
Year-End Nonresident Alien and Foreign Vendor Tax Compliance Training Syllabus

December 6 – 9, 2011
Doubletree Guest Suites
Boston, Massachusetts



*Schedule subject to change.

Presented by Windstar Technologies, A Thomson Reuters Business

Tuesday, December 6, 2011 – LECTURE TRACK

7:30 – 8:30 *Registration and Continental Breakfast*

8:30 – 10:00 **IRS Initiatives Affecting Withholding and Reporting on Payments to Foreign Individuals and Vendors**

10:00 – 10:10 *Break provided by Windstar*

10:10 – 12:00 **Tax Rules of the Road**

Presenter: Paula Singer

- The “Four Highways” of Taxation
 - ◆ Federal Income Taxes
 - ◆ State Income Taxes
 - ◆ Social Security (FICA) Medicare Taxes
 - ◆ Income Tax Treaties
- Identify the Payee – NRA vs. RA
 - ◆ Immigration Status
 - ◆ U.S. Presence
- Identify the Character of Payment
 - ◆ Type of Income
 - ◆ Source of Income
- Identify the Tax Exemptions
 - ◆ Code Exemptions and Required Conditions
 - ◆ Income Tax Treaties
- Apply the Procedural Rules
 - ◆ Special Wage Withholding Rules
 - ◆ Withholding Forms – 8233, W-8BEN, W-9, etc. and Reporting Forms 1042-S
- Tax Return

12:00 – 1:00 *Lunch provided by Windstar*

CONCURRENT SESSIONS

**Payments to Foreign Employees
and Student Track**

**Payments to Foreign
Vendors Track**

1:00 – 2:25

Immigration Basics

Presenter: Linda Dodd-Major

- Terms and Concepts
- Common Points of Confusion
- Understanding the Process
- Alien Visitors
- Work Authorization

**Three Big IRS Audit Targets in AP:
Form 1099, Form 1042, and Contractor
Classification Compliance**

Presenter: Marianne Couch

- Payments Flagged for 1099 Reporting, or Reported When They Should Have Been on a W-2
- Payments to Foreign Persons Not Properly Documented
- Payments to Workers Who Were Paid from AP but Should Have Been Paid Through Payroll

2:25 – 2:35 *Break Provided by Windstar*

Tuesday, December 6, 2011 – LECTURE TRACK *(Continued)*

CONCURRENT SESSIONS

Payments to Foreign Employees and Student Track

Payments to Foreign Vendors Track

- 2:35 – 3:45** **Immigration Documentation of NRA for U.S. Tax Purposes**
Presenter: Terri Crowl
- Recognizing and Interpreting Immigration Documentation
 - Who Gets What and Why?
 - Key Features of Documents
 - Coordinating Immigration and Other Documentation
 - Importance of Maintaining Records of Immigration and Other Documents

- Tax Treaty Implications on Payments to Foreign Vendors**
Presenter: Paula Singer
- What Treaties Do
 - New and Amended Tax Treaties
 - When Treaty Provisions Become Effective
 - Who is Eligible for Treaty Benefits
 - Types of Benefits
 - ◆ Pay for Services
 - ◆ Royalties
 - ◆ Rents
 - ◆ Grants, Prizes, and Awards
 - Permanent Establishment Issues
 - How Treaty Benefits are Claimed
 - How Treaty Benefits are Reported

3:45 – 3:55 ***Break Provided by Windstar***

- 3:55 – 5:10** **Introduction to Income Tax Treaties**
Presenters: Terri Crowl and Paula Singer
- What Treaties Do
 - When Treaties Come Into Force
 - Upcoming Tax Treaties and Protocols
 - What Taxes Are Covered
 - Who Can Have Treaty Benefits
 - How Treaty Benefits Are Lost
 - How Treaty Benefits Are Preserved
 - Withholding and Reporting Form

- Overview of W-8 Reporting Forms and Solicitation Process**
Presenter: Marianne Couch
- Overview of the Forms
 - Who's a non-U.S. person?
 - Citizens v Residents v Non-residents
 - Puerto Rico and U.S. Territories
 - Basics of Taxation
 - ◆ U.S. Source v Worldwide Income
 - ◆ Requirement to withhold 30%
 - ◆ Depositing the tax
 - Types of Payments

