Payments to Foreign Entities and Foreign Individuals in Buy-to-Pay

Office of the Controller

Natasha Rivera, OC, Nonresident Alien Compliance Manager
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AGENDA

• Overview of the Nonresident Alien Tax Compliance Website
• Foreign Supplier Types and Processes
  • Foreign Individuals
  • Foreign Entities
• Payment Analysis
• Location of Activity
• Payment Processes Tips and Tricks
# Foreign Supplier Types

*See [Supplier Portal Training Materials](#)*

<table>
<thead>
<tr>
<th>Individual Supplier Type</th>
<th>Send Set-Up Request Via</th>
<th>Information Needed by the Harvard Portal User</th>
<th>Examples</th>
</tr>
</thead>
</table>
| **Non U.S. Citizen**                                          | Invitation              | • Vendor Type (Individual)  
• Legal Name  
• Email Address  
• If an individual is not entering the U.S., have them select NE – No Entry for visa type.  
During the registration process and based on their visa type, if the individual has not previously registered for GLACIER, they will be directed to submit the partially-completed registration form in order to kick-off an email from support@online-tax.net. Once they have completed GLACIER they will receive another email from the supplier portal directing them to upload their packet into the supplier registration process and submit their completed registration.  
• Supplier Request Type (Individual)  
• Supplier Legal Name  
• Supplier Email Address  
• Supplier Citizenship (Individual – Non US Citizen)  
• Supplier Visa Type (visa type should be known when confirming that Harvard can legally issue a reimbursement to the individual. See [Commonly Seen Visa Types at Harvard](#)). Select NE if not entering the U.S. or N/A if visa type unknown.  
• Supplier Address  
  o The fulfillment address will be the tax reporting address and must be a foreign address.  
  o The remittance address will be where the payment will be sent and may be the same as the fulfillment address.  
• Select “no” when answering the Proxy Question.  
This process will send a GLACIER invitation and a Supplier Portal Supplier Invitation at roughly the same time. | • Harvard student who is not a US citizen or Permanent Resident  
• Harvard external post-docs or temporary employees who are not U.S. Citizens or Permanent Residents  
• All other individuals who are not U.S. Citizens or Permanent Residents  
• Invited speaker who is not a US citizen or Permanent Resident receiving an honorarium or has received an honoraria or other income payment from Harvard in the past. |
<p>| <strong>Non U.S. Citizen</strong>                                          | Supplier Request Form (NOT PROXY) BEST PRACTICE | | | |</p>
<table>
<thead>
<tr>
<th>Entity Supplier Type</th>
<th>Set-Up</th>
<th>Information Needed by the Harvard Portal User</th>
</tr>
</thead>
</table>
| Foreign Corporation  | Invitation | • Name  
| Foreign Partnership  |         | • EIN/Tax ID Number (if applicable)  
| Foreign Trust        |         | • Tax Reporting Name if different from supplier name  
| Foreign Tax-Exempt Organization | | • Remit-to address  
| Foreign Private Foundation | | • Permanent legal address (if different)  
| Foreign Estate       |         | • Completed and signed appropriate W-8 form  
| Foreign Government or International Organization | | See Foreign Entity W-8 Forms for general information on form W-8BEN-E.  

Inactivation date is up to three years, based on W-8 Form
## Supplier and Visa Type Inactivation Dates

