HONORARIA PAYMENT TO NONRESIDENT INDEPENDENT CONTRACTORS

Immigration Regulation governing honorarium payment

When finalized, 8CFR 214.8(a) will provide guidelines for proper entry classification and disposition of payment for persons coming to the United States temporarily to engage in Usual Academic Activities.

SUMMARY

1. In making arrangements to pay an honorarium, departments should verify the visa classification of the prospective international visitor. If it is known that visitor will be travelling using a B-1 or WB visa, contact IHRS for payment request disposition details. Otherwise, please read on for conditional information.

2. Visitors entering the US in B status are authorized to accept honorarium payments and incidental expenses for “usual academic activity or activities” paid by:

   - An institution of higher education or related or affiliated nonprofit entity

-9/5/6 Rule for Honorarium Payments

1. The event that brought the visitor to campus, may not last more than 9 days;
2. Maximum of 5 institutions may make honorarium payments;
3. The above conditions must take place within a 6 month period
4. An honorarium paid to a Non-Resident Alien coming to the US for a business purpose (usual academic activity), is subject to 30% withholding and reporting unless a treaty exemption applies.
5. IRS form 8233 (and TIN) is required for treaty exemption.
6. Visiting Non-Resident Alien (NRA), not being paid an honorarium, may be reimbursed for travel expenses, this directive notwithstanding.

Situations that preclude honorarium payment

1. Exceeding the 9/5/6 rule
2. Without business purpose (study, training, and research)
3. Material misrepresentation of proposed visit