



State of Connecticut Non Resident Alien Info Session

Updated: September 2015







Session Overview

Discuss how to transition Non Resident Alien employees who have been converted into PeopleSoft as employees who are taxed as normal employees, into Non Resident Alien employees whose tax rate is dependent on the type of earnings reported and their respective country's Tax Treaty with the U.S.

Develop an action plan to successfully implement Non Resident Alien setup across the State of Connecticut.





Agenda

Introduction

Employee Visa / Permit Setup

Employee Time and Labor Setup

Employee Tax Setup

Paying Employee





Introduction

- Learn how to setup a Non Resident Alien's Visa / Identification data.
- Learn how to setup a Non Resident Alien's Tax information.
- Learn how to setup a Non Resident Alien's Time and Labor information.
- Learn how to report a Non Resident Alien's time.
- Discuss transition timeline
- Document unresolved questions / follow-up items.





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Identification Data

tizenship/Passport Visa/Permit Data En	nployee Photo		
ug Bolt	Employee Type	Person ID 000037	*
itizenship/Passport ②		Find	First 1 of 1 Last
*Country Q			Go To Row + -
Citizenship Status	~		
Passport Information ②		Find View All	First 1 of 1 Last
*Passport Number			+ -
Issue Date	[3]		
Expiration Date	31		
Country USA	Q United States		
State	Q United States		
	<u> </u>		
City			
Authority			
Comment		[7]	





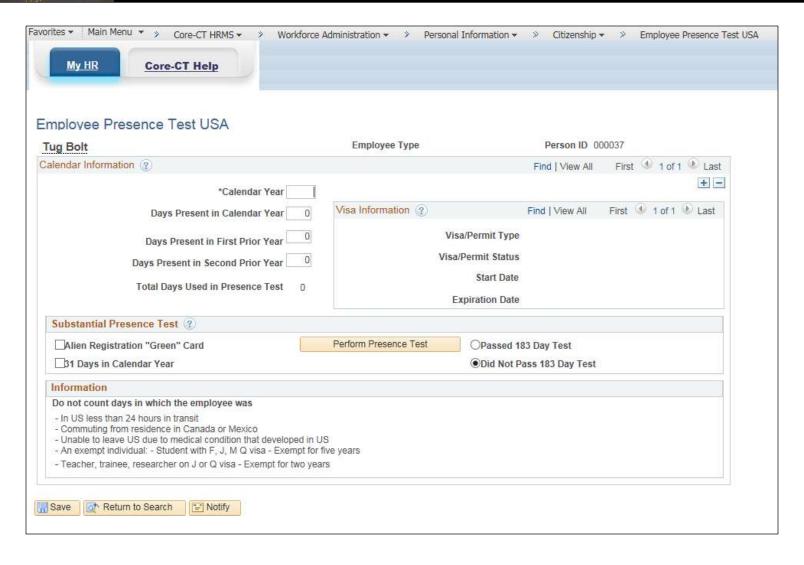
Visa / Permit Data

tizenship/Passport Visa/Permit Data	Employee Photo						
ıg Bolt	E	mployee Type		Person I	D 000037		
sa/Permit Data ②					Find	First d	1 of 1 Last
*Countr	ny Q				Go To	Row	+ -
*Тур	oe Q						
risa / Permit History 👔				Find	I View All	First 🕙	1 of 1 Last
*Effective Da	nte 07/23/2015	B			Get Supporti	ing Docume	nts + -
*Stati	us		~	*Status Date	07/23/2015	31	
Duratio	on		*Тур	e of Duration	Months	~	
Issue Da	ite	31		Number			
Date of Entry into Count		31	Ex	piration Date		31	
Issuing Authori	ity						
Issue Pla	ce						
Supporting Documents Needed ②		Personalize	Find View All 💷 🚦	First	∌ 1 of 1 ⊕	Last	
Lancas Lancas			Request Date	Date Receive	d		
*Sup Doc ID Description						+ -	





