

## Paying Honorariums to Foreign Nationals

**Contact the Foreign National Tax Administrator when planning to invite a foreign visitor to the University. Many questions can be answered in advance of the activity.**

1. In order to pay an honorarium to a Foreign National, they must have the proper visa status. Additional visa information is available from International Programs.
  - **B1/WB, B2/WT:** Follows the 9-5-6 Rule - the activity can be for no longer than 9 days, and no more than 5 institutions in the previous 6 months.
  - **H-1B:** Immigration laws prohibit the payment for services by CSU to an H-1B sponsored by another institution. If it is discovered that an H-1B sponsored by another institution has performed services for CSU, all services must be terminated. Employment laws require that the individual be paid for all services previously performed. However, please be advised that accepting payment for services from an institution which is not his/her sponsor can put the H-1B in violation of their visa. Paying an H-1B sponsored by another institution can also subject CSU to fines and/or penalties.
  - **F-1:** May not receive an honorarium.
  - **J-1:** A J-1 visa holder with a sponsor other than CSU must have written authorization from the Responsible Officer (RO) at their sponsoring institution prior to the activity.
2. As a general rule, the Internal Revenue Service requires the University to withhold income tax at a 30% rate on all honorarium payments made to Nonresident Alien individuals.
3. Tax Treaty Exemptions may apply if:
  - there is a tax treaty between the U.S. and the individual's country and
  - the individual qualifies for an exemption.
4. A Tax Treaty Exemption has to be applied for and approved by the IRS. This process takes a minimum of ten days from the time the form is submitted to the IRS. To apply for a tax treaty exemption:
  - A Form 8233 (Request for Tax Treaty Withholding Exemption) is required to be filled out and signed by the individual and
  - A Social Security Number or an Individual Taxpayer Identification Number (ITIN) must be submitted on the form or the IRS will not approve the exemption.
5. The Foreign National Tax Administrator must review all payment requests for Foreign Nationals before payment is made.
  - Please have the individual complete the Foreign National Information Form, print, sign, date, and attach copies of the applicable documents to the DV or PO
  - The Foreign National Information Form is located at:  
<http://busfin.colostate.edu/ForeignNationalForm.aspx>
  - State on the DV or PO that the payment request is for a Foreign National and the location where the services are being performed and submit directly to Accounts Payable.