WOODS HOLE OCEANOGRAPHIC INSTITUTION
PAYROLL OFFICE MEMORANDUM

To: Postdoctoral Scholars/Fellows
MPC Fellows
Summer Student Fellows
JP Student Fellows (i.e., those not GRAs or TAs)
Sea Grant Fellows
GFD Participants
Guest Students

From: Dena Richard, Payroll Manager
Date: 2023
Re: Scholarship/Fellowship Payments

The amount of your taxable income consists of all allowances and stipends including: scholarship/fellowship payments, housing allowances, travel allowances, allowances for health, welfare, childcare, other non-travel expenses and any other assistance provided by WHOI.

U.S. Citizens/Resident Aliens:

- WHOI does not withhold taxes from scholarship/fellowship payments (including stipend, travel, housing, or other), and **you may be required to pay federal and state estimated taxes**. These taxes must be paid quarterly on a set schedule.

- **You will *not* receive a W-2 or 1099 form at year end. Make sure to retain your last paycheck stub** (available via Employee Online on the HR website) for year-to-date information. *Access to this site is not available after checkout. Please feel free to contact the Payroll Office at 508-289-2377 or drichard@whoi.edu should you need assistance obtaining your final paystub.

- **Federal taxes:** Refer to IRS Publication 970 – Tax Benefits for Education; Publication 505 which is useful to assist in determining Estimated Tax. These documents can be found at http://www.irs.gov

- **State taxes:** refer to Form 1-ES found at: www.mass.gov/dor

Foreign Nationals (Non-resident Aliens):

- **Federal tax** is withheld at 14% for F-1 and J-1 visa holders and 30% for all others unless a treaty applies. You will receive a form 1042S in late January/early February with information about filing annual taxes. *Be sure to notify us if your address changes.

- **State tax** is *not* withheld; however **it is necessary for you to determine if you are responsible for state income tax and need to make estimated tax payments.** These taxes must be paid quarterly on a set schedule. Refer to Form 1-ES found at: www.mass.gov/dor

- **If you travel in/out of the US, make sure to inform Payroll** (drichard@whoi.edu). This will affect your allowable days of presence on form 8843 (provided at year end with form 1042-S) and cannot be changed once processed.

Note: All estimated taxes must be paid on time or penalties may apply (pub 505).

As a scholar, fellow or student, you are an affiliate of the Institution. You are not an employee; as such, you are not eligible for any entitlements or benefits of employment (i.e. employee benefit plans). Please sign this memo to acknowledge your receipt of this memo and your responsibility in paying estimated taxes.

SIGNATURE: _____ DATE: _____

PRINT: _____