

**STEPHEN F. AUSTIN STATE UNIVERSITY  
Nonresident Alien Scholarship and Fellowship Recipients  
Federal Withholding Allowance Certificate**

A nonresident alien recipient of a U.S. source grant or scholarship who is entitled to reduced withholding on the taxable part of his or her grant or scholarship should complete this form. However, this form should not be completed by a nonresident alien who is married to a citizen or resident of the U.S. and who elects to file a joint return. In addition, do not complete this Form SFASU W-4NR unless both of the following statements apply to you:

- > I am a nonresident of the U.S. currently in the U.S. under an F or J visa. If this statement applies to you, check the appropriate box:  
 F    J
- > One of the following statements applies (check the appropriate box):  
 I have been in the U.S. for more than one tax year and have filed a U.S. income tax return for the previous year.  
 I have not been in the U.S. long enough to have to file a return, but will file a timely U.S. tax return for the current year.

Enter the name of the country of your residency : \_\_\_\_\_.

1. Type or print your first name, middle initial, and last name	2. Taxpayer Identification Number
3. Home Address (number and street)	City or town, state, and Zip code
4. Marital Status: Single (See Instructions)	5. If your last name differs from that on your social security card, check here and call 1-800-772-1213 for a new card -----> <input type="checkbox"/>

**ANNUAL REDUCED WITHHOLDING WORKSHEET**

**A - Personal Exemption:**  
 Enter the prorated amount of the personal exemption for the tax year to which the reduced withholding applies. A \$ \_\_\_\_\_  
 Refer to instructions for Line A.

**B - Away-from-Home Expense:**  
 Enter the amount of any away-from-home expenses for meals, lodging, and transportation. (See Instructions) B \$ \_\_\_\_\_

Under penalty of perjury, I certify that I am entitled to the section 162 deductions included on line B of this Form SFASU-W4NR and I do not anticipate staying in the U.S. for more than 12 months. Additionally, I am entitled to the number of withholding allowances claimed on this certificate and that I will file a timely Form 1040NR.

Signature \_\_\_\_\_ Date \_\_\_\_\_

**C - Standard Deduction:**  
 A student from India who qualifies for the provision of the U.S. - India income tax treaty may be eligible to claim the standard deduction. All other nonresident aliens must enter "0". (See Instructions) C \$ \_\_\_\_\_

**The following section may be filled in by residents of Canada, Mexico, American Samoa, Japan, Korea or India only. Please refer to the Instructions for more details.**

**D - Spouse:**  
 Enter "1" for your spouse. You may choose to enter "0" if you are married and have either a working spouse or more than one job. (This may help you avoid having too little tax withheld.) D \_\_\_\_\_

**E - Dependents:**  
 Enter number of dependents (other than your spouse or yourself) you will claim on your tax return. E \_\_\_\_\_

**F - Add lines D and E and enter the total here.** F \_\_\_\_\_

**G - Multiply line F times \$3,400. Prorate this amount for the tax year and enter the result here. (See Instructions)** G \$ \_\_\_\_\_

**H - Total Exemption Amount:** Add lines A, B, C, and G and enter the total amount here. H \$ \_\_\_\_\_

Under penalty of perjury, I certify that I am entitled to the number of withholding allowances claims on this certificate. Should the criteria governing my eligibility change (i.e. change of visa), or should I claim any withholding allowances through a payroll appointment, I am responsible for informing the SFA Controller's Office Accounting Division immediately so that the appropriate amount of federal tax is withheld from my scholarship/fellowship payments and from my payroll wages. I further understand that I may be required to pay estimated tax to the Internal Revenue Service if sufficient federal tax is not withheld from my payments.

Signature \_\_\_\_\_ Date \_\_\_\_\_

## **PRIVACY NOTIFICATIONS**

### **STATE**

Stephen F. Austin State University (SFASU) respects your privacy. Certain information collected by SFASU is protected under federal and state laws. However, because SFASU is a public institution, it is also obligated to comply with Texas Public Information Act. Some information collected from you, regardless of the means transmitted (in person, by mail, by email, through our web pages, or on web-based forms) may be subject to dissemination under this law.

However, SFASU is committed to protecting certain information, such as your credit card number or personal bank account information, which is not subject to dissemination under the Texas Public Information Act. If this information is collected on web pages, SFASU will use reasonable security protocols. Most current Internet browser software will display a symbol when a given page is using such security protocols. Refer to your browser help file for information.

The principal purposes for requesting the information on this form is for payment of earnings and for miscellaneous payroll and personnel matters such as, but not limited to, withholding taxes, benefits administration, and changes in title and pay status. University policy and state and federal statutes authorize the maintenance of this information.