5:10 – 6:00 ***International Tax Navigator*[®] Demonstration (Optional)**

***W-8 E-Compliance*[™] Demonstration (Optional)**

6:00 – 7:00 ***Cocktail Reception***

Wednesday, December 7, 2011 – LECTURE TRACK

7:30 – 8:30 *Continental Breakfast Provided by Windstar*

CONCURRENT SESSIONS

Payments to Foreign Employees and Student Track

Payments to Foreign Vendors Track

8:30 – 10:00 **Tax Treaty Benefits and Limitations**

Presenter: Terri Crowl

- Benefits and Limitations
 - ◆ Required Pay
 - ◆ Maximum Amounts
 - ◆ Treaty Benefit Periods
- Benefits and Limitations for:
 - ◆ Students
 - ◆ Professors, Teachers, Researchers
 - ◆ Independent Contractors
 - ◆ Artists and Athletes
 - ◆ Prizes and Awards
 - ◆ Royalties
 - ◆ Foreign Entities
- Withholding and Reporting Forms

**Documenting the U.S. or Foreign Status of
Your Payee**

Presenter: Marianne Couch

- IRS v INS
- Substantial Presence Test
- How to Source Income
 - ◆ Rules for Services, Rent and Royalties
- Payments for Goods and Services

10:00 – 10:10 *Break Provided by Windstar*

10:10 – 12:00 **Resident or Nonresident: Identify
the Payee**

**Presenters: Paula Singer and
Terri Crowl**

- NRA or RA?
- Green Card Test
- Substantial Presence Test
- Days That Do Not Count
- Rules for “Exempt Individuals”
- Residency Start and End Dates
- Residency Elections

**Tax Reporting Requirements and Procedures
on Payments for Service Contracts, Software
Agreements, Royalties and Rents to Foreign
Vendors**

Presenter: Marianne Couch

- Sourcing Income for Digitized Information
- Software Rules
- Sourcing for Services Performed Both
Within and Outside the U.S.
- Artists, Athletes, and Entertainers
 - ◆ Central Withholding Agreements
- U.S. TINs and NRAs
- Forms W-8BEN and 8233
- Should You Gross Up a Payment?
- Form W-8ECI and Effectively Connected Income

12:00 – 1:00 *Lunch Provided by Windstar*

Wednesday, December 7, 2011 – LECTURE TRACK (*Continued*)

CONCURRENT SESSIONS

Payments to Foreign Employees and Student Track

Payments to Foreign Vendors Track

- 1:00 – 2:20 Scholarships and Fellowships**
Presenter: Paula Singer
- Qualified (Nontaxable)
 - Nonqualified (Taxable)
 - Candidate for a Degree Defined
 - Travel Grants
 - Withholding – Tax Rates and Exceptions
 - Withholding Allowances
 - Treaty Claims and Forms
 - Form 1042-S Reporting

- Tax Reporting Requirements and Procedures on Payments to Foreign Vendors (*Continued*)**
Presenter: Marianne Couch
- Payments to Agents
 - U.S. vs Foreign Agents
 - ◆ The Purpose of the Form W-8IMY
 - Form W-8EXP
 - ◆ Why it's rarely the correct form for AP
 - Obtaining W-8s electronically
 - ◆ Rules for original forms
 - What happens if you don't have and can't get documentation on/from your vendor?
 - ◆ IRS presumption rules
 - Recordkeeping and due dates

2:20 – 2:30 Break Provided by Windstar

- 2:30 – 3:45 Wages**
Presenter: Terri Crowl
- NRA Withholding Rules
 - NRA Form W-4
 - NRA FICA Exception
 - Student FICA Exception
 - Treaty Claims and Forms
 - Form W-2 vs. Form 1042-S

- FACTA Updates and Best Practices Policies and Procedures and Case Studies**
Presenter: Marianne Couch
- FACTA Updates
 - What Documentation to Collect for Common Payment Types
 - Case study: W-8 Solicitation and Reporting Example
 - Case studies Form 1042-S IRS Paper and Electronic Submissions

