


RALPHIE'S HOT TOPIC



September 2009

PROTECT
YOUR  TEAM



International Tax & Monthly Room and Board Stipends

The Basics

- Our International SAs are taxed on income/payments received from the University at a rate of 14% by the US Federal Government. This is not unique to CU.
- Payment up front
 - > Students who live on-campus & are at a certain level of scholarship, will receive a bill for their 14% tax sometime in October & again in February. This is something they **MUST** pay out of their own pocket. CU cannot assist with this and international SAs are not eligible for pell grants or loans from CU Office of Financial Aid. This is typically around \$1200 for the academic year.
 - > Student who live off-campus will have the 14% taken right from each of their room/board stipends, & other stipends or reimbursements—they obviously will not have a bill.

The Basics

- ◎ It is important to notify your international SAs who will live in the dorms in advance; even before they arrive in the U.S., so their families can be prepared to pay this bill.
- ◎ Required deductions for SA payments:
 - › Their Monthly Room and Board Stipends
 - › Their Vacation/Semester Break Stipends
 - › Any SAF/SAOF monies received
- All of these Payment Vouchers must be signed by a member of Payroll & Benefits Services (PBS) before we can processed with processing.

Treaties

- ◎ Some SAs' countries have Treaties and are exempted from the 14% tax altogether, but they must complete paperwork with PBS in advance to qualify and be exempted (EX. Latvia, Czech Republic, etc.).
- ◎ Some SAs live in countries where if they work in the U.S., than can receive the treaty benefit, although they can work ONLY on-campus.

Income tax Returns

- ◎ International SAs are eligible to file an income tax return each year to attempt to get some or all of the money paid out for their 14% tax back.
- ◎ Receiving a income return is not a guarantee, but is definitely worth the process for a SA.
- ◎ The Office of International Affairs (on-campus) can assist SAs with questions regarding the filing of the return, and have software available for all international SAs to use in their tax preparation.

Stipends

- ◎ Those SAs who live off-campus and receive athletic aid above and beyond tuition/fees are eligible for a room and board stipend.
- ◎ These stipends are deposited directly into their bank accounts on the following days:

Aug. 31st

Sept. 30th

Oct. 30th

Nov. 30th

Dec. 31st

Jan. 15th

Jan. 29th

Feb. 26th

Mar. 31st

Apr. 30th

- ◎ Advise your SA to double-check that they have received the money in their account PRIOR to writing any rent checks or paying any bills. CU-Boulder is not responsible for any insufficient fund bills!!

Housing Deposits

- ◎ A few reminders –
 - › All incoming freshman who are required to live in the dorms MUST pay the \$300 housing deposit out of their pocket. Their scholarship does not cover this. It is against NCAA rules, as this deposit is a damage deposit for their dorm room.
 - › If there is no damage to their room at the end of the year, they will receive their \$300 back—just like a deposit for an apartment.
 - › Be sure to inform them about the housing deposit when you work with them on their housing application.

Enrollment Deposits

- The enrollment deposit is SEPARATE from the Housing deposit.
- NCAA rules allows CU Athletics to pay the \$200 Enrollment Deposit and CU policy is to pay this for all scholarship SAs only. All walk-on SAs will be required to pay their own enrollment deposit.

Questions

- If you have questions about International Tax, Room/Board Stipends, Housing or Enrollment Deposits—
 - › Please be sure to stop by the Compliance Office and ask your question!!

Go Buffs!