

People Payments Essentials

Higher Education Taxation Essentials

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Agenda

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| Grant essentials | Scholarships, fellowships, prizes, and awards |
| Worker classification | Employee vs. independent contractor |
| Nonqualified deferred compensation | IRC §457(f) arrangements unique to tax-exempt employers |
| Fringe benefits | Overview of statutory rules and common examples |
| Business and travel expenses | Accountable plans for business expenses, travel away from home, and spousal/dependent travel |
| Payroll withholding | Tax reform changes impact to wage withholding |
| Appendix | Resources and contact information |

Grant essentials

Scholarships, fellowships, prizes, and awards

What is a grant?

A sum of money given by the government, a university, or a private organization to another organization or person for a special purpose

- Grant from business entity to university (PI)
- Grant from government to university (PI)
- Grant from university to student
- Grant from university to non-student
- Grant from business entity to student



Preliminary questions

Who is making the payment?

- University
- Outside entity

Who is receiving the payment?

- Student
- Professor or researcher

What is the payment?

- Wages or other payment for services
- Scholarship or fellowship
- Prize or award

Is it taxable?

Is it reportable?

Rules refresher and examples

What is a scholarship?

A sum of money given to someone to help pay for that person's education

What is a fellowship?

Money for teaching or study given to a student studying for an advanced degree or a position at a university paid for in this way

What is a prize and award?

Something valuable such as money given to someone who succeeds in a competition/game or given as a reward for good work

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