3:45 – 3:50 Break Provided by Windstar

- 3:50 – 5:30 Best Practices Policies and Procedures on Payments to Foreign Students and Employees**
Presenter: Terri Crowl
- Ensuring You're Kept in the Loop
 - Campus Liaisons/Who to Have in Your Corner and How to Get Them There
 - Gathering Basic Information
 - What Documentation to Collect for Common Payment Types
 - Case studies

- 1042-S International Information Reporting on Payments to Foreign Vendors and Individuals**
Presenters: Gary Singer and Paula Singer
- Form 1042-S Reportable Payments
 - Payments Not Reportable on Form 1042-S
 - Form 1042-S Codes and Where to Find Them
 - Extensions of Time to File

Thursday, December 8, 2011 – SOFTWARE TRACK

7:30 – 8:30 Continental Breakfast Provided by Windstar

CONCURRENT SESSIONS

Tax Navigator Basic Track

Developing a Tax Compliance Program Track

- 8:30 – 9:15 Tax Law Regulations and Tax Navigator Processes**
Presenter: Paula Singer
- Overview of the Processing Capabilities of the *International Tax Navigator* to Handle Nonresident Alien Taxation

- Justifying Foreign Tax Compliance to Management**
Presenter: KPMG
- Dangers of Noncompliance
 - Identifying areas of potential compliance risks
 - Questions and Answers

- 9:15 – 10:15 Windstar Solutions**
Presenters: Manny Paola and Connie Medico
- Windstar® Support
 - On-line Training
 - Windstar Online Help
 - Windstar Users' Website
 - Windstarusers listserv
 - Problem Resolution – FTP
 - Email Support
 - Windstar® Solutions
 - *International Tax Navigator*®
 - FNIS-Web-based Data Collection/Forms Delivery
 - Security Administrator
 - Utilities-Archiving, Databases,
 - Exporting
 - Organizational Processing
 - Treaty Navigator
 - Interfaces

- Establishing a Tax Compliance Program (Part One)**
Presenter: KPMG
- External Factors for Compliance
 - Withholding Agent Responsibilities
 - Reporting Requirements
 - Questions and Answers

10:15 – 10:35 Break provided by Windstar

- 10:35 – 12:00 Tax Navigator Boot Camp**
Presenters: Manny Paola and Connie Medico
- Overview of entire Tax Navigator System
 - Adding an Recipient's Record
 - Using Your Sample Database
 - Changing an Recipient's Record or Data
 - Navigating Through the Basic Screens
 - Understanding Reports

- Establishing a Tax Compliance Program (Part Two)**
Presenter: KPMG
- Treaties and Totalization Agreements
 - Practical Considerations
 - Examples and Audience Discussion
 - Questions and Answers

Thursday, December 8, 2011 – SOFTWARE TRACK (*Continued*)

12:00 – 1:00 *Lunch provided by Windstar*

CONCURRENT SESSIONS

Tax Navigator Basic Track

Special Topics Track

1:00 – 1:45 Tax Navigator Boot Camp (*Continued*)

Presenters: Manny Paola and Connie Medico

- How to Enter and Change Immigration Information
- Immigration Status and “Primary Purpose”
- Performing the Substantial Presence Test
- Understanding the Logs
- Where Did My Forms Go?
- Entering Income Information
- Types of Income
 - Scholarships
 - Employment
 - Compensation
- The Treaty Analysis and Reports
- Reading the Logs

Tax Navigator Reports and Interfaces

Presenter: Scott Annis

- Tax Navigator Reporting Capabilities
- Export to Excel
- Demographic Data Sources and Interfaces
- Immigration Data Sources and Interfaces
- Payment Data Sources and Interfaces
- Telling the Paying System “What To Do”
- Windstar’s ERP Alliances and Interfaces

1:45 – 1:50 *Break*

1:50 – 2:35 How Options and Settings Affect Results - *Presenters: Terri Crowl and Scott Annis*

- Setting Up Your Organization
- Setting Your Defaults
 - SPT • Treaty • Forms
- Sending Data to Windstar

Foreign National Information System (Part One) *Presenter: Tom Penhale*

- Overview
- Administration settings

2:35 – 2:50 *Break provided by Windstar*

2:50 – 4:00 Performing SPT, Treaty Analysis and Understanding Logs *Presenters: Jason Foley & Scott Annis*