Presence Test







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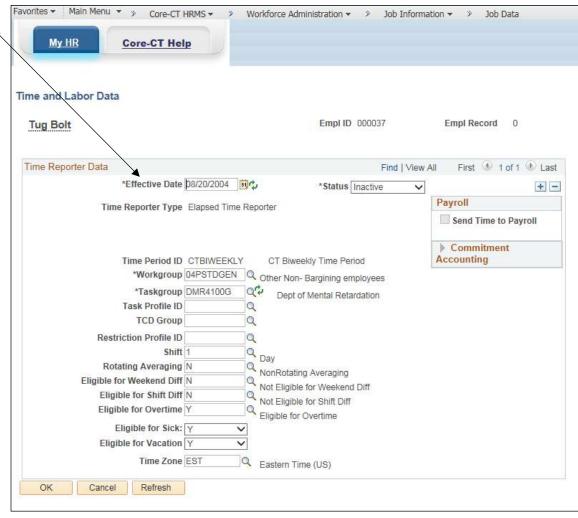




Time and Labor Setup

Step 1: Insert New Effective Dated Row

- · Preserves history
- Prorates taxes according to the amount of time reported prior to the new effective date and the amount of time after the new effective date.







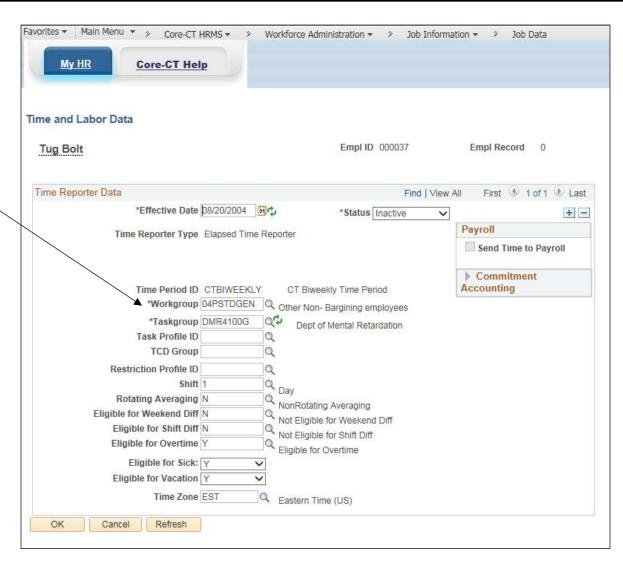
Time and Labor Setup

Step 1: Insert New Effective Dated Row

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Step 2: Choose Workgroup

 Use prompt to look up values beginning with 'NON'







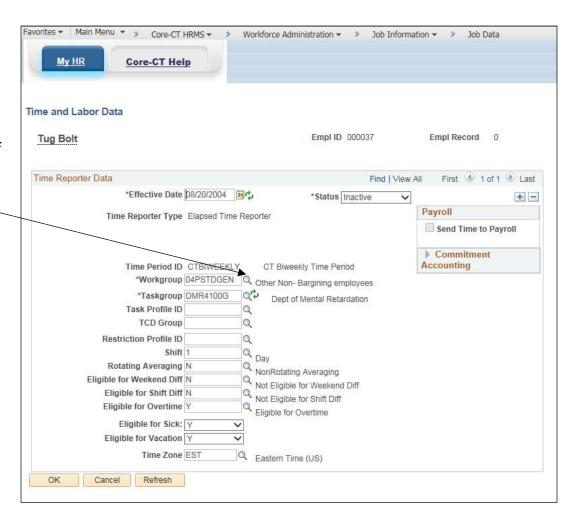
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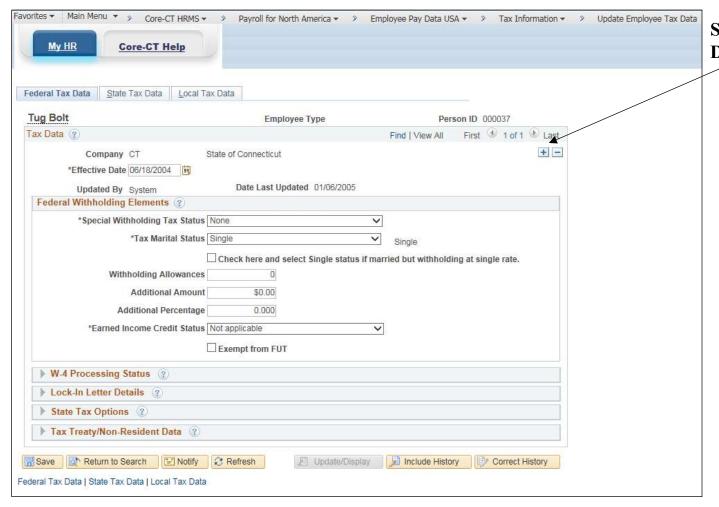
Employee Time and Labor Setup

