

**04.500 Internal Revenue Service Regulations – Payment On Purchase Orders or Check Requests**

Payments to employees for items other than reimbursements for tangible items or travel expenses must be processed through the Payroll Office, unless specifically exempted under separate System policy. Appropriate deductions will be made in accordance with IRS regulations, and the payments will be included on the employee's Form W-2. Mileage reimbursements exceeding the Internal Revenue Service limits, personal use of System vehicles, moving expense reimbursements, partial per diem reimbursements and other items specified by the Internal Revenue Service which are paid on behalf of or directly to an employee will be included on the W-2.

In some situations, an employee may receive a Form W-2 as well as a Form 1099 from the System

Payments for services to non-incorporated businesses and individuals not employed by the University of North Texas System will be reported to the Internal Revenue Service on Form 1099. Purchase orders and check requests must include a complete mailing address. A social security number or Individual Taxpayer Identification Number (ITIN) is required when payment is made to an individual.

Qualified payments to independent contractors, who are foreign nationals, will not be made for reportable services until a form W-8 BEN - is received in the Purchasing and Payment Services Department.

Payments to non-resident aliens for independent contractor services must be approved through the UNT Payroll Office, by the designated Tax Accountant, before presentation of purchase order to Purchasing and Payment Services Department. A Foreign National Information (FNI) form and copies of required immigration documents must be submitted to the Tax Accountant in the Payroll Office prior to payment approval.

Payments to foreign companies for reportable services will not be issued until the appropriate Form W-8 is received in Purchasing and Payment Services Department. Contact the Tax Accountant in the Payroll Office to determine which Internal Revenue Service Form W-8 is needed for a particular type of payment.