- Entering Immigration Information
- Dealing with Holiday and Vacation Days Away
- Performing the SPT and Redoing SPT
- Electing Residency Status
- Dealing with Changes in Immigration Status
- Residency Start and End Dates
- Residency Analysis Options
- Entering income Data
- What To Do When There are no U.S. days
- Performing the Treaty Analysis
- Dealing with Out of System Payments
- Reading the Treaty Analysis Log
- Redoing the Analysis
- TIN Issues
- Required Forms (8233, W-8BEN, W-9)

Foreign National Information System (Part Two) *Presenter: Tom Penhale*

- Creating foreign national records
- Foreign national entering data on website
- Administrator Approval Process

Thursday, December 8, 2011 – SOFTWARE TRACK (*Continued*)

4:00 – 4:10 *Break provided by Windstar*

CONCURRENT SESSIONS

Tax Navigator Basic Track

- 4:15 – 5:00 **Case Studies: Common Non-payroll and Scholarship Transactions Handled by Tax Navigator**
Presenters: Manny Paola, Connie Medico, and Terri Crowl
- Case Study Example of Entering the Following Payments into Tax Navigator
 - Royalty Payment to a Corporation
 - 9/5/6 Honorarium Payment to a B-1
 - J-1 Researcher

Special Topics Track

Foreign National Information System (Part Three)

Presenter: Tom Penhale

- Interfaces export to Tax Navigator
- Uploading forms from Tax Navigator
- Advanced Features



Friday, December 9, 2011 – SOFTWARE TRACK

7:30 – 8:30 Continental Breakfast provided by Windstar

CONCURRENT SESSIONS

Hands-on Software Track

Special Topics Track

8:30 – 9:15 Strategy for 1042 and 1042-S Submissions

Presenter: Scott Annis

- Getting your organization ready for Year-End Processing
- The Fatal Errors that will delay processing your returns
- Dealing with IRS Edits
- IRS Publications and Forms
- Requesting an Extension – 1042, 1042-S
- Submitting Forms

Maintaining Your System and Staying Up-to-date

Presenters: Terri Crowl and Manny Paola

- Upgrading Software
- Common Error Messages
- Security Key Issues
- Multiple People in the System
- Replacing Previous Users
- Maintaining Organization Information

9:15 – 10:00 Preparing 1042-S Forms

Presenter: Gary Singer and Scott Annis

- Maintaining the Record
- Adding Withholding Allowances
- Preparing Submissions for the IRS and Individuals
- Original Submissions

Foreign National Tax Resource

Presenter: Manny Paola

- Overview of Tax Library
- Overview of Tax Preparation Software

10:00 – 10:20 Break provided by Windstar

10:20 – 12:00 Preparing 1042-S Forms (Continued)

Presenters: Gary Singer and Scott Annis

- Printing Issues
- Mailing Issues
- Processing 1042-S Forms
- Completing a Form 1042
- Using the IRS FIRE System
- Getting the TCC Number

Hands-on Q and A

Presenters: Connie Medico and Manny Paola

- Meet one-on-one with Windstar experts for personalized Tax Navigator Instruction

12:00 – 1:00 Lunch provided by Windstar

1:00 – 2:00 Amending Records and Making Changes to Submitted Files

Presenters: Gary Singer and Scott Annis

- Dealing with 1042-S Errors
- How to Void and Correct an Individual Record
- When is a Correction Not a Correction
- Submissions with Corrected and Voided Records

Hands-on Q and A

Presenters: Connie Medico and Manny Paola

- Meet one-on-one with Windstar experts for personalized Tax Navigator Instruction

Friday, December 9, 2011 – SOFTWARE TRACK *Continued*

CONCURRENT SESSIONS

Hands-on Software Track

- 2:00 – 2:30** **Batch Processing**
Presenters: Gary Singer and Scott Annis
- Substantial Presence Test (SPT) in Batch
 - Treaty Analysis in Batch
 - Reports on Changes
 - Creating Form 8843
 - Special Batches
 - Interface Batches

Special Topics Track

- Hands-on Q and A**
Presenters: Connie Medico and Manny Paola
- Meet one-on-one with Windstar experts for personalized Tax Navigator Instruction

