

FAQ's for faculty and staff paying international visitors

1. What is a nonresident alien?

Nonresident alien is a tax status of a foreign national that is temporarily in the United States. An individual is either considered a resident alien or nonresident alien for tax purposes. The terms resident alien and nonresident alien do not have any impact on an individual's immigration status.

2. What is GLACIER?

The University of Wyoming Tax Office uses the GLACIER software to support the nonresident alien visitors at the University of Wyoming. The GLACIER software provides all required tax forms for foreign individuals earning income (employment, honorariums, scholarships, awards, royalties, etc.) during their time in the United States including Form W-4 and the forms required for an individual to claim any tax treaty benefits they may be eligible for. The [Tax Office](#) recommends all foreign visitors to the University of Wyoming establish a GLACIER record to ensure compliance and stay informed regarding United States tax laws and regulations.

3. Are nonresident aliens taxed differently than U.S. Citizens?

Nonresident alien taxpayers are subject to taxation based on a section of the Internal Revenue Code that is specific to nonresident alien taxpayers. The University of Wyoming is required to withhold 30% tax on **ALL** payments to nonresident alien taxpayers unless an exclusion, a tax treaty or a reduced rate of withholding applies. Contact the [Tax Office](#) to determine the rate of withholding and the eligibility of tax treaties on any foreign payments before the payment is processed. **If a payment is processed without the appropriate withholding, the department requesting the payment will be held responsible for the tax withholding.**

4. How does a foreign national determine whether they are a resident alien or nonresident alien for tax purposes?

An individual is considered a nonresident alien if they do not meet the substantial presence test, **or** are considered an exempt individual. **An exempt individual is not exempt from tax**, but is exempt from counting the days they are present in the United States towards the substantial presence test. The [Tax Office](#) assists foreign nationals in determining their tax status (resident alien or nonresident alien).

5. How should a nonresident alien employee fill out Form W-4?

Most nonresident aliens are required to complete their W-4 as follows: select a marital status of single (regardless of their actual marital status), enter a "1" on line 5, and write Nonresident Alien on the dotted line on line 6. Individuals with a GLACIER account can print a properly

completed W-4 from their GLACIER record. Please direct new foreign employees to contact the [Tax Office](#) for assistance in completing their W-4 and to establish their GLACIER account. If the university does not receive a properly completed W-4, we are required to withhold tax at the highest default rate until an appropriate form is received.

6. Do nonresident alien taxpayers have to pay FICA taxes?

International students holding F, J, M or Q student visas are exempt from FICA tax for the first 5 calendar years that they are in the United States. Individual's holding non-student J-1 visas are exempt from FICA tax for the first 2 calendar years that they are in the United States. Students enrolled in classes and working for the University of Wyoming are also exempt from FICA tax.

7. Do nonresident alien taxpayers need a social security number?

If a nonresident alien taxpayer is employed in the United States, they do need to apply for a social security number (SSN). The International Students and Scholars office provides transportation to the Social Security Administration Office, which is located in Cheyenne, once in the Fall Semester and once in the Spring Semester. Information on these trips will be published in the Talking Stick e-newsletter. Instructions on what documents are needed to apply for a social security number can be found [here](#).

8. Can a nonresident alien apply for an Individual Taxpayer Identification Number (ITIN)?

If a nonresident alien has non-wage income (scholarships/fellowships, honorariums, awards, etc.) or they are eligible for tax treaty benefits, they can apply for an Individual Taxpayer Identification Number (ITIN). ITIN's are only valid for tax filing purposes. If a nonresident alien needs to apply for an ITIN, please have them contact the [Tax Office](#) to schedule an appointment.

9. Are scholarships and fellowships taxable income?

Scholarships and fellowships that are in excess of tuition and required fees are considered taxable income to the recipient. **The University of Wyoming is required to withhold 14% tax on the portion of a scholarship or fellowship that is in excess of a nonresident alien's tuition and required fees.** Tax withholding is not required on scholarship and fellowship payments received by resident aliens, permanent residents or U.S. Citizens; however the scholarship income in excess of tuition and required fees is still taxable income to the recipient. See IRS Publication 970 for additional information.

10. I have a foreign individual coming to campus to give a lecture/perform/present/provide services. Can I pay them?

An honorarium and/or travel reimbursement can be made to a short-term visitor entering the United States under the Visa Waiver program with a Visa Waiver for Business (VWB) or as a

business visitor with a B-1 visa. Their activity at UW cannot last more than 9 days and they cannot be paid by more than 5 institutions within the U.S. in a six month period (9/5/6 Rule). If an international visitor cannot meet the 9/5/6 rule, please contact the International Students and Scholars office regarding obtaining a J-1 visa for your visitor. **An individual that entered the United States as a tourist with either a B-2 visa or under the Visa Waiver program with a Visa Waiver for Tourism (VWT) cannot be paid for services provided.**

The University of Wyoming is required to withhold 30% tax on any honorariums or payments for services unless a tax treaty applies. If the individual is coming from a country that has a tax treaty with the United States the required tax withholding may be reduced. To qualify for a reduced rate of withholding under a tax treaty, the individual must have either an ITIN or SSN **AND** complete the required tax treaty forms with the Tax Office. Contact the Tax Office at 766-2821 or tax@uwyo.edu to arrange to complete any required paperwork.

11. What taxes are exempt under a tax treaty?

Only federal income taxes are exempt under tax treaties.

12. What is the tax status of an individual that has been granted asylum, refugee, permanent residency or Deferred Action for Childhood Arrivals (DACA) status?

Individuals in the above mentioned statuses are treated like U.S. Citizens for tax purposes.

13. Who on campus can answer questions about nonresident alien taxation?

The [Tax Office](#) provides assistance and guidance on all nonresident alien tax compliance on campus. The Tax Office can be reached at 766-2821 or tax@uwyo.edu. Foreign nationals arriving on campus should contact the Tax Office to establish their GLACIER record and complete any necessary paperwork.