

# **Taxation of International Student Scholarship**

**University of Louisiana at Lafayette**



- **Nonqualified Scholarship/Fellowship**
  - **Housing**
  - **Meals**
  - **Insurance**
  - **Travel**
  - **Cost of Attendance (COA Athletics)**

- **Exemption on 14% withholding requirement**
  - **Tax Treaty (must have TIN or SSN)**
  - **Has met the substantial presence test and is considered a resident alien (RA) for tax purposes (RA will be taxed on worldwide income)**

# **Substantial Presence Test**

**(Students are exempt from counting days for the first 5 years present in the US)**

- **To meet the SPT test, you must be physically present in the US at least**
  - 1 31 days during the current year; and**
  - 2 183 days during the 3 year period that includes the current year and the 2 years immediately before that counting**
    - **All the days you were present in the current year; and**
    - **1/3 of the days you were present in the first year before the current year; and**
    - **1/6 of the days you were present in the second year before the current year**

- **All students who receive nonqualified scholarships will be asked to complete**
  - **Student Foreign National Data Form (used to determine SPI)**
    - **Must include copies of (1) passport; (2) Visa; (3) I94; and (4) I20 or DS2019**