

Student Employee Taxation of Wages Information Sheet

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Federal withholding tax: Based upon the IRS tax withholding tables and your elections on Form W-4 <https://www.irs.gov/pub/irs-pdf/fw4.pdf> for the calendar year in which the semester occurs. Your current Form W-4 remains in effect (except if you are claiming exemption) until you submit a new Form W-4 to the Payroll Office.

Exception: Nonresident alien (NRA) student employees (does not apply to NRA students from India) are subject to an additional amount of federal tax withholding based upon an IRS 'special calculation'. **In addition**, NRA student employees must complete their Form W-4 using the GLACIER Tax Compliance System. The Payroll Office will not accept a paper Form W-4 from an NRA student employee.

NOTE #1:

For additional information regarding the tax withholding tables and the 'special calculation' for NRA student employees, please refer to: <https://www.irs.gov/pub/irs-pdf/p15.pdf>.

ADDITIONAL NOTE #1:

NRA students who are eligible to claim a tax treaty to exempt themselves from federal tax withholding from their wages (Freshman NRA students cannot elect a tax treaty until the Spring Semester) will be contacted via email with instructions on how to do so using the GLACIER Tax Compliance System. This process must be done each calendar year in which you are eligible to claim a tax treaty.

ADDITIONAL NOTE #2:

Form W-4 allows U.S. citizens and resident aliens to claim exemption from federal tax withholding. If you feel you are eligible for this exemption please refer to: <https://www.irs.gov/Individuals/Tax-Topics/Can-You-Claim-Exemption-from-Withholding-on-Form-W-4>. Your exemption is good for **ONE** calendar year only. You will need to complete a new Form W-4 each calendar year

Philadelphia City Wage Tax withholding: If you reside off-campus in Philadelphia, the College must withhold Philadelphia city wage tax at the current resident rate: Flat 3.9102%. Your completed Form W-4 and/or your Residency Certification Form Local Earned Income Tax Withholding will indicate that you are a resident of the city of Philadelphia therefore no other form is required to be remitted to the Payroll Office.

During the Summer Semester:

All taxes listed above remain the same unless you change your tax elections or address.

Since student employees are not attending full-time classes during the Summer Semester, they no longer qualify for the student exemption of FICA taxes and will be taxed as follows:

Medicare Tax withholding – Employee rate: Flat 1.45% (no form required).

Social Security Tax withholding – Employee rate: Flat 6.20% (no form required).

www.revenue.state.pa.us

Taxpayer Service & Information Center: 717-787-8201

For Questions about PA Local Earned Income Tax:

<http://www.newpa.com/local-government/local-income-tax-information/>