

PAPERWORK REQUIRED FOR NEW VENDORS/VENDOR MAINTENANCE

If you have.....

Then you will need.....

Notes/Examples/Exceptions:

Tax Notes

Foreign taxes

FOR NON-PO TRANSACTIONS:

<p>* A performer who is a new supplier to the payables system</p> <p>* A performer who is in the system, but needs an address update</p>	<p>Provided that there is a departmental performance contract, then you simply need full legal name, address and social security # to be filled out on your OnBase form in the appropriate places. W-9 is strongly preferred, but not absolutely required.</p> <p>Same as above (note that if there is some sort of discrepancy with the info on file, then you WILL be asked for the W-9 to clear up any questions/confusion).</p>	<p>Performers can be paid non-PO using the OnBase Payment Request form as long as there is a performance contract provided.</p> <p>There is an EXCEPTION made for Steve Langley (Hopkins) for ensembles performances and Catherine LaTouche (Music), a contract is not needed for those payments. NOTE THAT FOR STUDENTS/EMPLOYEES THIS SHOULD BE REQUESTED VIA THE ONBASE GENERAL REQUEST FORM (PAID THROUGH PAYROLL), TYPICALLY USING A LUMP SUM PAYMENT FORM. INQUIRE WITH YOUR FINANCE CENTER FOR SPECIFIC GUIDANCE.</p>	<p>Performances (natural class 7754) are tax reportable for US residents, to be coded as misc-7 during AP data entry. A 1099 will be sent to the individual if it totals \$600 or over. Foreign/non-residents will either need taxes withheld (30%), for the payment to be grossed up for taxes (the dept covers the tax), or exempted from taxation via the 8233 or W-8BEN (or W-8BEN-E for companies/beneficial entities) form, or potentially an established CWA. Foreign payments should be flagged accordingly and will be sent to AP for processing. A 1042s will be sent to the individual/company.</p>	<p>It is always best to verify questionable items with Jeannette Cray as she is the individual trained to process foreign payments. The next tab contains some quick reference tools though.</p>
<p>* An honorarium recipient who is a new supplier to the payables system</p> <p>* An honorarium recipient who is in the system, but needs an address update</p>	<p>Full legal name, address and social security # to be filled out on your OnBase form in the appropriate places. W-9 is strongly preferred, but not absolutely required.</p> <p>Same as above (note that if there is some sort of discrepancy with the info on file, then you WILL be asked for the W-9 to clear up any questions/confusion).</p>	<p>Honorariums should truly be gifted funds "as thanks". If we are paying for actual services, and the individual is billing/requesting payment, that is not considered an honorarium. That would be a service and would require a PO.</p> <p>Also note, honoraria cannot typically be given to a company, but if it happens to be a sole proprietorship, it is allowable. You'd need to see their paperwork to determine this. NOTE THAT HONORARIA COULD BE GIVEN TO EMPLOYEES/STUDENTS, VIA THE ONBASE GENERAL REQUEST FORM (PAID THROUGH PAYROLL), USING A LUMP SUM PAYMENT FORM. INQUIRE WITH YOUR FINANCE CENTER FOR SPECIFIC GUIDANCE.</p>	<p>Honorariums (natural class 7768) are tax reportable for US residents, to be coded as misc-7 during AP data entry. A 1099 will be sent to the individual if it totals \$600 or over. Foreign/non-residents will either need taxes withheld (30%), for the payment to be grossed up for taxes (the dept covers the tax), or exempted from taxation via the 8233 (W-8BEN would not be used for an honorarium) form. Foreign payments should be flagged accordingly and will be sent to AP for processing. A 1042s will be sent to the individual.</p>	
