



### What to Know: Switching Payment Methods as a Postdoctoral Scholar

Changing from a postdoctoral scholar paid by wages as compensation for work performed on a project under the direction of a PI (e.g., R's, P's or dept funds) to a postdoctoral scholar that is a recipient of a training or fellowship appointment paid by a stipend (e.g., T32, F32, K99), or vice versa, impacts your taxes and benefits eligibility. This table serves as a resource to describe these changes. For questions or additional information, contact the [Office of Postdoctoral Affairs \(OPA\)](#).

What is happening?	U.S. Person (including U.S. Citizen, Permanent Resident, or non-U.S. Resident with U.S. Person status for tax purposes)	Non-U.S. Person for tax purposes
<p><b>Moving from wages to stipend<sup>1</sup></b></p>	<p>1. Status changes to Unpaid Fellow in OHSU's HR system, technically not an OHSU employee            2. Employee contributions to 457(b) end            3. Not eligible for pre-tax benefits</p> <p>Tax Ramifications<sup>2</sup>:            4. Federal and state taxes no longer withheld            5. Social Security and Medicare taxes no longer withheld (stipends not subject to these taxes)            6. May need to make tax payments directly to IRS and state (fellowship stipend is taxable income)            7. 1099 tax form provided end of January            8. May receive a W-2 form for time in employee status during tax year. Not necessary to submit tax withholding forms (e.g., W-4), since no income taxes are withheld</p>	<p>1. Status changes to Unpaid Fellow in OHSU's HR system, technically not an OHSU employee            2. Employee contributions to 457(b) end            3. Not eligible for pre-tax benefits</p> <p>Tax Ramifications<sup>2</sup>:            4. Federal tax may continue to be withheld at applicable rate dependent on tax treaties            5. Social Security and Medicare taxes no longer withheld (stipends not subject to these taxes)            6. May need to make tax payments directly to IRS and state (fellowship stipend is taxable)            7. Form 1042-S provided mid-March            8. Different (or no) tax treaty may apply. Postdocs who claimed a tax treaty should submit a Foreign National Information Form to Payroll for review (<a href="mailto:w2@ohsu.edu">w2@ohsu.edu</a>). Form 8233 may also be submitted to Payroll to claim a tax treaty exemption.</p>
<p><b>Moving from stipend to wages<sup>1</sup></b></p>	<p>1. Status changes to OHSU employee in HR system            2. Eligible for employee contributions to 457(b)            3. Qualifies for pre-tax benefits</p> <p>Tax Ramifications<sup>2</sup>:            4. Taxed as an employee – federal, state, Medicare, and Social Security taxes withheld            5. W-2 tax form provided end of January            6. May also receive 1099 form if non-wage payments received during tax year            7. Postdoc should submit tax withholding forms (e.g., W-4)</p>	<p>1. Status changes to OHSU employee in HR system            2. Eligible for employee contributions to 457(b)            3. Qualifies for pre-tax benefits</p> <p>Tax Ramifications<sup>2</sup>:            4. Taxed as employee – federal, state, Medicare, and Social Security taxes withheld            5. W-2 form provided end of January and/or 1042-S form provided mid-March            6. Postdoc should submit tax withholding forms (e.g., W-4)            7. Different (or no) tax treaty may apply. Postdocs who claimed a tax treaty should submit a Foreign National Information Form for Payroll to review (<a href="mailto:w2@ohsu.edu">w2@ohsu.edu</a>). Form 8233 may also be submitted to Payroll to claim a tax treaty exemption.</p>

<sup>1</sup>The postdoc's home department is responsible for all HR and financial updates required when a postdoc moves from wages to stipend and vice versa.

<sup>2</sup>OHSU and the Office of Postdoctoral Affairs can only provide general information (see the [Payroll website](#)) and cannot provide you with specific information about your individual tax situation. For U.S. Person Status for tax purposes, please consult with your tax advisor.