Furnishing all information requested on this form is mandatory. Failure to provide such information will delay or may even prevent completion of the action for which the form is being filled out. Information on this form may be used by various University departments for payroll and personnel administration and will be transmitted to the federal and state governments as required by law.

### **Accuracy of Data Collected**

With few exceptions, you have the right to inspect, copy, and correct personal information about you. To obtain this information, contact the Office of the General Counsel at (936) 468-4305 or by fax at (396) 468-3875.

### **FEDERAL**

Pursuant to the Federal Privacy Act of 1974, you are hereby notified that disclosure of your Social Security number is mandatory. Disclosure of the Social Security number is required pursuant to sections 6011 and 6051 of Subtitle F of the Internal Revenue Code pursuant to and Regulation 4, Section 404.1256, Code of Federal Regulations, under Section 218, Title II of the Social Security Act, as amended. The social security number is used to verify your identity. The principal uses of the number shall be to report (1) state and federal income taxes withheld, (2) social security contributions, (3) state unemployment and Workers' Compensation earnings, and (4) earnings and contributions to participating retirement systems.

**Instructions for Completing the Nonresident Alien – Scholarship and Fellowship Recipients Federal Withholding Allowance Certificate**

The Form SFASU W-4NR must be completed on an annual basis by nonresident alien scholarship and fellowship recipients who wish to claim reduced withholding with respect to the taxable portion of their award. U.S. source scholarships and fellowships awarded to foreign students that are not excludable from gross income are subject to Federal withholding at a rate of 14%. Because this rate may exceed the actual tax liability of the foreign scholarship or fellowship recipient, Revenue Procedure 88-24 establishes reduced withholding procedures to approximate the actual tax liability of the recipient. For most University visitors, the reduced withholding procedures apply only to payments made to nonresident alien scholarship and fellowship recipients holding an "F" or "J" visa. Each recipient who files a Form SFASU W-4NR must also file an annual U.S. income tax return to be allowed the exemptions and deduction claimed on that form. In addition, recipients may claim away-from-home expenses only if their stay in the U.S. is anticipated to be for one year or less.

**Personal Information:**

1. Name: Enter your name.
2. Taxpayer Identification Number: Enter your Social Security Number or Individual Taxpayer Identification Number.
3. Address: Enter your U.S. address. (Please note that this is for verification purposes. It is not intended to update your address in the SFA computer system.)
4. Marital Status: Nonresident aliens can only claim single marital status regardless of actual marital status.
5. Name Change: Mark this box only if your last name has changed since receiving your Social Security card.

**Line A - Personal Exemption:** Enter the prorated amount of the personal exemption for the tax year to which the reduced withholding applies. For 2007, the personal exemption amount is \$3,400. To prorate this amount, divide it by 365 and multiply the result by the number of days in the tax year during which you will be present in the U.S. under an F or J visa. You should also exclude those days that you were employed and did claim any payroll withholding allowances. Below is a worksheet that you may use to determine the correct amount to enter on Line A.

1. Number of days you expect to be present in the U.S. under an F or J visa in 2007. \_\_\_\_\_
2. Number of days you expect to be employed in the U.S., either by SFASU or by any other employer and claim more than 0 withholding allowances on any other W-4 form. \_\_\_\_\_
3. Subtract the amount on line 2 from the amount on line 1 and enter the difference. \_\_\_\_\_
4. Multiply the amount on line 3 by \$9.32. This is your prorated personal exemption amount. Enter this amount on line Line A of the **FORM SFASU W-4NR**. (Line A)\$ \_\_\_\_\_

**Line B - Away-from-Home Expenses:** The away-from-home expenses include meals, lodging, transportation, and other expenses deductible under Internal Revenue Code section 162 (note that only 50% of meal expenses are deductible.) If the actual expenses are known at the time that this Form SFASU W-4NR is completed, the actual amount should be included on line B. If, however, the actual amount of these expenses is not known at the time the Form SFASU W-4NR is completed, a per diem rate of \$18.00 per day should be used. (The \$18.00 rate is the U.S. government per diem allowance rate under the Federal Travel Regulations in effect for participants in the Career Education Program). If you do not know your actual expenses, you may use the worksheet below to determine your away-from-home expenses. **You may not take this allowance if your total stay in the U.S. on an F or J visa in 2007 and/or in any previous or upcoming year exceeds 12 months, even if your stay was not continuous.** For example, if you were in the U.S. for the first 9 months of 2006 but left the U.S. for the remainder of the year, you may not take this allowance if you will be in the U.S. for more than 3 months in 2007.

