UNIVERSITY OF MICHIGAN

Payment to Non-employee for Taxable Services



This form should be used to request payment for services performed by individuals who are not currently members of U of M faculty or staff but for whom the payment should be considered taxable compensation.

Last Name _____ First _____ Middle _____

UMID # (if known) _____ U.S. Social Security # (if UMID # not known) _____

Number and Street _____

City _____State _____ Zip _____ Country _____

Is this individual a U.S. citizen, permanent resident, or resident alien? ○ Yes ○ No
If no, attach an Alien Certificate plus Form 8233 (if appropriate).

Were services performed outside of the U.S.? ○ Yes ○ No If no, were services performed in Michigan? ○ Yes ○ No

Department Requesting Payment _____

Amount: $_____ Shortcode to be charged: _____

Date(s) of Service: From: _____ To: _____

Description of Services:

Special Instructions:

Prepared by: _____ Uniqname _____ Phone _____ Date _____

I certify that the terms, restrictions and qualifications set forth in this form's administration policy are met and that the payments are in compliance with all conditions imposed by the funding source.

_____ _____
Chair/Department Head (name typed) Signature

_____ _____
Dean/Director or Designated Rep (name typed) Signature

ROUTING INSTRUCTIONS:

- Send this completed, signed form to HRRIS, G250 Wolverine Tower, 1281.
- If this individual is a non-resident alien and services were performed in the U.S., also attach an Alien Certificate and Form 8233 (if appropriate).

FOR DATA ENTRY USE ONLY

HRRIS: Initials: _____ Date: _____ EMP or POI Empl Rcd # _____ Regional Campus: Initials: _____ Date: _____

Payroll: Earnings Code: NET or NRO or NRA Date entered: _____ Initials: _____

Paydate: _____ Federal _____ Michigan _____ FICA _____

Instructions for Completing the
Payment to Non-employee for Taxable Services Form

Standard Practice Guide(s) for reference:

- None

Related Forms:

- None

Guideline(s) for using this form:

- Individual performing the services must not currently be a U of M faculty or staff member.
- This form should not be used to pay travel grants to UofM students, guest students and visiting scholars. Contact the Office of Financial Aid for payment processing information.
- Based on completing the PeoplePay tool, the services performed by the individual were categorized as taxable even though the individual does not currently have an "employee" relationship with U of M.

Definition of Fields:

- Name — use legal name, not preferred name
- UMID # — commonly referred to as emplid #
- Address — used to mail check for payment to the individual and eventually the Form W-2 or Form 1042S.
- Is this individual a U.S. citizen, permanent resident, or resident alien? — If the individual is not a U.S. citizen, he/she may be a resident of a country that has a Tax Treaty with the U.S. and is then eligible to submit a Form 8233 to avoid U.S. taxes. Use this link to review the countries that have tax treaties for independent contractors: http://www.finops.umich.edu/system/files/indepen.pdf
- If services were performed inside the U.S., it is important to know whether they were performed in Michigan. This information is used for state tax withholding from the individual's payment.
- Date(s) of Service — payment is not made until after services are complete unless a check is required for presentation.
- Amount — If this amount should be the exact amount paid to the individual (i.e. the "net" pay), please indicate in the "Special Instructions" field that you wish the amount to be "grossed-up". For information about "grossing-up payments, see the Payroll web site: http://www.finops.umich.edu/payroll/calculators/award.

Attachments and Routing:

- If the individual is a non-resident alien, attach a completed Alien Certificate. If the individual is a resident of a country that has a tax treaty with the U.S. and the individual has a Social Security Number, attach a Form 8233. Both forms can be found on the Payroll web site at: http://www.finops.umich.edu/payroll/forms#t73
- It may be necessary to route this form within your unit or campus differently than the routing instructions on the bottom of the form. For instance, on the Flint campus, this form should be sent to the Flint Human Resources Office, 213 University Pavilion, 1950, rather than HRRIS.

Tax Withholding and Reporting Information:

- If services were performed outside of the U.S. by a non-resident alien, the payment will be generated by the payroll system. No tax withholding will be taken. No reporting will be generated at calendar year-end.

- If services are performed in the U.S. by a non-resident alien, the payment will be generated by the payroll system. Appropriate income taxes will be withheld and a Form 1042S will be generated at calendar year-end.
- If services are performed by a U.S. citizen, permanent resident, or resident alien, the payment will be generated by the payroll system. Appropriate income taxes will be withheld and the payment will be included in a Form W-2.