<p>* A UPNE royalty recipient who is a new supplier to the payables system</p> <p>* A UPNE royalty recipient who is in the system, but needs an address update</p>	<p>Full legal name, address and social security # to be filled out on your OnBase form in the appropriate places. W-9 is strongly preferred, but not absolutely required.</p> <p>Same as above (note that if there is some sort of discrepancy with the info on file, then you WILL be asked for the W-9 to clear up any questions/confusion).</p>	<p>There are a few employees who receive these, and they are OK to pay through AP (since there is no service/hours worked aspect to these payments). These are funds related to the sale of a book that they are an author of.</p>	<p>Royalties (natural class 2118 or 7781) are tax reportable for US residents, to be coded as misc-2 during AP data entry. A 1099 will be sent to the individual if it totals \$10.00 or over. Foreign/non-residents will either need taxes withheld (30%), for the payment to be grossed up for taxes (the dept covers the tax), or exempted/reduced taxation (amount varies with each country) from taxation via the W-8BEN (or W-8BEN-E for companies/beneficial entities) (8233 would not be used) form. Foreign payments should be flagged accordingly and will be sent to AP for processing. A 1042s will be sent to the individual/company.</p>	<p>For royalties the foreign/foreign concept that we use for some other payments does not apply. There are tax implications.</p>
<p>* A Tech Transfer royalty recipient who is a new supplier to the payables system</p> <p>* A Tech Transfer royalty recipient who is in the system, but needs an address update</p>	<p>Full legal name, address and social security # to be filled out in vendor maintenance sheets. W-9 is strongly preferred, but not absolutely required.</p> <p>Same as above (note that if there is some sort of discrepancy with the info on file, then you WILL be asked for the W-9 to clear up any questions/confusion).</p>	<p>These are often employees, or ex-employees and are OK to pay through AP (since there is no service/hours worked aspect to these payments). These are funds related to the discovery/sale of copyrighted items such a new drug. Tech Transfer will generally process payments to those individuals involved in the initial research and development annually, using the OnBase Payment Request Form.</p>	<p>See above paragraph.</p>	
<p>* An individual being paid on an OnBase Payment Request form for other non-PO payments (considered income) such as a refereee, an official, or a judge who is a new supplier to the payables system</p> <p>* An individual being paid on an OnBase Payment Request Form for other non-PO payments (considered income) such as a refereee, an official, or a judge who is in the system, but needs an address update</p>	<p>Full legal name, address and social security # to be filled out in vendor maintenance sheets. W-9 is strongly preferred, but not absolutely required.</p> <p>Same as above (note that if there is some sort of discrepancy with the info on file, then you WILL be asked for the W-9 to clear up any questions/confusion).</p>	<p>Most other personal service payments will require a PO. Refer to the Procure-to-Pay guide for specifics, or inquire with your Finance Center for specific guidance. http://www.dartmouth.edu/~control/departments/procurement/procure_to_pay_guide/</p>	<p>Other misc compensation is tax reportable for US residents, to be coded as misc-1, 3 or 7 (depending) during AP data entry. A 1099 will be sent to the individual if it totals over \$600 or over. Foreign/non-residents will either need taxes withheld (30%), for the payment to be grossed up for taxes (the dept covers the tax), or exempted from taxation via the W-8BEN (or sometimes the 8233) form. Foreign payments should be flagged accordingly and will be sent to AP for processing. A 1042s will be sent to the individual.</p>	
<p>* A company who is a new supplier to the payables system</p> <p>* A company who is in the system, but needs an address update</p>	<p>The company W-9 and Supplier Classification form.</p> <p>If it's just a payment address update, no paperwork needed. <u>If they've physically relocated</u>, you will need a new W-9 and the Supplier Classification form</p>	<p>EXCEPTIONS TO THIS ARE conference registrations, advertising, memberships, subscriptions or charitable/fundraising donations. Then you can simply provide the invoice copy to Procurement.</p> <p>A secondary office branch or a payment PO/lockbox, or different department are all examples of where you do NOT need the paperwork.</p>	<p>FYI-Procurement may ask for the W-9 for donations so that we have it on file.</p>	