1. Number of days you expect to be present in the U.S. under an F or J visa in 2007. (If the number you entered on this line is 365, you may not take this allowance) \_\_\_\_\_
2. Multiply the amount on line 1 by \$18. This is your estimated away-from-home allowance. You may enter this or a smaller amount on Line B of the **FORM SFASU W-4NR** if you do not know your actual away-from-home expenses. (Line B)\$ \_\_\_\_\_

**Instructions for Completing the Nonresident Alien – Scholarship and Fellowship Recipients Federal Withholding Allowance Certificate**

**Line C - Standard Deduction: (for residents of India only):** Refer to IRS Publication 501 ([www.irs.gov](http://www.irs.gov)), Table 7, 8, or 9, to find the current figures for standard deduction. A student or grantee who qualifies under Article 21(2) of the U.S.-India Income Tax Treaty may enter the standard deduction if he or she does not claim away-from-home expenses or other itemized deductions. If you will not be present in the U.S. for the full year during 2007 or if you expect to be employed either by SFASU or by another employer and claim more than 0 withholding allowances on any other W-4 form, you may use the worksheet below to determine the correct amount to put on Line C of the **FORM SFASU W-4NR**.

1. Number of days you expect to be present in the U.S. under an F or J visa in 2007 \_\_\_\_\_
2. Multiply the amount on line 1 by your prorated daily standard deduction (i.e. standard deduction ÷ 365 days). This is the total standard deduction you are eligible to take. You may enter this or a smaller amount on Line C of the FORM SFASU W-4NR. (Line C)\$ \_\_\_\_\_

**Line D & E - Spouse and Dependents:** Nonresident aliens generally are not allowed to claim additional personal or dependency allowances. Therefore, leave lines D and E blank unless you are a resident of one of the following countries:

- Residents of Canada, Mexico, and U.S. Nationals, (i.e., Northern Mariana Islands and American Samoa) are entitled to claim the same personal allowances as U.S. citizens; residents of Korea are entitled to claim an allowance for themselves, their spouse and dependent children who are present with them in the U.S. at some time during the tax year.
- Students from India are entitled to claim one additional allowance for a spouse, based upon benefits set forth in the U.S. - India income tax treaty.

You may use the following worksheet to determine the correct amounts to enter Line D & E of the FORM SFASU W-4NR.

- On Line D:**
1. Enter "1" if you are a resident of Canada, Mexico or American Samoa, you are married and your spouse will have no gross income for U.S. tax purposes in 2007 and will not be claimed as the dependent of another taxpayer in 2007. (Line D) \_\_\_\_\_  
 Enter "1" if you are a resident of Japan or Korea, you are married and your spouse will be present with you in the U.S. at some time during 2007, will have not gross income for U.S. tax purposes in 2007 and will not be claimed as the dependent of another taxpayer in 2007.  
 Enter "1" if you are a resident of India, you are a student or postdoctoral trainee, and you are married. All others must enter "0". Enter this amount on Line D of the FORM SFASU W-4NR.

- On Line E:**
2. If you are a resident of Canada, Mexico or American Samoa, enter the total number of dependents you have. (Line E) \_\_\_\_\_  
 If you are a resident of Japan or Korea, enter the total number of dependents that will be present with you in the U.S. at some time during 2007.  
 All others must enter "0". Enter this amount on Line E of the FORM SFASU W-4NR.

- On Line F & G:**
3. Add the amounts from lines 1 and 2. Enter this amount on line F of the **FORM SFASU W-4NR**. (Line F) \_\_\_\_\_
  4. Number of days you expect to be present in the U.S. under an F or J visa in 2007. \_\_\_\_\_
  5. Number of days you expect to be employed in the U.S., either by SFASU or by any other employer and claiming more than 1 withholding allowances on any other W-4 form. \_\_\_\_\_
  6. Subtract the amount on line 5 from the amount on line 4 and enter the difference. \_\_\_\_\_
  7. Multiply the amount on line 3 by the amount on line 6. Enter the result here. \_\_\_\_\_
  8. Multiply the amount on line 7 by \$9.32. This is the total amount of Spouse/Dependent allowance you are eligible to take. You may enter this or a smaller amount on Line G of the FORM SFASU W-4NR. (Line G)\$ \_\_\_\_\_

**Line H - Total Exemption Amount:** To determine the annual exemption amount for the current tax year, add lines A, B, C, and G.

## FREQUENTLY ASKED QUESTIONS ABOUT THE FORM SFASU W-4NR

### **What is the purpose of the Form SFASU W-4 NR?**

U.S. source scholarships and fellowships awarded to nonresident alien students and postdoctoral fellows on an F or J visa that are not excludable from gross income are subject to federal withholding at a rate of 14%. Because this rate may exceed the actual tax liability of the foreign scholarship or fellowship recipient, the **Form SFASU W-4 NR** allows the recipient to take additional withholding allowances in order to adjust his or her withholding to match his or her actual tax liability more closely.

