GENERAL COMMENTS FOR SELECTION OF SELF SERVICE FEDERAL AND STATE WITHOLDING TAX ELECTIONS BY INTERNATIONAL FACULTY, STAFF AND STUDENTS

There are specific federal income tax withholding laws in effect for nonresident aliens. Generally you are a resident alien for tax purposes if you meet either the "green card test" or the "substantial presence test" for the calendar year. Any person not meeting either test is generally a nonresident alien for tax purposes.

On wage or salary payments to nonresident alien employees, the University must withhold U.S. income tax at the normal graduated rates that are applicable to all U.S. employees. The Internal Revenue Service treats income earned by nonresident aliens differently from income earned by U.S. citizens and resident aliens in two ways: by limiting the number of personal exemptions that can be claimed by nonresident aliens and by prohibiting many nonresident aliens from claiming the standard deduction when filing U.S. income tax forms each year.

The Form W-4 must be completed according to the following restrictions so that the University can withhold the correct amount of federal income tax from each paycheck:

A nonresident alien for tax purposes must select a filing status of "single" regardless of actual marital status.

A nonresident alien for tax purposes must enter a “1” for number of allowances. There are certain exceptions for American Nationals and residents of Canada, Mexico, Japan, South Korea and India. However, due to payroll system limitations, additional withholding allowances are not available to University of Notre Dame employees. If you meet the criteria for an exception, you will be able to claim the additional personal exemption(s) on your U.S. Federal Income Tax Return.

A nonresident alien for tax purposes is required to enter a “1” in the NRA box.

A nonresident alien for tax purposes is specifically instructed NOT to claim an "exempt" withholding status.

TAX TREATIES:
If you believe you are eligible to claim exemption from income tax under an income tax treaty, Form 8233 should be completed in addition the tax withholding elections selected. These elections will apply at the time a treaty-based income tax exemption expires or no longer applies.
NOTE: International faculty, staff and students who are nonresident aliens for tax purposes should complete the Self Service federal and state withholding tax selections according to the instructions on this page.

Specific Instructions for Self Service selection of Federal Tax Withholding elections for employees who are nonresident aliens for tax purposes.

1) Go to InsideND, http://inside.nd.edu/ and login with your NetID and password.
2) Click the My Resources tab.
3) Click the Tax Withholding Elections icon in the My Quick Apps channel.
4) Click on Federal Tax Withholding. Your current Withholding information will be displayed on this page.
5) Click on Update which is centered at the bottom of this page.
6) Under Federal Tax, complete the following:
   a. The Deduction Effective as of date is the earliest date your new withholding elections are to be applied.
   b. Enter the requested Effective Date of Change. This can be a current or future dated request.
   c. Select your Deduction Status.
      i. The deduction status should remain active unless you meet the listed criteria.
   d. Choose a Filing Status of Single.
   e. Enter “1” for the Number of Allowances
   f. Enter “1” in the NRA box
   g. If desired, enter an Additional Withholding dollar amount you would like withheld for Federal tax during each pay period.
   h. Click Certify Changes.
      i. Click Submit to confirm your Federal Tax Withholding elections.

Specific Instructions for Self Service selection of State of Indiana Tax Withholding elections for employees who are nonresident aliens for tax purposes.

1) Go to InsideND, http://inside.nd.edu/ and login with your NetID and password.
2) Click the My Resources tab.
3) Click the Tax Withholding Elections icon in the My Quick Apps channel.
4) Click on State/County Tax Withholding. Your current Withholding information will be displayed on this page.
5) Click on Update which is centered at the bottom of this page.
6) Under State Income Tax, complete the following:
   a. The Deduction Effective as of date is the earliest date your new withholding elections are to be applied.
   b. Enter the requested Effective Date of Change. This can be a current or future dated request.
   c. Enter “1” for the Number of Exemptions
   d. If desired, enter an Additional Withholding dollar amount you would like withheld for State tax during each pay period.
   e. Select your County of Residence as of January 1. If your county is not listed, select other.
   f. If desired, enter an Additional Withholding dollar amount you would like withheld for County tax during each pay period.
   g. Click Certify Changes.
   h. Click Submit to confirm your State/County Tax Withholding elections.