Fellowship vs. Prizes Reporting and Tax Withholding Requirements

<table>
<thead>
<tr>
<th>Fellowship/ Grants</th>
<th>Prize/ Awards</th>
</tr>
</thead>
<tbody>
<tr>
<td>6460 – Students/6455 - Nonstudents</td>
<td>6462 – Students/8693 - Nonstudents</td>
</tr>
<tr>
<td>Support payments (e.g., plane tickets, health insurance, or other travel expenses) paid to or on behalf of an individual to aid in their own personal research or scholarship.</td>
<td>Payments issued in recognition of a past accomplishments or achievements, such as those awarded for earning the highest GPA or winning a business plan competition.</td>
</tr>
</tbody>
</table>

**US Tax Residents**
- Harvard is not required to report these payments to the IRS or to the recipient
- No withholding is required at time of payment, but tax payments due at filing could be required
- Recipient must self-report as gross income for any non-qualified fellowship received

**Nonresident Aliens**
- Harvard is required to report payments to the IRS. The recipient will receive a Form 1042-S indicating “fellowship/scholarship” for non-qualified payments
- Withholding is required (at 14% or 30% depending on visa type) but can be reduced by tax treaties if determined eligible beforehand

**US Tax Residents**
- Harvard must report to the IRS and issue prize recipients a Form 1099 if the recipient receives $600 or more in prize money during a calendar year
- 1099 MISC Box 3

**Nonresident Aliens**
- Harvard is required to report these payments to the IRS and to the recipient on Form 1042-S as “other income”
- 30% Withholding is required. Not eligible for tax treaty exemption