



Office of the Vice President for Finance

## Payroll Information for Postdoctoral Fellows and Associates

### Pay Frequency

All appointees with a postdoctoral fellowship or associate position will be paid semimonthly on the 15th of the month and on the last day of the month. If either falls on a weekend or holiday, the pay date is the business day that precedes that weekend or holiday.

### Postdoctoral Fellows (PDFs)

#### For All Postdoctoral Fellows

- Fellowship stipends disbursed by MIT, except for foreign-sourced fellowships, are subject to federal and state income taxes but not to Social Security or Medicare (known as FICA) taxes.
- Per Internal Revenue (IRS) rules, MIT is not allowed to withhold income taxes from fellowship stipends, except stipends for foreign nationals. Fellows do not need to fill out tax withholding forms.
- PDFs should arrange to have their stipend deposited directly in their bank account. Go to [atlas.mit.edu](https://atlas.mit.edu). Choose **About Me** from top red navigation, then **Money Matters/Direct Deposit Preferences**.\*

#### For U.S. Citizen, Permanent Resident, and Foreign National Resident Fellows

- Tax regulations do not allow MIT to withhold federal and state income taxes from the Fellowship stipend.
- PDFs should consider making estimated federal tax payments to the IRS and Massachusetts state taxes to the Massachusetts Department of Revenue.
- PDFs will not receive any tax withholding forms from MIT. Fellows can reference the last paystub of the calendar year to determine the full amount paid for reporting on their personal tax return.

#### For Non-Resident Foreign National Fellows

- MIT will withhold federal income tax from Fellowship stipends at a flat rate depending on the scholar's visa type (14 percent for fellows with an F-1 or J-1 visa, 30 percent for all others).
- MIT will not withhold state income taxes. PDFs should determine their home state tax liability and make estimated tax payments to the state if necessary.
- PDFs will receive Form 1042S from MIT.
- PDFs may be eligible for a federal tax exemption if the scholar's home country has a tax treaty with the U.S. See **Tax Treaties** on following page.

\* Note: Access to Atlas requires an MIT web certificate. Visit <https://ca.mit.edu/ca/> to install a certificate.

# Postdoctoral Associates (PDAs)

## For All Postdoctoral Associates

- Postdoctoral associates are taxed as employees. Your payments are subject to federal and state income taxes, as well as Social Security and Medicare (also known as FICA) taxes.
- MIT is required to withhold federal and state income taxes from associate payments. PDAs will receive Form W-2 from MIT.
- PDAs should fill out federal and Massachusetts tax withholding forms. Go to [atlas.mit.edu](https://atlas.mit.edu). Choose **About Me** from top red navigation, then **Money Matters/Tax Withholding**.\*
- PDAs are required to have their payments deposited directly in their bank account. Go to [atlas.mit.edu](https://atlas.mit.edu). Choose **About Me** from top red navigation, then **Money Matters/Direct Deposit Preferences**.\*

## For Non-Resident Foreign National PDAs

- PDAs may be eligible for federal and state tax exemptions if the scholars' home country has a tax treaty with the U.S. Please see **Tax Treaties** below.
- PDAs with a tax treaty will receive Form 1042S from MIT for the amount covered by the treaty. PDAs without tax treaties or with the associate payments exceeding the tax treaty exemption limit will receive a Form W-2 for the taxable portion.

## Tax Treaties

- Tax treaties for international PDFs exempt the fellowship stipend pay from federal tax withholding up to the treaty exemption limit, if the treaty has a limit.
- Tax treaties for PDAs exempt the associate compensation from federal and state taxes up to the treaty exemption limit, if the treaty has a limit.
- Withholding rates for payments in excess of the exemption limit are the same as those for Fellows or Associates without tax treaties.
- Tax treaty rules vary by country and treaty type. There are different treaties applied to Fellowships stipends and Associate compensation. See a list of U.S. Tax Treaties on the VPF website at [vpf.mit.edu](https://vpf.mit.edu).
- Postdoctoral Fellows and Associates are required to use the Sprintax Tax Compliance application to determine if a tax treaty exemption applies to their situation. To be eligible for a tax treaty the Sprintax application will require a Social Security number or individual taxpayer ID number.
- If payroll has not sent the Sprintax access email, international scholars can email [payroll@mit.edu](mailto:payroll@mit.edu) to request access to Sprintax. Marsha Dailey is VPF's Senior Payroll Coordinator and Foreign National Tax Specialist
- and can help international students, faculty, researchers, and staff determine their U.S. tax status. Set up
- a virtual appointment with Marsha on Tuesdays and Thursdays from 10 am to 5 pm.

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- Once the online Sprintax process is completed, scholars will sign and date the required tax form documents and upload the documents via the Sprintax document share option.
- Tax treaty forms *must be submitted every year*. VPF HR/Payroll will send out emails in early December asking Fellows and Associates to log into Sprintax TDS to renew the tax treaty documents and providing information on how to submit to HR/Payroll for processing.

## Resources

- Please note that MIT can provide general tax information but cannot give personal tax advice or assistance.
- The MIT International Scholars Office provides tax information and resources.
- IRS Publication 505 Chapter 2 describes who must pay estimated tax. [<https://www.irs.gov/businesses/small-businesses-self-employed/estimated-taxes>]
- Find U.S. federal tax forms on the Internal Revenue Service (IRS) website at [www.irs.gov](http://www.irs.gov).
- Find Massachusetts state tax forms on the Massachusetts Department of Revenue at [www.mass.gov](http://www.mass.gov).