NOTE - For income related payment to students and employees, these need to go through Payroll OnBase General Request From), not AP (OnBase Payment Request Form), this is with the exception of UPNE book royalties or Tech Transfer royalties.

FOR PO TRANSACTIONS:

<p>* For any individual receiving payment on a PO invoice FOR SERVICES RENDERED, if they are a new supplier to the eProcurement system (paid by a legal name or a DBA)</p>	<p>During PO creation, you will need a minimum of their W-9 and the IC (Independent Contractor/Consultant Form). The Supplier Classification Form may be needed, it's usually best to just ask for it. Sometimes you do not know how someone is categorized till you see their full paperwork, especially with a DBA (doing business under another name). Keep in mind that the IC/Consultant form is considered an internal document by Procurement, so wherever possible (and when applicable), you should also have a more detailed agreement attached to the PO. For small scale work, the internal document is sufficient.</p>	<p>Individuals MUST follow the State of NH Criteria to determine whether they are *truly* an independent contractor vs an employee. http://www.dartmouth.edu/~control/docs/procurement/indcont8-12.pdf For any new individuals, this needs to be part of setting up the PO. This is done to protect Dartmouth from audit findings/fines that could result if we categorize them improperly.</p>	<p>If you have a foreign individual, who also happens to be providing the work from a foreign place, then there are no tax implications (with the exception of payments such as royalties). The paperwork required is still the same, but these can be processed in-house without needing to forward it to AP for system processing. Otherwise foreign payments should be flagged appropriately and will be sent to AP for processing.</p>
<p>* For any individual receiving payment on a PO invoice FOR SERVICES RENDERED, if they are in the eProcurement system but need an address update (paid by legal name or as a DBA)</p>	<p>If it's just a payment address update, no paperwork needed. <u>If they've physically relocated</u> you will need a new W-9 and the Supplier Classification form.</p>	<p>A secondary office branch or a payment PO/lockbox, or different department are all examples of where you do NOT need the paperwork.</p>	
<p>* For any individual receiving payment on a PO invoice, FOR GOODS NOT SERVICES, if they are a new supplier to the eProcurement system</p>	<p>During PO creation, you will need their W-9 and the Supplier Classification Form, regardless of the fact that they are an individual, not a company (see notes to right).</p>	<p>For example, Outdoor Programs bought a cord of wood from an individual and they need to be paid for the wood. Even though you are just paying a person, you still need the Supplier Classification Form, as Procurement requires it for anyone we purchase goods from. For the Legal Business name you'd just put their individual name, flag the Tax Payer status as "individual", the Business Classification would be "N/A", number of employees would be zero .</p>	
<p>* For any individual receiving payment on a PO invoice, FOR GOODS NOT SERVICES, if they are in the eProcurement system but need an address update</p>	<p>If it's just a payment address update, no paperwork needed. <u>If they've physically relocated</u> you will need a new W-9 and the Supplier Classification form</p>		
<p>* For any company who is a new supplier to the system</p>	<p>During PO creation, you will need their W-9 and the Supplier Classification form.</p>		
<p>* For any company who is in the system but needs an address update</p>	<p>If it's just a payment address update, no paperwork needed. <u>If they've physically relocated</u> you will need their W-9 and the Supplier Classification form</p>	<p>A secondary office branch or a payment PO/lockbox, or different department are all examples of where you do NOT need the paperwork.</p>	

NOTE THAT PROCUREMENT WILL ALWAYS ASK FOR THE MOST RECENT VERSIONS OF BOTH THE W9 AND THE SUPPLIER CLASSIFICATION FORM

BE AWARE OF INSURANCE REQUIREMENTS WHEN CREATING PO'S FOR BOTH INDIVIDUALS AND COMPANIES ALIKE- SEE SPECIFIC DETAILS AT:

FOREIGN COMPANIES AND INDIVIDUALS ARE A SEPARATE MATTER WHEN IT COMES TO EXACT PAPERWORK NEEDED. CONTACT ACCOUNTS PAYABLE FOR ASSISTANCE

A SUPPLIER IN AP IS NOT THE SAME AS A SUPPLIER IN PROCUREMENT. A SUPPLIER IN AP THAT HAS NEVER HAD A PO SET UP PREVIOUSLY, WILL BE TREATED AS IF THEY WERE A NEW SUPPLIER IN ORDER TO GET

FOR ANY INDIVIDUAL PROVIDING A SERVICE, YOU MUST DETERMINE WHETHER THEY *ARE* AN INDEPENDENT CONTRACTOR OR AN EMPLOYEE. IF THEY QUALIFY AS A CONTRACTOR THEN A PO WILL NEED TO

W-9'S ARE ALWAYS STRONGLY PREFERRED, BUT NOT ABSOLUTELY REQUIRED (FOR NON-PO ITEMS) UNLESS THERE IS A DISCREPANCY, SUCH AS A NAME CHANGE, OR AN ERROR FOUND, FOR EXAMPLE A

TYPICALLY HONORARIA CANNOT BE GIVEN TO A COMPANY, BUT IF IT HAPPENS TO BE A SOLE PROPRIETORSHIP, IT IS ALLOWABLE. YOU'D NEED TO SEE THEIR PAPERWORK TO DETERMINE THIS.