

MEMORANDUM

TO: UMD College Park Foundation Disbursement Users

FROM: Sandra C Gray, Assistant Director for Financial Management

DATE: May 14, 2003

SUBJECT: Non-resident Alien Honorarium

Based on an internal review of payments made last year to non-resident aliens (a resident of another country) for work performed in the United States, we found discrepancies in the documentation required by the IRS. Since we do not have employer status, we are not in a position to withhold taxes from these payments.

In the future, all payments to non-resident aliens for U.S. income (payments for work performed in the United States) should be processed through the University of Maryland payroll. Please check with Joan Hoffman at University Payroll (301/405-7477) if you need information on their documentation requirements.

When you send a disbursement request with a copy of the detailed state financial statement and a copy of the agreement letter of the work to be performed and payment, we will reimburse the state account from your UMCPF account.

We can still process non-resident aliens for work performed outside the U.S. since there is no withholding or reporting requirement for these payments. Please enclose an IRS Form W-8BEN with the disbursement request and agreement letter.

There is a new Excel version of the disbursement request form that I am including with this mailing. Please utilize the new form in future request for disbursements.

I am still compiling a UMD College Park Foundation Disbursement Users list. If you would like someone else in your department to receive these memos, please let me know and I will add him or her to the list. I will delete you from the list at your request.

Please let me know if you have any questions. My telephone number is 301/403-4691 Ext 22, my e-mail is sgray2@accmail.umd.edu, and the fax number is 301/403-8390.