<table>
<thead>
<tr>
<th>Supplier Type</th>
<th>Inactivation Date</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Any suppliers with no activity for two years will be automatically inactivated</strong></td>
<td></td>
</tr>
<tr>
<td>Business Expense Reimbursement – Foreign (BER)</td>
<td>90 days from activation date</td>
</tr>
<tr>
<td>Individual – Non-US Citizen (A visa type is required for Individual – Non-US Citizens, a sample of visa types is below)</td>
<td></td>
</tr>
<tr>
<td>ADVTR – Advance Travel Request (always taxable)</td>
<td>90 days from activation date</td>
</tr>
<tr>
<td>NA – Not Applicable/Unknown</td>
<td>Should be switched to another visa type by supplier or Supplier Onboarding Team</td>
</tr>
<tr>
<td>NE – No Entry (use if individual not entering the U.S.)</td>
<td>90 days from activation date</td>
</tr>
<tr>
<td>NE-RC – No Entry Royalty Payment (taxable)</td>
<td>2 years from activation date</td>
</tr>
<tr>
<td>All other visa types</td>
<td>Based on immigration documentation end dates</td>
</tr>
<tr>
<td>Individual: US Citizen/ Perm Res.</td>
<td>N/A</td>
</tr>
<tr>
<td>Temporary Supplier</td>
<td>30 days</td>
</tr>
<tr>
<td>Supplier – US Entity</td>
<td>N/A</td>
</tr>
<tr>
<td>Sole Proprietorship</td>
<td></td>
</tr>
<tr>
<td>Partnership LLC</td>
<td></td>
</tr>
<tr>
<td>Corporation</td>
<td></td>
</tr>
<tr>
<td>Government Agency</td>
<td></td>
</tr>
<tr>
<td>Supplier – Foreign Entity</td>
<td>Up to three years, based on W-8 Form</td>
</tr>
<tr>
<td>Corporation</td>
<td></td>
</tr>
<tr>
<td>Partnership</td>
<td></td>
</tr>
<tr>
<td>Trust</td>
<td></td>
</tr>
<tr>
<td>Tax-Exempt Organization</td>
<td></td>
</tr>
<tr>
<td>Private Foundation</td>
<td></td>
</tr>
<tr>
<td>Estate</td>
<td></td>
</tr>
<tr>
<td>Government or International Organization</td>
<td></td>
</tr>
</tbody>
</table>
Foreign Individuals
Individual - Non U.S. Citizen (aka, nonresident aliens, NRA, 1042S supplier)

Prior to setting Individual – Non U.S. Citizens up as a supplier, please be sure to confirm:

- If the individual will or will not be entering the U.S. Selecting an incorrect visa type can result in a delay when activating new suppliers.
- Schools and units must confirm that the individual is legally allowed to be paid by Harvard based on their visa type.
- Individual – Non U.S. Citizens may be subject to tax withholdings for income earned in the U.S. Improper classification may result in under withholding which can result in taxes being charged back to department in order to remain compliant with IRS regulations.

**Individual is not entering the U.S.**

If you know the individual **will not** be entering the U.S. —select visa type **“NE – No Entry/No U.S. Presence”**. No GLACIER email will be sent to the individual, since income is considered foreign sourced income and is not subject to U.S. taxes (it may be subject to taxes in the country received).

**Individual is in or will be entering the U.S.**

Schools and units must confirm that the individual is legally allowed to be paid by Harvard.

If you know the individual **will be** entering the U.S., but do not know their visa type, select **“NA – Not Available”**. This will trigger a GLACIER email to the individual. The Supplier Onboarding Team (SOT) will update the visa type upon receipt of the GLACIER tax summary report and immigration documentation.
Individual - Non U.S. Citizen (aka, nonresident aliens, NRA, 1042S supplier)

If an Individual – Non U.S. Citizens is entering the U.S. or earning income that is considered U.S. income, Harvard uses a third-party system, called GLACIER Online Tax Compliance System, to calculate the tax withholding. Tax withholding rates may range between 14-30% based on an individual’s visa and income type.

• Individuals must complete GLACIER before they will be activated as a supplier.
• It is the best interest of the individual to complete and update their GLACIER record when they have changes to their visa or earnings type since they may qualify for tax treaties and have less taxes withheld.
• Liability and rates for tax withholding is based on:
  • Tax Residency Status (determined by GLACIER and can include eligibility for tax treaty benefits)
  • Whether the income is considered U.S. or Foreign-Source Income
  • Income type:
    • Salary/Wage
    • Stipend/Scholarship/Fellowship/Grant
      • During COVID-19 Remote Work, External Post Docs Outside the U.S. should be processed through B2P rather than PeopleSoft.
    • Honorarium, Royalty, Prize, or other Payment
    • Harvard Business Expense
External Post Doc / Research Scholar Fellowship (MEP) (Non-Employee)

Due to the COVID-19 public health emergency current or incoming nonresident alien external post docs or research scholars receiving a fellowship / stipend from Harvard who are outside of the United States should follow the below payment process.