Employee Tax Setup

Paying Employee





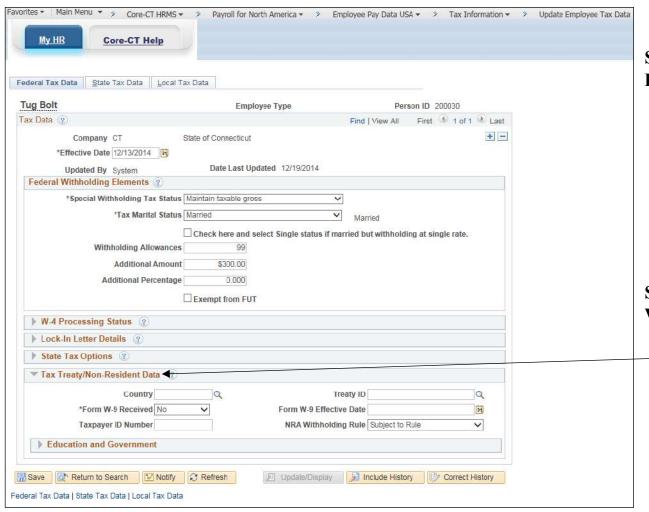


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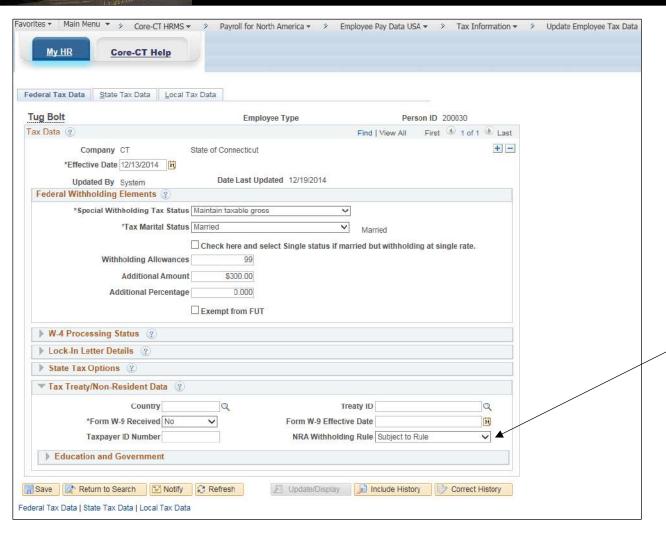
- · Preserves history
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 according to the amount
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 the new effective date and
 the amount of time after
 the new effective date

Step 2: Change Special Tax Withholding Status

 Non-Resident Alien; Tax Treaty/NR Data







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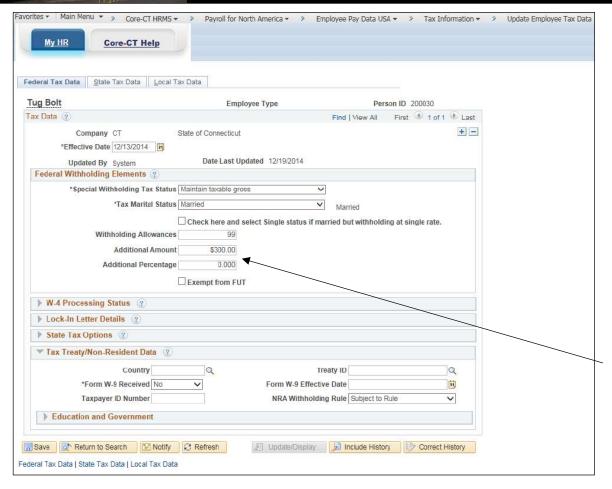
 Non-Resident Alien;Tax Treaty/NR Data

Step 3: Enter Withholding Allowances

Generally only ONE allowance can be claimed.







