

Procedures for Scholarship/Fellowship Payment to a Foreign National

This procedural document should be used to process scholarship and fellowship payments made to a foreign national person. Examples of these types of payment may include but are not limited to the following: qualified scholarships for tuition, nonqualified scholarships for living expenses, or travel award.

	What to Do	Who	How to Do It
1	Prepare a Student Educational Award (SEA) Form, a Scholarship Award Letter, and a Foreign National Information Form (FNIF).	Departmental Business Office	<ul style="list-style-type: none"> • SCHOLARSHIP (defined): <i>An amount paid to, or for the benefit of, a student, whether an undergraduate or graduate, to aid such individual in pursuing his studies.</i> • FELLOWSHIP (defined): <i>An amount paid or allowed to, or for the benefit of, an individual to aid him in the pursuit of study or research.</i> • To submit a scholarship or fellowship to a foreign national person, please use the online Student Educational Award system: https://workflowforms.charlotte.edu/imaging/imaging-forms-department/research-economic-development • Complete a Foreign National Information Form (FNIF). The student version should only be used for UNC Charlotte students. All others should use the visitor version of this form. Attach the FNIF to the SEA submission. https://finance.charlotte.edu/resources/tax-office/foreign-national-information-form-student-version
2	Receive and review documents and forward along as appropriate.	Complex Payments Group	<ul style="list-style-type: none"> • Receive documents and review for completeness. • If necessary, send documents to the appropriate group for budget authorization. • Forward documents to Tax Office for review.
3	Receive documents and determine if payment is qualified or nonqualified and if treaty benefits are available.	Tax Office	<ul style="list-style-type: none"> • Receive documents and review for completeness. • Request copies of immigration documents if necessary. • Determine if scholarship is qualified or nonqualified for tax purposes. • Determine if treaty benefits are available. The following three scenarios are possible: <ol style="list-style-type: none"> (1) Current year treaty is signed and on file, (2) Treaty benefits are available and a treaty needs to be signed, or (3) Treaty benefits are not available. • If treaty benefits are available, and the student has not signed a treaty for the current tax year (scenario 2), additional paperwork will be necessary, and the Tax Office will schedule an appointment with the individual. • If treaty benefits are not available (scenario 3) or if the available treaty does not cover scholarship/fellowship payments, withholding taxes may apply, and the Tax Office will process this withholding with the IRS. • Forward documents to Complex Payments Group.
4	Process Payment	Complex Payments Group	<ul style="list-style-type: none"> • Receive documents from the Tax Office. • Perform a final review of the documents. • Process payment and key information into Banner.

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