Nonresident Aliens (NRAs) External Post Doc / Research Scholar Fellows Located Outside of the U.S.

Individuals located in Iran, Syria, North Korea, Cuba, or the Crimea Region of Ukraine may not be able to receive stipends payments due to country sanctions. These payments may need to be deferred until the individual is outside the sanctioned country. Contact your Export Control Council Member for guidance. For individuals located in a country not listed above, follow the below steps.

New or Existing External Post Doc / Research Scholar Fellowship:

• Schools should process new or transition existing appointments to accounts payable (B2P) in order to treat these payments as foreign sourced income with no U.S. tax withholding.
  • Individuals who have an external post doc appointment in PeopleSoft will continue to have U.S. taxes withheld if appropriate.
• Individuals with a U.S. bank account and email address can choose Zelle as their preferred payment method in their Supplier Portal profile to receive electronic payment.
• If no U.S. bank account is available, a check will be issued or follow the special handling process for other payment methods.
• For recurring payments, Schools may wish to set up a standing order with the total amount and “releasing” funds each month for payment; or departments may use an in lieu of form, selecting “fellowship/grant” and using object code 6455 and noting location of the activity.
• This process will enable the payments to be made without U.S. taxes being withheld, consistent with Harvard’s position that these payments are foreign-sourced income.
GLACIER Highlights

Guidance and reference materials on GLACIER can be found on the Nonresident Alien Tax Compliance website https://nratax.oc.finance.harvard.edu/Glacier. Guidance and the NRA website link is also included in the Harvard auto-generated GLACIER email sent to each new foreign payment recipient.

**Sample GLACIER Fields**

<table>
<thead>
<tr>
<th>Relationship with Individual (Select as many categories as applicable, but make only one choice per category)</th>
<th>Income Type (If applicable, select one choice per category)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee/Faculty/Staff</td>
<td>Compensation/Salary/Wages</td>
</tr>
<tr>
<td>Student Worker/Graduate Teaching/Research Assistant</td>
<td></td>
</tr>
<tr>
<td>Stipend/Scholarship/Fellowship/Grant Recipient</td>
<td>Scholarship or Fellowship Income (Non-Salary)</td>
</tr>
<tr>
<td>Stipend/Scholarship/Fellowship/Grant Recipient</td>
<td>Grant Income</td>
</tr>
<tr>
<td>Honoraria Recipient/Invited Guest/Guest Speaker</td>
<td>Honoraria or Guest Speaker Fee</td>
</tr>
<tr>
<td>Honoraria Recipient/Invited Guest/Guest Speaker</td>
<td>Consulting Fee/Independent Services Payment</td>
</tr>
<tr>
<td>Consultant/Independent Contractor</td>
<td></td>
</tr>
<tr>
<td>Artist/Performer</td>
<td>Service Payments to Artist/Performers</td>
</tr>
<tr>
<td>Industrial Royalty Recipient</td>
<td>Industrial Royalty or Patent</td>
</tr>
<tr>
<td>Copyright or Royalty Recipient</td>
<td>Copyright or Royalty Income</td>
</tr>
<tr>
<td>Other</td>
<td>Prize/Award/Loan Forgiveness/Other</td>
</tr>
<tr>
<td></td>
<td>Travel Reimbursements</td>
</tr>
<tr>
<td></td>
<td>No Payments</td>
</tr>
</tbody>
</table>

**VISA Information**

Entering all prior visits to the U.S. related to any sponsored immigration status is required due to IRS regulations that impact accurate tax calculations. F-1 or J-1 nonresident alien visa holders may be eligible for a FICA tax exemption, be sure to complete GLACIER in order not to have these taxes withheld from your paycheck!

To get a copy of their most recent I-94 or travel history, go https://i94.cbp.dhs.gov/i94/#/home and click “Get Most Recent I-94” or “View Travel History.”

<table>
<thead>
<tr>
<th>Non Resident Alien VISA Type</th>
<th>History Required</th>
</tr>
</thead>
<tbody>
<tr>
<td>B1, B2, Visa Waiver, ESTA</td>
<td>Prior 6 years of U.S. presence</td>
</tr>
<tr>
<td>F, J, M, Q, TN, O, H1B, A, G, E3, etc.</td>
<td>Back to 1986</td>
</tr>
</tbody>
</table>
The signed GLACIER Packet can be securely uploaded as one document in the supplier portal.

