

Procedures for Other Payments to a Foreign National

This procedural document should be used to process certain payments to a foreign national. These payments would include any non-scholarship and non-fellowship payments. Examples of these types of payment may include but are not limited to the following: honorarium, independent personal services payment, travel stipend, prize or award.

	What to Do	Who	How to Do It
1	Determine Worker Classification and Payment Type	Departmental Business Office	<p>FOREIGN PERSON (defined): <i>A nonresident alien individual and any other person that is not a U.S. person.</i></p> <p><u>WORKER CLASSIFICATIONS:</u></p> <p>EMPLOYEE (defined): <i>An individual who is hired by another to perform a service for wages or salary and is under the other's control.</i></p> <p><i>If this describes the worker, refer to the following:</i></p> <p>http://finance.uncc.edu/about-us/controllers-office/payroll</p> <p>INDEPENDENT CONTRACTOR (defined): <i>An individual that contracts to do work or perform a service for another and that retains total and free control over the means or methods used in doing the work or performing the service.</i></p> <p><i>If this describes the worker, this procedure document will apply.</i></p> <p><u>PAYMENT TYPES:</u></p> <p>WAGE (defined): <i>A payment usually of money for labor or services usually according to a contract and on an hourly, daily, or piecework basis. This payment is most commonly associated with an employee.</i></p> <p><i>If this describes the payment, refer to the following:</i></p> <p>http://finance.uncc.edu/about-us/controllers-office/payroll</p> <p>HONORARIUM (defined): <i>A payment given to a professional individual for services for which fees are not legally or traditionally required. This payment is most commonly associated with an</i></p>

			<p><i>independent contractor.</i></p> <p><i>If this describes the payment, this procedure document will apply.</i></p> <p>PRIZE or AWARD (defined): <i>An amount received primarily in recognition of religious, charitable, scientific, educational, artistic, literary, or civic achievement, or are received as the result of entering a contest.</i></p> <p><i>If this describes the payment, this procedure document will apply.</i></p> <p>SCHOLARSHIP (defined): <i>An amount paid to, or for the benefit of, a student, whether an undergraduate or graduate, to aid such individual in pursuing his studies.</i></p> <p><i>If this describes the payment, refer to the following:</i></p> <p>http://finance.uncc.edu/resources/manuals-guides-procedures/procedures-scholarship-fellowship-payment-foreign-national</p> <p>TRAVEL REIMBURSEMENT (defined): <i>A repayment for actual costs incurred for or during travel.</i></p> <p><i>If this describes the payment, refer to the following:</i></p> <p>For the Travel Advance Form:</p> <p>http://finance.uncc.edu/resources/forms/travel-non-hotel-lodging-authorization-request</p> <p>For the Travel Reimbursement Form:</p> <p>http://finance.uncc.edu/resources/forms/travel-reimbursement</p> <p>REIMBURSEMENT (defined): <i>A repayment for an expense other than travel-related expenses.</i></p> <p><i>If this describes the payment, this procedure document will apply.</i></p>
2	Prepare Vendor Information Forms	Departmental Business Office	<ul style="list-style-type: none"> • These forms should be completed prior to the individual coming on campus, providing services, and/or receiving payment. • Complete Form W-8BEN. A link to this form can be found on the Taxpayer Information Form (Vendor

			<p>Information Form).</p> <ul style="list-style-type: none"> Complete a Foreign National Information Form (FNIF). The student version should only be used for UNC Charlotte students. All others should use the visitor version of this form. Send this form along with Form W-8BEN to the Tax Office. <p>Student Verson: http://finance.uncc.edu/resources/forms/foreign-national-information-form-student-version</p> <p>Non-Student Verson: http://finance.uncc.edu/resources/forms/foreign-national-information-form-non-student-version</p> <ul style="list-style-type: none"> Complete a Taxpayer Information Form (Vendor Information Form) if the vendor is not an established Banner vendor. Send this form along with Form W-8BEN to the Travel and Complex Payment Group. <p>http://finance.uncc.edu/resources/forms/vendor-information-form-%E2%80%93-foreign-persons-form-w-8ben</p>
3	Receive documents and set up vendor in Banner.	Travel and Complex Payment Group	<ul style="list-style-type: none"> Receive documents and review for completeness. Set up vendor in Banner. Notify Department of vendor's UNC Charlotte 800 number.
4	Receive documents and determine if payment is permissible and if treaty benefits are available.	Tax Office	<ul style="list-style-type: none"> Receive documents and review for completeness. Determine if individual is eligible for payment. If eligible for payment, determine if treaty benefits are available. Communicate analysis to the Department. If treaty benefits are available for the visitor, additional paperwork will be necessary. To proceed with this paperwork most efficiently, the department should schedule a meeting for the visitor to meet with the Tax Office once on campus to sign the necessary treaty forms. If this is not possible, email and postal mail will be used, and this could delay the payment.
5	Submit Direct Pay Request (DPR) for payment.	Departmental Business Office	<ul style="list-style-type: none"> This request for payment should not take place until the event has occurred and/or the services have been provided. Complete a Direct Pay Request (DPR) and attach Form W-8BEN and the FNIF. Submit this to the Travel and Complex Payment Group.

6	Begin Processing the Payment	Travel and Complex Payment Group	<ul style="list-style-type: none"> • Review DPR for completeness. • Send documents to the Tax Office for tax reporting and withholding. • If necessary, send documents to the appropriate group for budget authorization.
7	Continue Processing the Payment	Tax Office	<ul style="list-style-type: none"> • Final review of documents. • If necessary, process tax withholding. • Send approved documents to the Travel and Complex Payment Group.
8	Process the Payment	Travel and Complex Payment Group	<ul style="list-style-type: none"> • Receive approved documents. If tax withholding was necessary, there will be a new payment total, net of withholding. • Process payment and key information into Banner.

For any questions regarding this document, contact the Tax Office at 704-687-5819 or mhauser37@uncc.edu.