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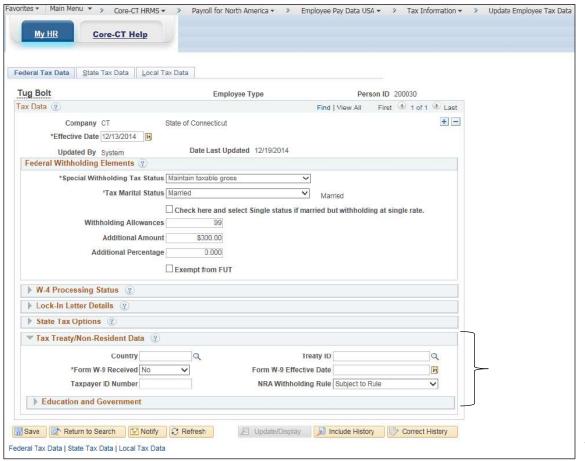
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Step 4: Enter FWT Withholding Amount

See Appendix 1







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Step 4: Enter FWT Withholding Amount

See Appendix 1

Step 5: Enter Tax Treaty / NR Data





Country IRL	Q	Treaty ID	TIAS	Q
*Form W-9 Received No	~	Form W-9 Effective Date		31
Taxpayer ID Number		NRA Withholding Rule	Subject to Rule	~
Education and Government				
Date of Entry	31	Treaty Expiration Date	12/13/2016	
*Form 8233 Received No	~	Form 8233 Effective Date	31	
Form 8233 Expiration Date	31	*Form W-8 Received	No 💙	
Form W-8 Effective Date	[31] F	orm W-8 Expiration Date	31	
Allowable Earnings Codes	Personalize	Find View All 🗗	First 1-3 of	5 🕑 Last
ncome Code (for 1042-S)	Eligible Earnings Per Yea	Tax Rate After Form Received	Tax Rate d Before Form Received	
Royalties	9999999.9	9		0.300000
Scholarship/Fellowship Grants	9999999.9	9 0.14000	0	0.140000
ndependent Personal Services	9999999.9	9		0.300000
► Lock-In Letter Details ② ► State Tax Options ③ ▼ Tax Treaty/Non-Resident Data ②				<u> </u>
*Form W-9 Received No Taxpayer ID Number		Treaty ID Effective Date Inholding Rule Subject to Rule	Q F V	
▶ Education and Government		-2 - 20		
P Education and Government				

Step 1: Insert New Effective Dated Row

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Step 5: Enter Tax Treaty / NR Data

• This information will setup the employee to be eligible for the Tax Treaty benefits.





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Tax Rules for Royalties

Income Code	Earn Code in PeopleSoft	8233 Form Received?	W8 Ben Form Received?	Tax Results
12 – Royalties	T01 – Regular Pay T02 – Straight Overtime T03 – Longevity T04 – Sick SS Exc T05 – Vacation Lump T06 – Personal Leave T07 – Double Overtime T08 – 1 ½ Overtime T09 – Non Reportable Reimbursement T10 – Lump Holiday	N/A	No	*Tax Treaty Benefits
12 – Royalties	Same as above	N/A	Yes	*Tax Treaty Benefits
12 – Royalties	Same as above	Yes	N/A	Taxed as resident
12 – Royalties	Same as above	No	N/A	Taxed as resident

^{*} Tax Rate may vary based on the country and changing rates of the Tax Treaty.





Tax Rules for Grant / Scholarship

Income Code	Earn Code in PeopleSoft	8233 Form Received?	W8 Ben Form Received?	Tax Results
15 – Grant / Scholarship	U01 – Regular Pay U02 – Straight Overtime U03 – Longevity U04 – Sick SS Exc U05 – Vacation Lump U06 – Personal Leave U07 – Double Overtime U08 – 1 ½ Overtime U09 – Non Reportable Reimbursement U10 – Lump Holiday U11 – Holiday U12 – Retro Payment U13 – Sick Pay U14 – Vacation Pay	N/A	No	*Tax Treaty Benefits
15 – Grant / Scholarship	Same as above	N/A	Yes	*Tax Treaty Benefits
15 – Grant / Scholarship	Same as above	Yes	N/A	Taxed as resident
15 – Grant / Scholarship	Same as above	No	N/A	Taxed as resident

^{*} Taxes may be withheld after a certain threshold depending on the Tax Treaty for which the employee is claiming benefits. Tax rates subject to change.





