



HARVARD LAW SCHOOL

CAMBRIDGE · MASSACHUSETTS · 02138

Tax Reporting and Withholding on Fellowship Payments:

US Citizens-- Harvard does not report payments to the IRS or withhold taxes from payments. It is not required to do so under IRS regulations.

Non-US Citizens-- Harvard reports payments to the IRS and withholds taxes from payments based on country-specific tax treaties.

This table breaks down what payments are reportable to the IRS and what taxes are withheld for fellowship payments

Source of Funds - Fellowship									
	US Citizen/Permanent Resident				Non Resident Alien (NRA)				
	Taxable Income	Reporting requirement		Taxes withheld	Taxable Income	Reporting requirement		Taxes withheld	
		HU reports	Individual reports			HU reports	Individual reports	If not eligible for tax treaty exemption	If eligible for tax treaty exemption
<i>Direct payment as a stipend</i>	Yes	No	Yes	No	Yes	Yes (1042-S)	Yes	Yes (14%)	No
<i>Expense reimbursement or 3rd party payment</i>	Yes	No	Yes	No	Yes	Yes (1042-S)	Yes	Yes (14%)	No
<i>Service Payments</i>	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

From University Tax Reporting for Non-Employee Research Fellows document:

In preparing your personal income tax return, please consult with your own tax advisor, because University Financial Services is not authorized to provide individual tax advice. You may, however, find it helpful to read the IRS publication relevant to your personal situation:

If you are a U. S. citizen or resident for tax purposes, who received fellowship amounts for studying, teaching or researching in the U. S., then see IRS Publication 970, Tax Benefits for Education, which is available at <http://www.irs.gov/publications/p970/index.html>

If you are a U. S. citizen or resident alien for tax purposes, who received fellowship amounts for studying, teaching or researching outside the U. S., then see Publication 54, Tax Guide for U. S. Citizens and Resident Aliens Abroad, which is available at <http://www.irs.gov/pub/irs-pdf/p54.pdf>.

If you are a nonresident alien for U. S. tax purposes, who received fellowship amounts for studying, teaching or researching in the U. S., then see Publication 519, U. S. Tax Guide for Aliens, which is available at <http://www.irs.gov/pub/irs-pdf/p519.pdf>.

Federal income tax forms and publications can be downloaded from the IRS web site at <http://www.irs.gov>

Massachusetts income tax forms and publications can be downloaded from the Massachusetts Department of Revenue (DOR) web site at <http://www.dor.state.ma.us/forms/FormsMenu2.htm>.

Once at the MADOR web site:

For individual state tax guides please use the navigation path below;

Home › Individuals and Families › Personal Income Tax › Current Year Tax Information ›

Additional information regarding the taxation of nonresident aliens in the U. S. can be found on the University International Office web site at <http://www.hio.harvard.edu/taxesandsocialsecurity/>