

**FOR STUDENTS OR TRAINEES CLAIMING EXEMPTION
UNDER ARTICLE 20(c) OF THE INCOME TAX TREATY BETWEEN
THE UNITED STATES AND PEOPLE'S REPUBLIC OF CHINA**

LAST NAME	FIRST NAME	SOCIAL SECURITY NUMBER

Procedure FR-1 (Complete and sign the statement below.)

1. I was a resident of the People's Republic of China on the date of my arrival in the United States. I am not a United States citizen. I have not been lawfully accorded the privilege of residing permanently in the United States as an immigrant.
2. I am present in the United States solely for the purpose of my education or training.
3. I will receive compensation for personal services performed in the United States. This compensation qualifies for exemption from withholding of federal income tax under the tax treaty between the United States and the People's Republic of China in an amount not in excess of \$5,000 for any taxable year.
4. I arrived in the United States on _____ (the date of last arrival in U.S. before beginning study or training). I am claiming this exemption under Article 20(c) only for such period of time as is reasonably necessary to complete the education or training.

I certify that the information I have provided above is true, correct and complete, and that statements one through four of Procedure FR-1 apply to me. A copy of the treaty article citation for which I am claiming exemption appears in the box below.

Signature: _____ **Date:** _____

**AGREEMENT BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA
AND THE GOVERNMENT OF THE PEOPLE'S REPUBLIC OF CHINA
FOR THE AVOIDANCE OF DOUBLE TAXATION AND THE PREVENTION OF
TAX EVASION WITH RESPECT TO TAXES ON INCOME**

ARTICLE 20(C) -- Students and Trainees

A student, business apprentice or trainee who is, or was immediately before visiting a contracting State, a resident of the other Contracting State and who is present in the first-mentioned Contracting State solely for the purpose of his education, training or obtaining special technical experience shall be exempt from tax in that Contracting State with respect to...

...(c) income from personal services performed in that Contracting State in an amount not in excess of \$5,000 United States dollars or its equivalent in Chinese yuan for any taxable year.

The benefits provided under this Article shall extend only for such period of time as is reasonably necessary to complete the education or training.

SUPPLEMENTARY PAYROLL QUESTIONS:

(Check appropriate boxes below and supply requested information.)

- A. Current Visa classification: ☐ F-1 Student ☐ F-1 Practical Trainee
☐ J-1 Student ☐ J-1 Practical Trainee
☐ Other: _____
Date you received visa classification: _____
Date of visa expiration: _____
- B. Have you already claimed exemption under the Tax Treaty Article 20(c) in the current calendar year?
☐ YES.
☐ NO.
- Have you ever claimed exemption under the Tax Treaty Article 20(c) in previous years?
☐ YES. (List the calendar years you claimed the exemption. _____)
☐ NO.
- C. Were you ever a student at another U.S. educational institution obtaining education, training, or special technical experience?
☐ YES. (List the name of the educational institution. _____
and list the date of graduation, if appropriate. _____)
☐ NO.

POLICIES REGARDING TAX TREATY EXEMPTIONS AT THE UNIVERSITY

According to the CHINA treaty article, the first \$5,000 of compensation paid to you in the calendar year may be exempt from tax. The \$5,000 limit is for each calendar year; you may not claim the treaty benefit at Rowan University and at another institution within the same calendar year.

Should your calendar year earnings exceed the \$5,000 limit and you notice that no Federal or State tax has yet been withheld from your paycheck, it is your responsibility to inform the Payroll Department immediately, (856) 256-4500 ext 64166.

It is also your responsibility to maintain the appropriate, *unexpired*, "employment-authorized" or student visa classification during the period that you are receiving the benefits of this tax treaty exemption and employed at the University.

You must complete the Form 8233 and Payroll Procedure FR-1 Statement for each calendar year (or portion of the calendar year) in which you claim the tax exemption. You are also required to file the appropriate tax return at calendar year-end.

Please certify your acknowledgment of the policies presented above by signing below.

SIGNATURE	CONTACT PHONE NUMBER:

OFFICE USE ONLY	CNTRY CH	TAC 20(c)	INC CD 19	STMT 878	TRTY EXP	\$ LIMIT 5000	COMMENTS	IRS LTR
--------------------	-------------	--------------	--------------	-------------	----------	------------------	----------	---------