

Payments to Nonresident Alien Contractors (Procedures)

A Nonresident alien contractor is an individual of a foreign country that performs independent personal services. Examples of these services might include a foreign guest speaker or a foreign language translator. To receive payment for these services please contact Personnel and Payroll Services Nonresident Alien tax specialist with the attached form supplying information on the individual receiving payment. All other procedures for processing payment for contractors apply as well.

The individual does not require a social security number to receive payment. Status of the individual must be determined before payment is processed. For example if the individual is on a visa from another university permission from the original university must be obtained prior to the work being performed. If the individual does not have a social security number please write “foreign visitor” or “No social security number” on any forms requesting the number.

Once the attached form is completed please contact Personnel and Payroll Services to determine tax status for each individual. The University is required to file IRS form 1042-S; Foreign Person’s US Source Income Subject to Withholding, for services performed by all nonresident alien contractors. The University is also required to deduct a 30% withholding tax on all payments made to these contractors if applicable. Once tax status is determined by Personnel and Payroll Services please complete a BPA and send to the Personnel and Payroll Services Office. If it is determined the individual must pay 30% tax withholding the BPA must reflect the correct index and account numbers (see example). All necessary tax payments will be made by PPS and BPA will be forwarded to the Controller’s office for processing of payment.

IRS Publication 515

NON-US CITIZEN INFORMATION FORM
Independent Contractor Payment
Montana State University
Controller's Office • Personnel and Payroll Services

<i>Last Name</i>	<i>First Name</i>	<i>MI</i>	<i>Social Security Number</i>
<i>Gender:</i> <input type="checkbox"/> <i>Male</i> <input type="checkbox"/> <i>Female</i>		<i>Date of Birth:</i>	<i>Student ID/GID:</i>

<i>U.S. Address:</i>		
<i>City</i>	<i>State</i>	<i>Zip Code</i>
<i>Home Phone</i>	<i>Work Phone</i>	<i>Email Address</i>
<i>Foreign Residence Address:</i>		
<i>City</i>	<i>Postal Code</i>	<i>Country</i>
<i>Country of Citizenship:</i> _____		
<i>Were you present in your country of citizenship immediately to your arrival to MSU?</i>		
<input type="checkbox"/> <i>YES</i> <input type="checkbox"/> <i>NO</i>		
<i>Have you worked for MSU before?</i>	<input type="checkbox"/> <i>YES</i> <input type="checkbox"/> <i>NO</i>	<i>If yes, when?</i> _____
<i>Current Visa Type</i> _____		
Signature _____		Date _____