

## Postdoc Fellows

### Tax Treatment & IRS Reporting Requirements of Payments Based on Tax Status

PAYMENT TYPES	TAX STATUS		
	Citizens and Permanent Residents	Residents for Tax Purposes	Non-Residents
<b>Fellowship Stipends</b>  <b>Note:</b> Fellowship Stipends are exempt from New Jersey Tax Withholding	<p>The University does NOT withhold tax from fellowship stipends issued to U.S. citizens or permanent residents.</p> <p>The total fellowship stipend amount received annually can be obtained from the final pay statement of the year, in the Year-to-Date (YTD) column.</p> <p><b>Important:</b> When filing your Federal tax return, these payments should be reported as fellowship, NOT other income.</p>	<p>The University does NOT withhold tax from fellowship stipends issued to Residents for Tax Purposes.</p> <p>Non-Residents are considered Residents for Tax Purposes after residing in the U.S. for a period exceeding 2 to 5 years based on their visa status.</p> <p>Fellowship stipends issued to these individuals are treated the same as citizens and permanent residents.</p>	<p>The University is required to withhold 14% tax from fellowship stipends issued to non-residents, except if there is a treaty exemption.</p> <p>This amount is reported on IRS Form 1042.</p>
Wage Supplement	Reported on the W2 form.	Reported on the W2 form.	<p>Reported on the W2 form.</p> <p>Additionally, if there is a tax treaty exemption, the amount exempt from Federal tax under the treaty agreement, will be reported on Form 1042.</p> <p>Both IRS Form W2 and 1042 may be issued.</p>

<p>Wage Supplement Top-up (Retirement purposes)</p>	<p>Reported on the W2 form.</p>	<p>Reported on the W2 form.</p>	<p>Reported on the W2 form.</p> <p>Additionally, if there is a tax treaty exemption, the amount exempt from Federal tax under the treaty agreement will be reported on Form 1042.</p> <p>Both IRS Form W2 and 1042 may be issued.</p>
---	---------------------------------	---------------------------------	---