- Individuals must sign GLACIER Tax Summary Report as well as tax forms generated by GLACIER.
- Individuals must also upload required document copies noted on the GLACIER Tax Summary report.
- Individuals on the Harvard Payroll can securely upload GLACIER forms at a secure portal.

Forms generated by GLACIER need to be signed and submitted. Be sure to sign & date summary as well as other tax forms included with packet.
Foreign Entities
Foreign Entities – General Information

Harvard University is required by the IRS to collect the appropriate W-8 form from any foreign entity to establish the entity's foreign status and possible claims of reduced tax withholding.

• Income paid to foreign entities, such as royalties, patents, copyrights, rents, and personal services, generally can trigger a statutory tax withholding of 30% when the income is considered U.S. sourced.

• A valid W-8 can possibly reduce or exempt tax withholdings, if eligible, and the valid claim has been made with Harvard before payment has been processed.

• W-8 Forms generally have an expiration date (usually three years based on the date the W-8 form was signed). Foreign entities will switch to inactivate in the Supplier Portal if an updated W-8 form is not submitted based on the expiration date.
Foreign Entity W-8 Forms

Harvard University is required by the IRS to collect the appropriate W-8 form from any foreign entity to establish the entity's foreign status and possible claims of reduced tax withholding. Harvard is unable to advice on what form a supplier should use since it is based on their legal structure, suppliers should refer to the instructions for each Form W-8 on the IRS website, to determine which is most appropriate form to complete. See [Nonresident Alien Tax Compliance](#) for additional details or questions.

Form W-8 BEN-E is generally used by foreign entities to document their status for purposes of chapter 3 and chapter 4 reporting, as well as other code provisions. See [https://www.irs.gov/forms-pubs/about-form-w-8-ben-e](https://www.irs.gov/forms-pubs/about-form-w-8-ben-e)

Form W-8 EXP is generally used by foreign entities to claim a reduced rate of, or exemption from, withholding as a foreign government, international organization, foreign central bank of issue, foreign tax-exempt organization, foreign private foundation, or government of a U.S. possession. See [https://www.irs.gov/forms-pubs/about-form-w-8-exp](https://www.irs.gov/forms-pubs/about-form-w-8-exp)

Form W-8 ECI is generally used by foreign entities claiming they are the beneficial owner of U.S. source income that is effectively connected with the conduct of a trade or business within the United States. See [https://www.irs.gov/forms-pubs/about-form-w-8-eci](https://www.irs.gov/forms-pubs/about-form-w-8-eci)

Remind the Foreign Entity that they need to sign **and** certify the applicable W-8 Form!
The W-8BEN-E is the most commonly used W-8 form completed by foreign entities, not individuals.

- This form contains approximately 30 parts. Since Harvard University is not a financial institution, only a few parts are required to be completed before Harvard University is able to issue payments to a foreign entity.
  - At a minimum for Harvard University, foreign entities must complete Parts I, III (if the benefit of an eligible tax treaty is being claimed), and XXX. Additional sections may be required based on the organization status selected on question 5. If any required field is not completed, the W-8BEN-E is considered invalid and will be rejected.

- See the General guidance for the W-8BEN-E

- Please note, other parts of the W-8BEN-E might be necessary when conducting business with other withholding agents. As such, a foreign entity may wish to seek legal guidance from a tax professional outside of Harvard University with specific business use inquires. Form W-8BEN-E is valid three years from when it has been signed, unless a change in circumstances makes the information provided on the form W-8BEN-E inaccurate. Form W-8BEN-E and Instructions.

- Harvard is exploring creating a substitute W-8BEN-E Form relating only to Chapter 3 payments (which are payments from nonfinancial institutions). See next slides for an example of those parts that are required in these instances.
### W-8BEN-E – Part I

**Part I – Identification of Beneficial Owner**, requires the foreign entity to identify the beneficial owner of the payment, including: name, address, entity type, FATCA status, and US and/or Foreign Taxpayer Identification Number (TIN):

**Line 1:** Organization name

**Line 2:** Country where the organization was incorporated (corporations) or located (other entities)

**Line 4:** Organization status (Chapter 3): select the appropriate status

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Foreign Entities should consult with a tax professional outside of Harvard University regarding the proper completion of Form W-8BEN-E. The materials contained herein does not constitute tax, legal, or accounting advice.
Line 5: Organization status (Chapter 4): select the appropriate status.

