



# Financial Services Accounts Payable & Travel

UNIVERSITY of ALASKA ANCHORAGE

## Memo

**From:** Justine Nelson, Accounts Payable & Travel Manager <sup>DS</sup> JN

**Through:** Brian deZeeuw, Financial Services Director <sup>DS</sup> BD

Bill Jacobs, Interim Vice Chancellor for Administrative Services <sup>DS</sup> BJ

**Date:** 4/26/2022

**Re:** Gift, Award, and Prize Required Taxable Status Determination Form Policy

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The university has legal and fiduciary responsibilities to properly account for all payments made to individuals. Gifts, awards, and prizes given by government agencies are considered taxable income by the Internal Revenue Services. These payments include cash, cash equivalents (gift cards/gift certificates), and other items given in lieu of cash or cash equivalents. The university is required to report to the IRS the Name, Address, and Taxpayer Identification Number of any U.S. tax resident who receives \$600 (in aggregate) or more of payments that are considered taxable income in a calendar year. The university may be required to report and withhold taxes for all gift, award, and prize payments made to nonresident aliens. Responsibility for financial management of gifts, awards, and prizes rests with the supporting fiscal staff of the sponsoring department.

Effective May 1, 2022, if a U.S. tax resident receives a single gift, award, or prize of \$49.99 or less and it is not reasonably expected that aggregate payments to that person will exceed \$600 in a calendar year, then the supporting fiscal staff are not required to collect a Taxable Status Determination Form - Gifts, Awards, and Prizes from the individual. If a U.S. tax resident receives a single gift, award, or prize of \$50 or more, or it is reasonably expected that the aggregate payments to that person will exceed \$600 in a calendar year, or a nonresident alien receives a gift, award, or prize of any amount, then the supporting fiscal staff is required to collect a Taxable Status Determination Form - Gifts, Awards, Prizes from the individual.

This Taxable Status Determination Form Policy for Gifts, Awards, and Prizes does not override the current policies in place regarding account code use, required approvals, and required documentation for gifts, awards, and prizes such as:

- Gifts and awards \$25.00 and over need to be expensed to account code 8115 under non general/non public funds.

- Gifts and awards \$25.00 and over need to have the following documentation: cost of gift, date of gift, description of gift, benefit to the University, and the name, occupation, and title of the recipient
- Gifts and awards \$100.00 and over need to be approved by the Vice Chancellor of Administrative Services.
- Gifts, awards, and prizes \$25.00 and over to employees may be taxable through HR Payroll. The employee name, ID, gift, and gift amount need to be reported to HR Payroll.
- Gift cards/gift certificates of any amount to employees may be taxable through HR Payroll. The employee name, ID, gift, and gift amount need to be reported to HR Payroll.
- Gifts, awards, and prizes of any amount given to students may need to be reported to Financial Aid and may impact the student's current and future financial aid.

If required, Taxable Status Determination Forms (TSDFs) must be completed by the recipient and collected by the supporting fiscal staff before the gift, award, or prize is given. TSDFs must be submitted to UAA Accounts Payable (UAA AP) via DocuSign ([uaa\\_accountspayable@alaska.edu](mailto:uaa_accountspayable@alaska.edu)), password protected PDF via email ([uaa\\_ap@alaska.edu](mailto:uaa_ap@alaska.edu)) or mailed to P.O. Box 141609, Anchorage, Alaska, 99514 within the calendar year that the payment is issued. TSDFs for nonresident aliens must be submitted to UAA AP and fiscal staff must receive approval to disburse the payment from UAA AP before the gift, award, or prize is given.

Please direct any questions to the UAA Accounts Payable and Travel Manager at [uaa\\_ap@alaska.edu](mailto:uaa_ap@alaska.edu).



Financial Services  
Accounts Payable & Travel  
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## Taxable Status Determination Form

### Gifts, Awards, and Prizes

This form is used to determine whether an individual is subject to 1099-MISC or possible 1042-S reporting requirements for the current calendar year. If the individual is subject to 1099-MISC reporting requirements, this form acts as a substitute IRS form W-9.

1099-MISC is used when the University issues payments to an individual, which have a cumulative value of \$600 or more, for rents, medical/healthcare, and other taxable income. Royalties of any value over \$10 need to be reported.

1042-S: All gifts, awards, and prizes may require tax withholding and 1042-S reporting.

#### Sponsoring Department Use Only

Event Name (if applicable): \_\_\_\_\_

Date of Payment: \_\_\_\_\_ Cash Value of Payment: \_\_\_\_\_

Description of Payment: \_\_\_\_\_

Sponsoring Dept: \_\_\_\_\_ Contact Phone: \_\_\_\_\_

Contact Name: \_\_\_\_\_ Contact Email: \_\_\_\_\_

Is the recipient a UA employee (including student employees)?  No, route form to Accounts Payable  Yes, notify Payroll of payment

#### Recipient to Complete This Section

Legal Name: \_\_\_\_\_ UA ID# (if applicable): \_\_\_\_\_

Mailing Address: \_\_\_\_\_

Social Security Number  
(Tax Identification Number): \_\_\_\_\_

Email Address: \_\_\_\_\_ Phone Number: \_\_\_\_\_

Are you a US citizen or permanent resident?  Yes  No, you will be emailed to complete a profile in our tax compliance software.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

**Certification (for US citizens and permanent residents):** Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number; and
  2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
  3. I am a U.S. Citizen or other U.S. person
  4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.\*
- \* Line 4 does not apply.

The Internal Revenue Service does not require your consent to any provision of this document other than the certifications required to avoid backup withholding.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_