs.gov/Form1042S for instructions and the latest information.			Copy A for Internal Revenue Service		
		1 2 3 4 5 6 7 8 9 0 UNIQUE FORM IDENTIFIER			AMENDED <input type="checkbox"/> AMENDMENT NO.		
1 Income code	2 Gross income	3 Chapter indicator. Enter "3" or "4"	3a Exemption code	4a Exemption code	13e Recipient's U.S. TIN, if any	13f Ch. 3 status code	
20	5000.00	3	04		012-34-5555		
		3b Tax rate	4b Tax rate		13h Recipient's GIIN	13i Recipient's foreign tax identification number, if any	13j LOB code
		00 00					
5 Withholding allowance		7a Federal tax withheld		13k Recipient's account number			
		0.00					
6 Net income		7b Check if federal tax withheld was not deposited with the IRS because escrow procedures were applied (see instructions)		13l Recipient's date of birth (YYYYMMDD)			
		<input type="checkbox"/>		1 9 9 9 0 5 2 5			
7c Check if withholding occurred in subsequent year with respect to a partnership interest		8 Tax withheld by other agents		14a Primary Withholding Agent's Name (if applicable)			
<input type="checkbox"/>							
9 Overwithheld tax repaid to recipient pursuant to adjustment procedures (see instructions)		9 Total withholding credit (combine boxes 7a, 8, and 9)		14b Primary Withholding Agent's EIN		15 Check if pro-rata basis reporting <input type="checkbox"/>	
()							
11 Tax paid by withholding agent (amounts not withheld) (see instructions)		12a Withholding agent's EIN		12b Ch. 3 status code		12c Ch. 4 status code	
		38-6006309					
12d Withholding agent's name		12e Withholding agent's Global Intermediary Identification Number (GIIN)		15e Intermediary or flow-through entity's GIIN			
Regents of the University of Michigan				15f Country code			
12f Country code		12g Foreign tax identification number, if any		15g Foreign tax identification number, if any			
12h Address (number and street)		12i City or town, state or province, country, ZIP or foreign postal code		15h Address (number and street)		15i City or town, state or province, country, ZIP or foreign postal code	
3003 S State Street G395		Ann Arbor, MI 48109					
13a Recipient's name		13b Recipient's country code		16a Payer's name		16b Payer's TIN	
Maria Santiago		SP					
13c Address (number and street)		13d City or town, state or province, country, ZIP or foreign postal code		16c Payer's GIIN		16d Ch. 3 status code	
610 Maple Street		Ann Arbor, MI 48103				16e Ch. 4 status code	
				17a State income tax withheld		17b Payer's state tax no.	
						17c Name of state	

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

Cat. No. 11386R

Form **1042-S** (2022)

Example of the year-end form you will receive in 2023 from the University of Michigan.

The 1042-S form summarizes the income paid to you in 2022 covered under your country's tax treaty. 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).

a Employee's social security number 012-34-5555		OMB No. 1545-0008		Safe, accurate, FAST! Use				Visit the IRS website at www.irs.gov/efile		
b Employer identification number (EIN) 38-6006309				1 Wages, tips, other compensation 2,000.00		2 Federal income tax withheld 335.36				
c Employer's name, address, and ZIP code THE REGENTS OF THE UNIVERSITY OF MICHIGAN 3003 S. STATE ST. G395 ANN ARBOR, MI 48109				3 Social security wages		4 Social security tax withheld				
				5 Medicare wages and tips		6 Medicare tax withheld				
				7 Social security tips		8 Allocated tips				
d Control number				9		10 Dependent care benefits				
e Employee's first name and initial MARIA SANTIAGO		Last name 610 MAPLE STREET		Suff. ANN ARBOR, MI 48103		11 Nonqualified plans		12a See instructions for box 12		
f Employee's address and ZIP code				13 Statutory employee <input type="checkbox"/> Retirement plan <input type="checkbox"/> Third-party sick pay <input type="checkbox"/>		12b				
				14 Other		12c				
						12d				
15 State Employer's state ID number MI 38-6006309		16 State wages, tips, etc. 2,000.00		17 State income tax 85.00		18 Local wages, tips, etc.		19 Local income tax		20 Locality name

Form **W-2** Wage and Tax Statement

2022

Department of the Treasury—Internal Revenue Service

Copy B—To Be Filed With Employee's FEDERAL Tax Return.
This information is being furnished to the Internal Revenue Service.

Example of the year-end form you will receive in 2023 from the University of Michigan.

The W-2 form summarizes the income paid to you in 2022 that is not covered under your country's tax treaty because your 2022 earnings were over your country's tax treaty limit. For example, the US/Spain tax treaty exempts the first \$5,000.00 of income from taxes, that first \$5,000.00 of income is reported on the Form 1042-S and any earnings over \$5,000.00 are reported on the Form W-2. The W-2 form can be downloaded in Wolverine Access the second week of January.

Student Employment

You are a Student here with a job?

Yes

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

Do you have a Social Security Number?

NO

YES

You will have to go to the Social Security Office located at 3971 S. Research Park Dr. Ann Arbor, MI to apply for a social security number. You can ride the AATA bus to get to the office. Please complete all of your paperwork after you receive this number.

Go on to the next step.

Enter your information in the FNIS system

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 W-4 form and submit to Payroll office

After review of your forms by the UM Payroll office you will print out paperwork, Immigration Status Data, W-4 form, Form 8233 and attachment and submit to Payroll office

In January of next year you will receive an email to download your Form W-2, and possibly also a Form 1042-S which will summarize your income received for the year. You will use these forms 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, 2023

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 Employees' you will find the Alien Certificate, Form 8233 and attachment, and Forms W-4 & MI W-4 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
tanesmcl@umich.edu

Le'Tia Johnson
Payroll Clerk
(734) 763-2661
letiaw@umich.edu

Douglas Machowicz
Payroll Clerk
(734) 763-6106
douglam@umich.edu

Payroll website:
www.payroll.umich.edu