



Office of the Vice President for Finance

Payroll Information for Graduate Students

Pay Frequency

All graduate students with an MIT Fellowship, Research Assistantship (RA), or Teaching Assistantship (TA) will be paid semimonthly on the 15th of the month and on the last day of the month. If either falls on a weekend or holiday, the pay date is the business day that precedes that weekend or holiday.

Tuition

The amount paid for tuition from a Fellowship, Research Assistant (RA) or Teaching Assistant (TA) award is not considered income to the student. Students will receive a Form 1098-T from MIT's Student Financial Services Office reporting amounts paid for tuition at year end.

Fellowship Stipends

For All Fellows

- Funds from fellowship stipends spent on qualified expenses are not subject to federal or state taxes. Qualified expenses include tuition, fees, and other related expenses specifically required by MIT in order to complete a degree.
- Portions of stipends used for personal items and living expenses such as clothing, food, rent, and transportation are subject to federal and state income taxes.
- Fellows do not need to fill out tax withholding forms. Please see Resources on the last page of this handout for information on qualified expenses and estimating taxes.
- Fellows should arrange to have their stipend deposited directly in their bank account. Go to atlas.mit.edu. Choose **About Me** from top red navigation, then **Money Matters/Direct Deposit Preferences**.*

For U.S. Citizen, Permanent Resident, and Resident Alien Fellows

- Tax regulations do not allow MIT to withhold federal and state income taxes from the Fellowship stipend.
- Fellows should consider making estimated federal tax payments to the Internal Revenue Service (IRS) and Massachusetts state taxes to the Massachusetts Department of Revenue.
- Fellows will not receive any tax withholding forms from MIT. Fellows can reference the last paystub of the calendar year to determine the full amount paid for reporting on their personal tax return.

* *Note: Access to Atlas requires an MIT web certificate. Visit <https://ca.mit.edu/ca/> to install a certificate.*

For International Non-Resident Alien Fellows

- MIT will withhold federal income tax from Fellowship stipends at a flat rate depending on the student's visa type (14 percent for students with an F-1 or J-1 visa, 30 percent for all others).
- MIT will not withhold state income taxes. Fellows should determine their home state tax liability and make estimated tax payments to the state if necessary.
- Fellows will receive Form 1042S from MIT.
- Fellows may be eligible for a federal tax exemption if the student's home country has a tax treaty with the U.S. See Tax Treaties below.

Research Assistant (RA) and Teaching Assistants (TA)

For All RAs and TAs

- Research Assistant and Teaching Assistant payments are subject to federal and state income taxes. Graduate student payments are exempt from Social Security and Medicare taxes (also known as FICA taxes)
- MIT is required to withhold federal and state income taxes from assistantship payments. RAs and TAs will receive Form W-2 from MIT.
- RAs and TAs should fill out federal and Massachusetts tax withholding forms. Go to atlas.mit.edu. Choose **About Me** from top red navigation, then **Money Matters/Tax Withholding**.*
- RAs and TAs are required to have their stipend deposited directly in their bank account. Go to atlas.mit.edu. Choose **About Me** from top red navigation, then **Money Matters/Direct Deposit Preferences**.*

For International Non-Resident Alien RAs and TAs

- Research and teaching assistants may be eligible for federal and state tax exemptions if the student's home country has a tax treaty with the U.S. Please see Tax Treaties below.
- Assistants with a tax treaty will receive Form 1042S from MIT for the amount covered by the treaty. Students without tax treaties or with the assistantship payments exceeding the tax treaty exemption limit will receive a Form W-2 for the taxable portion.

Tax Treaties

- Tax treaties for international student Fellows exempt the Fellowship stipend pay from federal tax withholding up to the treaty exemption limit, if the treaty has a limit.
- Tax treaties for research/teaching assistants exempt the assistantship compensation from federal and state taxes up to the treaty exemption limit, if the treaty has a limit.

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- Withholding rates for payments in excess of the exemption limit are the same as those for Fellows or Assistantships without tax treaties.
- Tax treaty rules vary by country and treaty type. There are different treaties applied to Fellowships stipends and RAs/TAs compensation. See a list of U.S. Tax Treaties on the VPF website.
- Fellows and RAs/TAs are required to use the Glacier Tax Compliance application to determine if a tax treaty exemption applies to their situation. To be eligible for a tax treaty the Glacier application will require a Social Security number or individual taxpayer ID number.
- If Payroll has not sent the Glacier access email, students can email payroll@mit.edu to request access to Glacier. Marsha Dailey is VPF's Senior Payroll Coordinator and Foreign National Tax Specialist and can help international students, faculty, researchers, and staff determine their U.S. tax status. Drop in or set up an appointment with Marsha at the Atlas Service Center, 40 Ames Street (E17-106), on Tuesdays and Thursdays from 10 am to 5 pm.
- Once the online Glacier process is completed, students will sign and date the required tax form documents. Students can create a password-protected PDF (password should be 8 digits and should begin with your 4-digit birth year followed by the last 4 digits of your Social Security number). Send the PDF file via email to nratax-payroll@mit.edu with subject line Payments from Massachusetts Institute of Technology, followed by your full name and MIT ID number. The printed and signed forms can also be dropped off at the Atlas Service Center.
- Tax treaty forms must be submitted every year. VPF HR/Payroll will send emails in early December asking Fellows, RAs, and TAs to log into Glacier Tax Compliance to renew the tax treaty documents and providing information on how to submit to HR/Payroll for processing.

Resources

- Please note that MIT can provide general tax information but cannot give personal tax advice or assistance.
- The MIT International Students Office provides access to tax preparation software from Glacier that is designed for international students.
- Tax Benefits for Education IRS Publication 970 addresses a variety of issues related to graduate students and their tax obligations. [<https://www.irs.gov/forms-pubs/about-publication-970>]
- IRS Publication 505 Chapter 2 describes who must pay estimated tax. [<https://www.irs.gov/businesses/small-businesses-self-employed/estimated-taxes>]
- Find U.S. federal tax forms on the Internal Revenue Service (IRS) website at www.irs.gov.
- Find Massachusetts state tax forms on the Massachusetts Department of Revenue at www.mass.gov.