

Tax Information for Fellows

Taxability of fellowships

Linda Hall Library fellowship grants are taxable income to U.S. citizens and permanent residents. However, the income is not reported by the library on a W-2 or 1099, so no tax will be withheld.

For non-resident aliens, the income may be partially or totally exempt from tax under the terms of a tax treaty.

Fellowship grants to nonresident aliens

LHL must file an information return (Form 1042-S) reporting the amounts paid to foreign persons (nonresident aliens), even if no tax was withheld. On this return, LHL must report either a U.S. or foreign taxpayer identification number for the Fellow.

Tax treaty

A Fellow from a country that has a tax treaty with the U.S. **may** claim an exemption from withholding. To claim the exemption, the Fellow must provide his or her foreign tax identifying number or U.S. taxpayer identification number (ITIN) on Form W-8BEN to LHL.

No tax treaty, or treaty with limited benefits

If a Fellow from a country without a tax treaty with the U.S. is present in a nonimmigrant visa status of F, J, M, or Q, then withholding of 14% is required. Fellows present in any other visa status (such as B-2, Tourist) are subject to **30% withholding**.

Treaty list

The following countries have tax treaties with the United States as of 2017. The existence of a treaty with a country does not necessarily mean that fellowship income is tax-exempt for residents of that country; a determination must be made for each treaty.

Armenia	Czech
Australia	Republic
Austria	Denmark
Azerbaijan	Egypt
Bangladesh	Estonia
Barbados	Finland
Belarus	France
Belgium	Georgia
Bulgaria	Germany
Canada	Greece
China	Hungary
Cyprus	Iceland

India	Portugal
Indonesia	Romania
Ireland	Russia
Israel	Slovak
Italy	Republic
Jamaica	Slovenia
Japan	South Africa
Kazakhstan	Spain
Korea	Sri Lanka
Kyrgyzstan	Sweden
Latvia	Switzerland
Lithuania	Tajikistan
Luxembourg	Thailand
Malta	Trinidad
Mexico	Tunisia
Moldova	Turkey
Morocco	Turkmenistan
Netherlands	Ukraine
New Zealand	United
Norway	Kingdom
Pakistan	Uzbekistan
Philippines	Venezuela
Poland	

Filing for a tax refund

If the Fellow will seek a refund of part or all of the tax withheld, he or she will have to file a Form 1040-NR with the IRS the year after receiving fellowship income. It can take more than a year to receive the refund. The Fellow must have a U.S. taxpayer ID number in order to receive a refund.