### **Is it mandatory that I fill out this form?**

No, it is not. It is intended only for those individuals who wish to take withholding allowances on their scholarship and fellowship income.

### **I plan on claiming withholding allowances through a payroll appointment during 2007(e.g. as a TA, GSR or Postgraduate Researcher). Does this affect whether I can claim withholding allowances on my scholarship and fellowship income with the Form SFASU W-4 NR?**

Yes. You should not claim withholding on the **Form SFASU W-4 NR** for those days in 2007 that you will be employed and claiming withholding allowances through payroll. You should determine the days you are eligible to claim withholding allowances on the **Form SFASU W-4 NR** and calculate the dollar amount of the withholding allowances you can take on the **Form SFASU W-4 NR** based on these days only.

### **How do I determine how many days I am eligible to count in calculations for the withholding allowances on the Form SFASU W-4 NR?**

If you know the total amount of days that you will be employed, you can determine the days you are eligible to count in the calculations for the withholding allowances on the **Form SFASU W-4 NR**. To do this, subtract the days you will be employed (and claiming withholding allowances through another W-4 form) from the total number of days you will be in the U.S. during the 2007(refer to the instructions and worksheet). If you so not yet know the total amount of days that you will be employed, you may hold on to the **Form SFASU W-4 NR** and fill it out when you do know. If you plan on being employed for the whole year, you are advised not to take any withholding allowances through the **Form SFASU W-4 NR**.

### **I do not plan on being employed in 2007, so can I take the full amount of withholding allowances I am eligible for. What should I do if I change mind, and decide to take a job during 2007?**

You should notify the SFASU Accounting Office immediately. You may be asked to fill out another **Form SFASU W-4 NR**. If you have already been given the benefit of withholding allowances on scholarship/fellowship income, then you may need to request additional withholding through your employer.

### **Who can claim the away-from-home expenses withholding allowance?**

Only those individuals whose total stay in the U.S. does not exceed one year.

### **Who can claim the Standard Deduction?**

Only those individuals who are residents of India and who qualify under Article 21(2) of the US-India Income Tax Treaty and are not claiming the away-from-home expenses withholding allowance. In order to claim the Standard Deduction, you must be a resident of India who is in the U.S. principally for the purpose of your education or training.

### **Who can claim the spouse and dependent withholding allowances?**

Residents of Canada, Mexico or America Samoa may claim withholding allowances for their spouse and dependent children. Residents of Japan or Korea may claim withholding allowances for their spouse and dependent children who are present with them in the U.S. at some time during the tax-year. Residents of India may claim only one withholding allowance for their spouse if they are in the U.S. principally for the purpose of their education or training.

### **How are the withholding allowances applied?**

The withholding allowances are drawn down as you receive your scholarship/fellowship payments. For example, if you have claimed a \$2,900 withholding allowance for 2007 and you receive a taxable scholarship/fellowship of \$1,000 in January 2007, the payment will have \$1,000 from the withholding allowance applied to it, and it will not have any federal taxes withheld from it. In addition, you will still have a \$1,900 withholding allowance left to be applied to future taxable scholarship/fellowship payments. If you have claimed a \$2,900 withholding allowance for 2007 and receive a taxable scholarship/fellowship payment of \$3,000 in January of 2007, the payment will have the full \$2,900 withholding allowance applied to it and will be taxed at the 14% federal tax rate only on the remaining \$100.

## FREQUENTLY ASKED QUESTIONS ABOUT THE FORM SFASU W-4NR

**What should I do if I decide to take a payroll appointment (e.g. as a TA, GSR, or Postgraduate Researcher) sometime in 2007 and I have already had the full amount of withholding allowances that I am eligible for applied to my taxable scholarship/fellowship payments?**

In order to prevent under-withholding for federal taxes, you should not claim any federal withholding allowances through your payroll appointment if you have already had the full amount of withholding allowances that you are eligible for applied to your taxable scholarship/fellowship payments. If you take withholding allowances through payroll in addition to the taxable scholarship/fellowship income withholding allowances on this form, you may be required to make estimated tax payments to the IRS. For those details, refer to the IRS Publication 505, "Tax Withholding and Estimated Tax," available through the IRS by phone at (800) TAX-FORM or on the Internet at [www.irs.ustreas.com](http://www.irs.ustreas.com)

**Who can I contact if I need more help or if I have more questions regarding the Form SFASU W-4 NR?**

You may contact the Controller's Office via telephone (936)468-2303 or stop by the Austin Bldg, Rm 205.