WOODS HOLE OCEANOGRAPHIC INSTITUTION
PAYROLL OFFICE MEMORANDUM

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

From: Dena Richard, Payroll Manager
Date: 2020
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 @ 508-289-
  2844 or wsandner@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: _______________________________________________________________________________