



Southern Methodist University
Foreign Payees - Frequently Asked Questions

1. What is the review process for payments made to foreign payees?

All payments to foreign payees must be reviewed and approved by SMU's

Foreign Nationals Office as soon as the engagement or purchase from a foreign individual or entity is being considered. Information and procedures are provided on the Non-Payroll Payments page.

2. What information is required to request a payment to a foreign individual?

Refer to the information and procedures on the Payroll Payments page. A payment request to a foreign individual should be supported by the following documentation (submitted with the payment request):

- x SMU's Foreign National Information Form (FNI Form)
x Copy of Passport Identity Page
x Additional identification documents requested on the FNI Form per the foreign individual corresponding visa type
x Form W8BEN if foreign payee is a new "supplier" (vendor) for SMU
x SMU's Independent Contractor Determination Check (only required for payments for services such as honorarium payments)
x Receipts for reimbursement of travel, lodging, and business expenses

3. What information is required to request a payment to a foreign entity?

A payment request to a foreign entity should be supported by the following documentation (submitted with the payment request or invoice):

- x Invoice, SMU purchase order (PO) and when applicable, Form 1099-INT (if applicable) for otherwise taxable income. Certain sections of the Form-1099 may be completed by the payee.

5. Does an SMU employee need to complete or obtain a Form W-8 if traveling abroad and making payments abroad?

An SMU employee who is traveling abroad on SMU business may purchase goods or services from a foreign vendor when traveling outside of the U.S. by using an SMU credit card, a cash advance, or the employee's own personal funds. Regardless of the method of payment, the expense documentation (receipt, etc.) for legitimate business expenses should include a note that the expense pertains to goods purchased or services performed outside the U.S. while the traveler is abroad.

6. Where are Forms W-8 located?

Current Forms W

*Services* are actions that performed for, or on behalf of, SMU. The purchaser of services does not receive tangible goods

Examples of Services:

- Laborto install, assemble, dismantle, adjust, repair, or maintain tangible property
- Laborto install, configure, modify or upgrade a computer program
- Maintenance contracts; contracts for service (but not the purchase of a warranty agreement itself)
- Rental of items to be used ~~abroadly~~ (i.e. hotel room rental fees, car rental fees, etc.)
- Other services (i.e. cab services, restaurant charges for meals, copying or printing services, mailing services, etc.)

The following are ~~NOT~~

- Licenses for usage – permission to use [someone else's] property (including software licenses)