

June 6, 2013

To ensure that your short-term visit to the United States is a pleasant one, we have listed several things that you may want to know in advance of your trip. There are two different payment options for short-term foreign national visitors. **The Internal Revenue Service (IRS) imposes less complex rules in paying travel reimbursements than honoraria.** Travel reimbursements made to you for services you have performed for Virginia Tech and for the purpose of reimbursing travel, meals and lodging expenses. They are not subject to withholding taxes and are not reportable to the IRS. You will need to submit receipts for travel expenses the university has agreed to reimburse except for the meal and incidental expenses per diem. Additional information regarding travel expenses can be found on our website: <http://www.controller.vt.edu/procedures/>.

We will also require legible copies of the picture (photo) page of the passport and the unexpired passport expiration date; visa (if applicable); I-94 card or US Admittance Stamp to comply with US Citizenship and Immigration Service (USCIS) regulations. We will also ask that a W-8 be completed.

Payments in excess of travel expenses are considered honoraria payments. The only visa types that USCIS specifically allow compensation for an honorarium are B-1, B-2, WB, and WT. **Please ensure that you obtain the proper visa prior to your arrival in the US, so we may legally pay you what we have promised.** The B-1, B-2, WB, and WT visa holders can be paid honoraria only if they are at the Virginia Tech no longer than 9 days and have not accepted payment or expenses from more than 5 institutions in the previous 6 month period (**9-5-6 rule**). A B-1 and B-2 visa is obtained by you in your home country. Canadians admitted without an I-94 card are considered to be visitors for pleasure (B-2). A WB and WT visa waiver stamp is given to citizens of the following countries provided they have registered through the Electronic System for Travel Authorization (ESTA) and been approved prior to travel. The current visa waiver countries are: Andorra, Australia, Austria, Belgium, Brunei, Chile, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Japan, Latvia, Liechtenstein, Lithuania, Luxembourg, Malta, Monaco, the Netherlands, New Zealand, Norway, Portugal, San Marino, Singapore, Slovakia, Slovenia, South Korea, Spain, Sweden, Switzerland, Taiwan and the United Kingdom. Please refer to the following US State Department website for additional information and detailed visa requirements: <http://travel.state.gov>.

If your visit is expected to exceed the 9-5-6 rule will need to work with the sponsoring department to ascertain the appropriate visa type needed for the services to be performed and the payment to be received. **Other visa types usually require 4 to 8 weeks of advanced planning.** Before we can compensate a foreign national **sponsored by another university**, we are required to have **prior written authorization from that university's "responsible officer"**, such as their International Student Advisor. Permission letters from your academic departments are not acceptable for this purpose.

If Virginia Tech has agreed to pay an honorarium to you, the Internal Revenue Service (IRS) requires that:

- You have either a US Social Security Number (SSN) or a US Individual Tax Identification Number (ITIN) to claim tax treaty benefits. If you have a SSN or ITIN you must provide the number to the university and complete tax treaty documents before payment can be processed. Refer to Attachment A.
- You complete a W-8 Honorarium form. On this form B-1, B-2, WB, WT and Canadian citizens admitted without an I-94 card must certify they will be a Virginia Tech no longer than 9 days, have not accepted payment or expenses from more than 5 institutions in the previous 6 month period. Refer to Attachment B.

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- You complete a Foreign National Data Form. On this form your home country, tax residence and entry/exit information is gathered to determine US tax status based on the IRS Substantial Presence Test and tax treaty eligibility. Refer to Attachment C.
- You must file a US tax return using the 1042-S form which will be sent to you from the university at year-end.

**Honoraria payments are subject to US federal income tax withholding at 30% unless specifically exempted by an income tax treaty.** You may be entitled to claim tax treaty benefits if you are a tax resident of one of the countries on Attachment D and do not exceed the maximum days of presence nor the maximum dollar amount. Treaty benefits may reduce your tax liability or totally exempt you from paying US income tax, depending on the treaty and provision. To claim a tax treaty exemption, you must have either a US SSN or a US ITIN number and submit a completed Form 8233. Contact our International Tax Specialist at telephone 540-231-3754, fax 540-231-7221 or e-mail [jakunz@vt.edu](mailto:jakunz@vt.edu) for assistance in completing this form.

If you will be receiving an honorarium payment please provide legible copies of the picture (photo) page of the passport and the unexpired passport expiration date; visa; I-94 card or US Admittance Stamp; the completed Foreign National Data Form; the W-8 honorarium form; tax treaty documents, if applicable; and a copy of the SSN or ITIN if applicable to your sponsor after your arrival to our campus. They will attach these documents to the accounting voucher. **Honoraria and travel reimbursement checks to foreign nationals may be processed only after a complete packet of documentation is received and reviewed by the Controller's Office for compliance with IRS and USCIS regulations.**

If you would like additional details regarding your potential tax responsibilities, please consult IRS Publication 519 - US Tax Guide for Aliens; and Publication 901 – US Tax Treaties. You may obtain these publications by calling the IRS in the US at 1-800-TAX-FORM (1-800-829-3676) or by contacting the IRS at their website, [www.irs.gov](http://www.irs.gov) or by sending a written request to:

Internal Revenue Service  
National Distribution Center  
PO Box 8903  
Bloomington, IL 61702-8903  
USA

Additionally, keep in mind that the IRS conducts an overseas taxpayer assistance program during the tax filing season (January to mid-June). To find out if IRS personnel will be in your area, please contact the consular office at the nearest US embassy. These offices have tax forms and publications, can help you with account and refund problems and answer your questions about notices and bills. The IRS offices can also answer your federal income tax questions, and assist with the preparation of current and prior year tax returns. For answers to your technical or tax account questions, you can also write to:

Department of the Treasury  
Internal Revenue Service  
Austin, TX 73301-0215  
USA

Attachment A (Individual Taxpayer Identification Numbers)

Attachment B (W-8 Honoraria)

Attachment C (Foreign National Data Form)

Attachment D (Tax Treaties for Honoraria Payments)