

# DO YOU WANT TO PAY A NON-U.S. INDIVIDUAL OR BUSINESS?



Activity conducted by a Non-US Citizen inside the US, and subsequent payments made, are highly regulated. Unauthorized work and related payments will jeopardize an individual's visa status and future travel to the US. Wesleyan has instituted the following rules to protect both the beneficiary and University.

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## **DURING NEGOTIATIONS**

Request the immigration status of the individual/s conducting the service/s. Foreign nationals who are present inside the US must have authorization to work in the US and at Wesleyan before performing any services for Wesleyan. Immigration verification, work authorization, and payment procedures must be followed even if a payment is made to a person or entity other than the individual conducting the services.

Common employment and independent service restrictions include:

- a) **H-1B and F-1:** May only accept payment from their visa sponsor. STOP-CANNOT PAY.
- b) **J-1:** Requires an approval letter from payee's Responsible Officer prior to payment.
- c) **O-1:** Requires an itinerary from payee's visa sponsor with Wesleyan listed as a venue.

## **PRIOR TO ANY SERVICES OR ACTIVITIES CONDUCTED**

The Wesleyan Department must notify Christine Rodrigue about an anticipated payment to or for the services of a foreign national before a contract is signed or at least 14 days prior to anticipated services.

- 1) The Wesleyan Department must email Christine Rodrigue and include the foreign national individual's email address, first and last name as it appears on their passport, and attach the contract or provide details about the purpose for the anticipated payment.
- 2) If the individual is present in a visa category that allows a payment, Christine Rodrigue will initiate a **Sprintax TDS** activation email to the foreign national. The foreign national must enter their information into TDS in order for work authorization and tax residency status to be determined.

## **WHILE THE VISTOR IS ON CAMPUS**

Individuals MUST meet with Christine Rodrigue in-person if they have a tax treaty exemption available to them, would like to take advantage of it, and do not possess a US taxpayer identification number.

## **REQUIRED FEDERAL INCOME TAX WITHHOLDING**

Payments to/for non-US citizens conducting services inside the US are subject to 30% non-resident alien federal income tax withholding, unless a treaty applies and the individual follows the appropriate steps to take advantage of an exception.

**This document is NOT inclusive of every foreign payment and tax situation.**

**More information about payments to non-US entities and for foreign-sourced services can be found at:**

<https://www.wesleyan.edu/finance/paymentprocess/New%20Supplier%20Setup.html>

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