Tax Rules for Ind Pers Services

Income Code	Earn Code in PeopleSoft	8233 Form Received?	W8 Ben Form Received?	Tax Results
16 – Independent Personal Services	V01 – Regular Pay V02 – Straight Overtime V03 – Longevity V04 – Sick SS Exc V05 – Vacation Lump V06 – Personal Leave V07 – Double Overtime V08 – 1 ½ Overtime V09 – Non Reportable Reimbursement V10 – Lump Holiday V11 – Holiday V12 – Retro Payment V13 – Sick Pay V14 – Vacation Pay V15 – Grant	N/A	No	Taxed as resident
16 – Personal Services	Same as above	N/A	Yes	Taxed as resident
16 – Personal Services	Same as above	Yes	N/A	*Tax Treaty Benefits
16 –Personal Services	Same as above ter a certain threshold depending on the Tax Treaty for v	No	N/A	*Tax Treaty Benefits





Tax Rules for Dep Pers Services

Income Code	Earn Code in PeopleSoft	8233 Form Received?	W8 Ben Form Received?	Tax Results
17 – Dependent Personal Services	W01 – Regular Pay W02 – Straight Overtime W03 – Longevity W04 – Sick SS Exc W05 – Vacation Lump W06 – Personal Leave W07 – Double Overtime W08 – 1½ Overtime W09 – Non Reportable Reimbursement W10 – Lump Holiday W11 – Holiday W12 – Retro Payment W13 – Sick Pay W14 – Vacation Pay	N/A	No	Taxed as resident
17 – Personal Services	Same as above	N/A	Yes	Taxed as resident
17 – Personal Services	Same as above	Yes	N/A	*Tax Treaty Benefits
17 –Personal Services	Same as above	No	N/A	*Tax Treaty Benefits

^{*} Taxes may be withheld after a certain threshold depending on the Tax Treaty for which the employee is claiming benefits. Tax rates subject to change.



Tax Rules for Teaching

Income Code	Earn Code in PeopleSoft	8233 Form Received?	W8 Ben Form Received?	Tax Results
18 – Teaching	X01 – Regular Pay X02 – Straight Overtime X03 – Longevity X04 – Sick SS Exc X05 – Vacation Lump X06 – Personal Leave X07 – Double Overtime X08 – 1 ½ Overtime X09 – Non Reportable Reimbursement X10 – Lump Holiday X11 – Holiday X12 – Retro Payment X13 – Sick Pay X14 – Vacation Pay X15 – Grant	N/A	No	Taxed as resident
18 – Teaching	Same as above	N/A	Yes	Taxed as resident
18 – Teaching	Same as above	Yes	N/A	*Tax Treaty Benefits
18 – Teaching	Same as above	No	N/A	Taxed as resident

^{*} Taxes may be withheld after a certain threshold depending on the Tax Treaty for which the employee is claiming benefits.





Tax Rules for Studying / Training

Income Code	Earn Code in PeopleSoft	8233 Form Received?	W8 Ben Form Received?	Tax Results
19 – Studying and Training	Y01 – Regular Pay Y02 – Straight Overtime Y03 – Longevity Y04 – Sick SS Exc Y05 – Vacation Lump Y06 – Personal Leave Y07 – Double Overtime Y08 – 1 ½ Overtime Y09 – Non Reportable Reimbursement Y10 – Lump Holiday Y11 – Holiday Y12 – Retro Payment Y13 – Sick Pay Y14 – Vacation Pay	N/A	No	Taxed as resident
19 – Studying and Training	Same as above	N/A	Yes	Taxed as resident
19 – Studying and Training	Same as above	Yes	N/A	*Tax Treaty Benefits
19 – Studying and Training	Same as above	No	N/A	Taxed as resident

^{*} Taxes may be withheld after a certain threshold depending on the Tax Treaty for which the employee is claiming benefits.





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Appendix 1

According to the Instructions for Form 8233 (Rev. December 2001), the following Additional Federal Withholding Amounts should be applied to all Non Resident Aliens:

Payroll Period	Amount
Biweekly	\$15.30
Semi-Monthly	\$16.60
Monthly	\$33.10

^{*} Federal Withholding Amounts subject to change.





TRC	ERNCD	DESCR	TRC	ERNCD	DESCR
REG12	T01	Regular Pay NRA Inc Code 12	REG15	U01	Regular Pay NRA Inc Code 15
OTS12	T02	OT Straight NRA Inc Code 12	OTS15	U02	OT Straight NRA Inc Code 15
XLG12	T03	Longevity NRA Inc Code 12	XLG15	U03	Longevity NRA Inc Code 15
SIC12	T04	Sick SS Exc NRA Inc Code 12	SIC15	U04	Sick SS Exc NRA Inc Code 15
VAC12	T05	Vac Lump Pay NRA Inc Code 12	VAC15	U05	Vac Lump Pay NRA Inc Code 15
PL12	T06	Personal Leave NRA Inc Code 12	PL15	U06	Personal Leave NRA Inc Code 15
OTD12	T07	OT Dbl NRA Inc Code 12	OTD15	U07	OT Dbl NRA Inc Code 15
OT112	T08	OT 1 1/2 NRA Inc Code 12	OT115	U08	OT 1 1/2 NRA Inc Code 15
NRR12	T09	Non Rept Reim NRA Inc Code 12	NRR15	U09	Non Rept Reim NRA Inc Code 15
HOL12	T10	Lump Holiday NRA Inc Code 12	HOL15	U10	Lump Holiday NRA Inc Code 15