Note: The status selected will determine the appropriate Part IV-XXVII to be completed.

While Harvard University cannot provide tax advice to its suppliers, and each foreign entity must accurately determine the appropriate Chapter 4 Status to be reported in Part I- Line 5, the following foreign entity statuses are most heavily represented suppliers at Harvard:

- Foreign government, government of a U.S. possession, or foreign central bank of issue. Complete Part XIII.
- International organization. Complete Part XIV.
- 501(c) organization. Complete Part XXI.
- Nonprofit organization. Complete Part XXII.
- Publicly traded NFFE (Non-Financial Foreign Entity) or NFFE affiliate of a publicly traded corporation. Complete Part XXIII.
- Active NFFE. Complete Part XXV.

Foreign Entities should consult with a tax professional outside of Harvard University regarding the proper completion of Form W-8BEN-E. The materials contained herein does not constitute tax, legal, or accounting advice.
Line 6: Permanent, physical address within the country your organization claims tax residency.
Note: Street address, city, town, state or province, and postal code (if available), and country are required. If you do not have a tax residence in any country, the permanent residence address is where you maintain your principal office. You cannot use a P.O. box, in-care-of address, or an address used solely for mailing purposes unless it is the only address you use and it appears within your organizational documents (that is, your registered address). Your form will be deemed invalid.

Line 8 and/or 9b US/Foreign Tax Identification Number (TIN)
   Line 8 (US TIN) should be completed if the entity has a US TIN
   Line 9b (Foreign TIN) should be completed if the entity has a Foreign TIN

Note: A US or Foreign TIN is required to claim the benefits of a tax treaty

Foreign Entities should consult with a tax professional outside of Harvard University regarding the proper completion of Form W-8BEN-E. The materials contained herein do not constitute tax, legal, or accounting advice.
Line 14: Claim of Tax Treaty Benefits
- a: Name of country where foreign entity is a tax resident (if tax treaty exists between US and that country)
- b: The first box (the box immediately after "b." and preceding the text) must be marked if claiming tax treaty benefits on payments issued by Harvard University. If the tax treaty benefit claimed is subject to a Limitation of Benefits (LOB) provision, that appropriate box must be checked.

Note: The IRS has published a list of LOB articles within Tax Treaty Table 4.

Line 15: If claiming a tax treaty benefit, there are three additional lines that must be completed:
- The Article and Paragraph number of the Tax Treaty between the US and the country listed on Line 14a under which the benefit is claimed;
- The reduced rate of withholding under the tax treaty;
- The type of income expected to be paid by Harvard University

Note: if the tax treaty includes additional conditions which must also be met in order to claim the reduced rate of withholding, the foreign entity must indicate how it has met such additional conditions in the space provided.

Foreign Entities should consult with a tax professional outside of Harvard University regarding the proper completion of Form W-8BEN-E. The materials contained herein does not constitute tax, legal, or accounting advice.
Part XXX – Certification, is stating that the signatory of the W-8BEN-E is empowered to sign on behalf of the foreign entity.

- **SIGN HERE:** A physical (non-electronic) signature is required by a person authorized to sign on behalf of the foreign organization.
  - Electronic signatures by a person authorized to do so are only acceptable if they also include a time/date stamp, and
  - An accompanying statement that indicates the form has been electronically signed.
  - Simply typing your name into the signature line is not an electronic signature, and is not considered valid.
- **PRINT NAME:** Printed name of the person who has signed the Form W-8BEN-E
- **DATE:** Date of signature in the required format of Month/Day/Year
- **The box under the signature line must also be checked by the signatory, further certifying to their legal capacity in signing**
In the Fall of 2020, Harvard completed a multi-year data clean-up effort for foreign individuals and entities to support IRS compliance.