	Postdocs Paid by Wages	Postdocs Paid by Stipend
<p><b>Employment Status</b></p> <p>For employee status questions, contact your home department</p>	<ul style="list-style-type: none"> <li>OHSU employee</li> <li>Paid biweekly salary by OHSU</li> </ul>	<ul style="list-style-type: none"> <li>Not an OHSU employee, though stipend paid through OHSU payroll</li> <li>Paid biweekly stipend from outside funding source (disbursed by OHSU Payroll)</li> </ul>
<p><b>Benefits</b></p> <p>For benefits questions, email <a href="mailto:benefits@ohsu.edu">benefits@ohsu.edu</a></p>	<ul style="list-style-type: none"> <li>80 vacation hours per year for full-time (prorated for part-time), no maximum balance</li> <li>9 paid holidays per year</li> <li>96 sick leave hours per year for full-time (prorated for part-time), no maximum balance <ul style="list-style-type: none"> <li>Accruals and holidays managed at department level. Not currently available on paystubs or Kronos</li> </ul> </li> <li>Eligible for medical, dental, and vision on pre-tax basis. Eligible for life insurance and voluntary plans on post-tax basis. <ul style="list-style-type: none"> <li>Eligible for pre-tax Health Savings Account (HSA)</li> </ul> </li> <li>Eligible for Employee Assistance Program (EAP)</li> <li>Eligible for 457(b) Postdoctoral Scholar Retirement Plan <ul style="list-style-type: none"> <li>Receive employer contribution</li> <li>Can make employee contribution on pre-tax and/or post-tax basis</li> </ul> </li> <li>Benefits deductions processed on applicable payments</li> </ul>	<ul style="list-style-type: none"> <li>Vacation hours determined by funding source. If vacation policy not addressed, benefits described on the left apply</li> <li>9 paid holidays per year</li> <li>Sick leave hours determined by funding source. If sick leave policy not addressed, benefits described on the left apply <ul style="list-style-type: none"> <li>Accruals and holidays managed at department level. Not currently available on paystubs or Kronos</li> </ul> </li> <li>Eligible for medical, dental, vision, life insurance, and voluntary plans on post-tax basis <ul style="list-style-type: none"> <li>Not eligible for pre-tax Health Savings Account (HSA)</li> </ul> </li> <li>Eligible for Employee Assistance Program (EAP)</li> <li>Eligible for 457(b) Postdoctoral Scholar Retirement Plan <ul style="list-style-type: none"> <li>Receive employer contribution</li> <li>Can make employee contribution on post-tax basis only</li> </ul> </li> <li>Benefits deductions processed on applicable payments (no pre-tax benefits)</li> </ul>
<p><b>Taxes</b></p> <p>For general tax withholding or documentation questions, contact <a href="mailto:w2@ohsu.edu">w2@ohsu.edu</a> or consult the <a href="#">Payroll website</a>.</p> <p><i>Note: OHSU and the Office of Postdoctoral Affairs can only provide general information and cannot provide you with specific information about your individual tax situation.</i></p>	<p>Taxed as an employee, meaning federal, state, Social Security, and Medicare taxes are withheld. Income and withholding taxes are reported by OHSU to tax authorities (IRS, SSA, and state)</p> <p><b>U.S. Person</b></p> <ul style="list-style-type: none"> <li>Tax form issued: W-2</li> </ul> <p><b>Non-U.S. Persons</b></p> <ul style="list-style-type: none"> <li>A tax treaty may apply</li> <li>Tax forms issued: W2 and/or 1042-S</li> </ul>	<p>Fellowship stipend is subject to federal and state taxes, but not Social Security or Medicare taxes. Stipends are amounts paid as support to offset living expenses; they are not wages. OHSU reports stipend income to applicable authorities and may withhold federal income tax for non-U.S. persons as applicable.</p> <p><b>U.S. Persons</b></p> <ul style="list-style-type: none"> <li>No state or federal tax withheld</li> <li>Postdoc may need to make estimated tax payments directly to the IRS and state</li> <li>Stipend income reported by OHSU to IRS and state</li> <li>Tax form issued: 1099</li> </ul> <p><b>Non-U.S. Persons</b></p> <ul style="list-style-type: none"> <li>A tax treaty may apply</li> <li>Federal tax may be withheld as applicable</li> <li>State tax <i>not</i> withheld</li> <li>Postdoc may need to make estimated tax payments directly to the IRS</li> <li>Stipend payments and federal withholding reported by OHSU to IRS</li> <li>Tax forms issued: 1042-S</li> </ul>
<p><b>Voluntary Deductions</b></p>	<p>Eligible for voluntary pre-tax deductions for all transportation services deducted from payroll (see <a href="#">Parking</a> for more information)</p>	<p>Eligible for voluntary post-tax transportation services paid by credit card or similar (see <a href="#">Parking</a> for more information)</p>

\* Tax status and forms depend on facts and circumstances. Please consult with your tax advisor for details

## Postdoc Pay Flowchart

The Postdoctoral Scholar's home department does the HR action to switch from salaried to stipend status (and vice versa)

