

Memorandum

TO: VSU Student Supervisors & Non Resident Alien Employees

FROM: Payroll Department

DATE: December 15, 2005

RE: **IRS Updates 2006 W-4 Requirements for Non Resident Alien Employees**

Effective January 1, 2006, international employees who expect to make less than the personal exemption over the course of the entire year will have no income tax withheld from their salary. The personal exemption for 2006 is expected to increase by \$100 to \$3,300.

The IRS made this change to reduce the burden on taxpayers who were required to file a tax return to receive a refund of over withheld income taxes. This change is not automatic. The employee must file a revised W-4 with the Payroll Office **before** January 1st to avoid filing a tax return in 2006.

For additional information please visit the IRS website at www.irs.gov or go to <http://www.irs.gov/pub/irs-drop/n-05-76.pdf>.

This update mainly affects international students who are employed on campus and expects to earn less than \$3,300 in **all jobs** for 2006 (including off campus employment).

Please post this notice for those who do not have email access. Thank you for your cooperation.

If you have any questions, please contact the Payroll department at extension 5708.