- Harvard contacted foreign entities who had invoiced Harvard since June 1, 2019 update their supplier record which included uploading an updated W-8 form.
- Suppliers that did not update their supplier portal record and submit a valid W-8 were inactivated in the B2P Supplier Portal on December 18, 2020.
- Suppliers who had not invoiced Harvard since June 1, 2019 were also inactivated if their W-8 was out of date.

- All payments processed to foreign entities require a tax review.

- Foreign entities may begin to incur tax withholding on payments that historically did not trigger taxes.

- Most suppliers are Net 30. Departments should build in processing time to account for the required tax review of all payments made to foreign entities.

- After department approvals (levels 1-6) are complete, payments to foreign entities may take an additional 5 business days to be processed.
## Payment Analysis

<table>
<thead>
<tr>
<th>Question</th>
<th>Foreign Individual</th>
<th>Foreign Entity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Is the payee legally allowed to receive payments from Harvard?</td>
<td>Some visa types may not permit payments for services or expenses incurred in the U.S.</td>
<td>N/A</td>
</tr>
<tr>
<td>What is the payee’s U.S. Tax Residency Status</td>
<td>Determined by GLACIER</td>
<td>Determined by the W-8 Form Type</td>
</tr>
<tr>
<td>What type of payment is it?</td>
<td>Fellowship, Prizes, Honoraria, Services, Royalties, reimbursement, etc.</td>
<td>Fellowship, Prizes, Services, Royalties, reimbursement, etc.</td>
</tr>
<tr>
<td>What is the “Source” of the income</td>
<td>Location of activity drives tax determination. Royalties and copyrights are always U.S. sourced</td>
<td>Location of activity drives tax determination. Royalties and copyrights are always U.S. sourced</td>
</tr>
<tr>
<td>Is the payment subject to tax withholding?</td>
<td>Some payments are exempt from taxes under an IRC or tax treaty</td>
<td>Determined by payment circumstances and valid documentation claimed before payment is processed</td>
</tr>
<tr>
<td>What rate are taxes withheld?</td>
<td>Fellowship Income – reduced to 14% for F, J, M, or Q visa holders</td>
<td>Determined by payment circumstances and valid documentation claimed before payment is processed</td>
</tr>
<tr>
<td>Is the payment reportable?</td>
<td>Based on the payment type if may be reportable on a 1042-S or 1099-NEC (if resident alien)</td>
<td>Based on the payment type and foreign entity classification it may be reportable on a 1042-S</td>
</tr>
</tbody>
</table>
U.S. or Foreign-Source Income

Harvard is required to indicate the “location of activity” and when paying income to foreign individuals and foreign entities to comply with IRS tax withholding and reporting regulations.

The location of the activity will determine if the payment is subject to U.S. withholdings.

• Generally, the location of the activity would be where a service is being performed, property is being rented, or the location where fellowship income is expected to be utilized in support of one’s scholarship or research.

• Royalties, copyrights, and patents, such as those paid for the use of intellectual properties (i.e., industrial properties and software licenses), are always considered U.S.-sourced when utilized by Harvard due to our U.S. location. This income could be taxable up to 30% if a tax exemption or tax reduction claim has not been previously facilitated before the payment was issued.

• Generally, payments for tangible goods or products for international use are not subject to U.S. reporting or tax withholding. Indicate where the tangible items are to be used or shipped to for the location of the activity. Note: International laws are evolving, and some countries may start to charge taxes on services Harvard may provide outside of the United States (e.g., an executive education course taught in India may be liable for taxes paid to India). This is another reason the location of the activity is so important to list accurately.
Location of Activity

A clear indication of the location of the activity (such as the country) is necessary on all supporting documentation for the payment to be correctly classified for tax purposes. This applies to both service and non-service income. If the source of income cannot be determined at the time of payment because the location of the activity is not clearly indicated, the payment must be treated as U.S. sourced under IRS Regulations. Incorrect or missing information may also result in payment delays or incorrect tax withholding.

