University of Oregon Student Travel Expenses

It is necessary to distinguish Student Travel expenses between what the Internal Revenue Service (IRS) considers a business expense or a travel scholarship/fellowship/grant.

The IRS considers paid/reimbursed Student Travel expenses as "tax-free business related" to the student when they are compliant with the University's Travel Policy and procedures and the documented purpose of the travel:

- Directly supports a UO faculty member's project/research program, or
- Is related to presenting a paper or poster at a conference, or
- Is associated with an established student organization (such as ASUO, athletics, band), or
- Is related to their duties as a student employee or graduate employee.

Any travel expenses which do not meet one of the above criteria, the IRS considers to be a travel scholarship/fellowship/grant; U.S. students are required to self-determine if this is tax reportable on their personal tax return. International (nonresident alien) students (Visa type F,J,M,Q), are subject to a 14% federal tax withholding which will be reported as scholarship income on Form 1042-S.

Travel expenses paid or reimbursed for student travel are of a complex nature. The below explanations are not inclusive.

Business Travel

Student travel expenses must be processed through Concur and be compliant with the University's Travel Policy & procedures and is considered by the IRS as "tax-free business related" if any one of the following applies:

- The travel supports ongoing University projects/research (this does not include personal research for a paper, dissertation, etc.)
- Related to their duties as a student employment or GE.
- The University will use results of research.
- Research fulfills University's obligations to outside funding entity.
- A student is presenting at a conference or actively participating in a competition on behalf of the University and is noted on Event Agenda,

- Attend conference on behalf of an established student organization (such as ASUO, athletics, band) where information gained is shared with the organization.

Examples

- Student travels to represent the University in a scholastic competition.
- Student travels to present at a conference where the student's name was published (poster, website, brochure) as a presenter/contributor at the conference.
- Student travels to perform research, which happens to be the topic of her dissertation, but the University would otherwise perform research on this topic, regardless of the student's research – the University is the primary beneficiary.
- Travel required for every student in a degree program - paid by the student as part of their course fees.

Travel Scholarship/Fellowship/Grant

Student travel expenses is considered by the IRS to be a scholarship/fellowship/grant (A/C 55105) (not necessarily tax-free) if:

- The travel supports research not being led by UO Faculty.
- The project/research's primary purpose and original intent is to further the student's education.
- Activities performed contribute to the development of the skills needed in the student's studies.

Examples

- Student travels for their dissertation but it is not Research that the University is currently conducting – the student’s dissertation, thesis, or paper is the primary purpose of the travel.
- Student travels to a conference as an attendee and does not present/contribute in an official capacity, not noted on the Event Agenda. This is supplemental work that the student may need to succeed, but it is not a required part of the degree.

- Student travels for language training which will assist in language proficiency needed for degree. This is supplemental work that the student may need to succeed, but it is not a required part of the degree.

TAXES and REPORTING:

Domestic Students (includes U.S. Citizens, permanent residents, and residents for tax purposes):

“Tax-free business related” travel expenses are not taxable income to the recipient. Scholarship/fellowship Travel is not subject to tax withholding, is not reported by the University to the IRS, but may be considered by the IRS to be self-reportable income, per IRS publication 970. Please seek advice from your personal tax advisor regarding this if needed.

International Students (nonresident alien)

“Tax-free business related” travel expenses are not taxable income to the recipient. Scholarship/fellowship travel expenses for students with F, J, M, or Q visas are subject to 14% federal tax withholding. The gross and tax withheld amount is tax reported on the IRS Form 1042-S. Please seek advice from your personal tax advisor regarding this if needed.