

PAYROLL PROCEDURE FR-1 STATEMENT**SPAIN**

**FOR STUDENTS OR TRAINEES CLAIMING EXEMPTION
UNDER ARTICLE 22(1) OF THE INCOME TAX TREATY BETWEEN
THE UNITED STATES AND SPAIN**

LAST NAME	FIRST NAME	SOCIAL SECURITY NUMBER

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

1. I was a resident of Spain on the date of my arrival in the United States. I am not a U.S. citizen. I have not been lawfully accorded the privilege of residing permanently in the United States as an immigrant.
2. I am temporarily present in the United States for the primary purpose of studying or training at **Rowan University**; or, I am temporarily present in the United States as a recipient of a grant, allowance, or award from **Rowan University**.
3. I will receive compensation for 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 Spain in an amount not in excess of \$5,000* for any tax year.
4. I arrived in the United States on _____ (the date of last arrival in U.S. before beginning study at the U.S. educational institution). The treaty exemption is available only for compensation paid during a period of five tax years beginning with the tax year that includes my arrival date.

*Per the Tax Treaty Protocol (provisions which were agreed upon and which are considered integral to the U.S. - Spain Income tax treaty convention), Provision 16 states that "the amount of 5,000 United States dollars ...includes any amount excluded or exempted from taxation under the laws of that other Contracting State".

I certify that the information I have provided above is true, correct and complete, and that statements one through five 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:** _____

**CONVENTION BETWEEN THE UNITED STATES OF AMERICA AND
THE KINGDOM OF SPAIN FOR THE AVOIDANCE OF DOUBLE TAXATION AND THE
PREVENTION OF FISCAL EVASION WITH RESPECT TO TAXES ON INCOME**

ARTICLE 22(1) -- Students and Trainees

(1a) An individual who is a resident of a Contracting State at the beginning of his visit to the other Contracting State and who is temporarily present in that other Contracting State for the primary purpose of --

- (i) studying at a university or other accredited educational institution in that other Contracting State, or
- (ii) securing training required to qualify him to practice a profession or professional specialty, or
- (iii) studying or doing research as a recipient of a grant, allowance, or award from a governmental, religious, charitable, scientific, literary, or educational organization,

shall be exempt from tax by that other Contracting State with respect to the amounts described in subparagraph (b) of this paragraph for a period not exceeding five years from the date of his arrival in that other Contracting State.

(b) The amounts referred to in subparagraph (a) of this paragraph are:

- (i) payments from abroad, other than compensation for personal services, for the purpose of his maintenance, education, study, research, or training;
- (ii) the grant, allowance, or award; and
- (iii) income from personal services performed in that other Contracting State in an aggregate amount not in excess of 5,000 United States dollars or its equivalent in Spanish pesetas for any taxable year.

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 22(1) in the current calendar year?
☐ YES.
☐ NO.
- Have you ever claimed exemption under the Tax Treaty Article 22(1) 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 SPAIN treaty article, wages paid to you in the amount of \$5,000 *minus* the value of the current calendar year's personal exemption will be considered exempt. The value of the personal exemption for tax purposes during the current calendar year is \$ _____. The tax treaty dollar limit is granted for each calendar year; you may not claim the maximum treaty limit at Rowan University and at another institution within the same calendar year.

Should your calendar year earnings exceed the 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) 256-4166.

It is also your responsibility to maintain the appropriate, *unexpired*, "employment-authorized" INS 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 income 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 SP	TAC 22(1)	INC CD 19	STMT 878	TRTY EXP	\$ LIMIT 5000	COMMENTS	IRS LTR
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