Tax Department Update

July 18, 2011

The Internal Revenue Service (the “IRS”) requires that New York University (the “University”) follow specific federal tax withholding and reporting regulations in connection with all payments made to nonresident aliens (a tax term used by the IRS for individuals visiting the United States from abroad). To enable the University to more efficiently and securely comply with the IRS's requirements, the University is implementing an online tax compliance system (“GLACIER”). GLACIER will facilitate information collection and review procedures for payments to nonresident aliens and will replace the current paper-based, in-person interview processes. Affected transactions include, but are not limited to, all payments to foreign nationals and foreign entities for compensation/wages for services, honoraria, consulting fees, scholarships, fellowships, stipends, royalties, commissions, and some reimbursements for travel and other expenses.

The new procedures will impact all new payees and will be effective September 1, 2011.

Informational workshops will be conducted in mid-August by the University Tax Department and the international tax consulting firm that is assisting the University with the implementation of GLACIER to ensure a successful launch for this important and complex process.

At least one representative from your department should attend one of the sessions listed below. If you cannot attend, please send a proxy to ensure your department understands the system requirements and associated business process changes associated with the University’s enhanced nonresident alien compliance program. Please RSVP to let us know which session is most convenient for you. Failure to attend the session may cause your department to be unable to comply with the new procedures, thus delaying payments and/or increasing tax deductions withheld from payments to nonresident aliens. We look forward to seeing someone from your department at one of the following sessions:

Wednesday, August 17, 1:00pm
Thursday, August 18, 10:30am
Thursday, August 18 1:00pm

Sessions are 90 minutes and will be held in the Kimmel Center Rosenthal Pavilion

Please RSVP to Alex.Lazzaruolo@nyu.edu or 212-998-2872. If you or anyone in your department should need any additional information or assistance, please do not hesitate to contact Louis Curcio- Director of Tax & Compliance- at 212 998-2955.