Some scenarios to determine location of activity commonly seen at Harvard:

• Spain would be the location of activity when paying a speaker located in Spain who participated on a Zoom panel.
• United States (U.S.) would be selected as the location of activity when processing a payment for services performed by a foreign entity that sent a consultant to the U.S. to work on a project.
• Germany would be selected as the location of activity when processing a summer fellowship to a fellow that will be traveling to and living in Germany over the summer to pursue additional scholarly activities.
• Select United States (U.S.) as the location of activity when paying rent income for property located within the U.S., even if the individual or entity you are paying resides or is established outside of the U.S.
• Select United States (U.S.) as the location of activity when processing a payment for books that were ordered from a library in Italy, to be shipped to and used at Harvard University.
• For Harvard employees (individuals receiving a salary/dependent personal services income), payments must be processed as outlined in Harvard’s Payroll Policy and with the assistance of Harvard Global Support Services.
B2P Tips and Tricks

- All payments to foreign entities and individuals are placed in a queue for tax review. This includes payment requests or noncatalog orders/purchase orders.
- Process only one requisition per supplier (each supplier may have different tax situations).
- Be sure the invoice matches the supplier's name.
- Be sure the invoice description is the same as the requisition description (e.g., if the payment is a prize, the requisition description also notes prize).
- Use the object code that best describes the invoice and service provided. Object codes that are different than the description may delay processing (e.g., using prize object code for a fellowship).
- List as detailed a description as possible (who, what, where, when, why).
- Location, location, location – noting the location of activity in the description and on the invoice will help in tax review.
- For payment requests, do not select “Other” unless the payment does not match any of the other transaction type options. Selecting “Other” can delay the tax review process.
B2P Tips and Tricks – Payment Request (PR)

• All payments to foreign entities and individuals are placed in a queue for tax review.
• Make sure the type of transaction matches the description and invoice details (e.g., don’t select “Prize/Award” as type of transaction, but note “research fellowship in the UK” in the description and attachment is an award letter for a fellowship).
• Attach an invoice, in lieu of form, agreement, email correspondence.

<table>
<thead>
<tr>
<th>Section</th>
<th>Description</th>
</tr>
</thead>
</table>
| 1       | **Type of Transaction**  
Select the most appropriate type of transaction.  
• Only select “Other” if the transaction does not match one of the options listed (e.g., loan forgiveness, human subject payment, consulting, etc.).  
• Selecting “Other” can delay review and processing since it goes into a larger queue for tax review. |
| 2       | **Description**  
Put in a detailed business purpose/description (what, where, when, why). Note the location of the activity/service. |
| 3       | **Internal Attachments**  
Attach an invoice or in lieu of form. This documentation shows what the payment is for and why the requestor is initiating the transaction. Documentation can be an invoice, in lieu of form, agreement, contract, or correspondence that documents the business purpose (who, what, where, when, why, how). |
| 4       | **Location of Activity**  
Where is the service being performed, property being rented, or the location where fellowship income is expected to be utilized. |
B2P Tips and Tricks – Noncatalog Order

- All payments to foreign entities and individuals are placed in a queue for tax review.
- Make sure the type of transaction matches the description and invoice details (e.g., if the invoice is for consulting in Spain, be sure to note consulting in Spain in the description).
- Select the location of activity to speed the tax review process.
Questions?

What kind of support or materials do you need or would like to see?
What are your most common tax, process, or documentation questions?
Are there things you are struggling with in B2P System?
Additional Information

**Buy 2 Pay Materials** including:

*Supplier Portal Information*
  - Supplier Registration Experience – Page by page views of what the supplier sees
  - Supplier Portal Tip Sheets
  - Supplier Process Diagrams
  - Supplier Portal User Reference Guide

**Foreign Entity W-8 Forms**

**GLACIER Instructions**

- **Secure Portal to Upload GLACIER Materials** for individuals who are not suppliers (suppliers upload via the supplier portal)

**Honoraria and Reimbursements for Foreign Nationals**

**Location of Activity**

**U.S. or Foreign-Source Income**

For questions regarding supplier onboarding or reactivation processes, contact the Supplier Onboarding Team (SOT) at 617-495-8500 option 3 or ap_supplieronboarding@harvard.edu

For questions regarding the GLACIER process, tax issues, reference materials, and FAQs see the “Nonresident Alien Tax Compliance” website [https://nratax.oc.finance.harvard.edu/](https://nratax.oc.finance.harvard.edu/) or contact the Nonresident Alien Tax Compliance at 617-495-8500 option 5 or nratax_ufs@harvard.edu