^{*} Time Reporting Codes (TRCs) subject to change



Appendix 2 cont.

TRC	ERNCD	DESCR	TRC	ERNCD	DESCR
REG16	V01	Regular Pay NRA Inc Code 16	REG17	W01	Regular Pay NRA Inc Code 17
OTS16	V02	OT Straight NRA Inc Code 16	OTS17	W02	OT Straight NRA Inc Code 17
XLG16	V03	Longevity NRA Inc Code 16	XLG17	W03	Longevity NRA Inc Code 17
SIC16	V04	Sick SS Exc NRA Inc Code 16	SIC17	W04	Sick SS Exc NRA Inc Code 17
VAC16	V05	Vac Lump Pay NRA Inc Code 16	VAC17	W05	Vac Lump Pay NRA Inc Code 17
PL16	V06	Personal Leave NRA Inc Code 16	PL17	W06	Personal Leave NRA Inc Code 17
OTD16	V07	OT Dbl NRA Inc Code 16	OTD17	W07	OT Dbl NRA Inc Code 17
OT116	V08	OT 1 1/2 NRA Inc Code 16	OT117	W08	OT 1 1/2 NRA Inc Code 17
NRR16	V09	Non Rept Reim NRA Inc Code 16	NRR17	W09	Non Rept Reim NRA Inc Code 17
HOL16	V10	Lump Holiday NRA Inc Code 16	HOL17	W10	Lump Holiday NRA Inc Code 17

^{*} Time Reporting Codes (TRCs) subject to change



Appendix 2 cont.

TRC	ERNCD	DESCR	TRC	ERNCD	DESCR
REG18	X01	Regular Pay NRA Inc Code 18	REG19	Y01	Regular Pay NRA Inc Code 19
OTS18	X02	OT Straight NRA Inc Code 18	OTS19	Y02	OT Straight NRA Inc Code 19
XLG18	X03	Longevity NRA Inc Code 18	XLG19	Y03	Longevity NRA Inc Code 19
SIC18	X04	Sick SS Exc NRA Inc Code 18	SIC19	Y04	Sick SS Exc NRA Inc Code 19
VAC18	X05	Vac Lump Pay NRA Inc Code 18	VAC19	Y05	Vac Lump Pay NRA Inc Code 19
PL18	X06	Personal Leave NRA Inc Code 18	PL19	Y06	Personal Leave NRA Inc Code 19
OTD18	X07	OT Dbl NRA Inc Code 18	OTD19	Y07	OT Dbl NRA Inc Code 19
OT118	X08	OT 1 1/2 NRA Inc Code 18	OT119	Y08	OT 1 1/2 NRA Inc Code 19
NRR18	X09	Non Rept Reim NRA Inc Code 18	NRR19	Y09	Non Rept Reim NRA Inc Code 19
HOL18	X10	Lump Holiday NRA Inc Code 18	HOL19	Y10	Lump Holiday NRA Inc Code 19

^{*} Time Reporting Codes (TRCs) subject to change



Appendix 2 cont.

TRC	ERNCD	DESCR
REG50	Z01	Regular Pay NRA Inc Code 50
OTS50	Z02	OT Straight NRA Inc Code 50
XLG50	Z03	Longevity NRA Inc Code 50
SIC50	Z04	Sick SS Exc NRA Inc Code 50
VAC50	Z05	Vac Lump Pay NRA Inc Code 50
PL50	Z06	Personal Leave NRA Inc Code 50
OTD50	Z07	OT Dbl NRA Inc Code 50
OT150	Z08	OT 1 1/2 NRA Inc Code 50
NRR50	Z09	Non Rept Reim NRA Inc Code 50
HOL50	Z10	Lump Holiday NRA Inc Code 50

^{*} Time Reporting Codes (TRCs) subject to change