

INFORMATION ABOUT TAX IMPLICATIONS FOR PRIZES AWARDED TO PRINCETON STUDENTS

All student prizes are taxable. The U.S. Internal Revenue (IRS) requires the following:

1. For US citizens and resident aliens, the University must report prizes totaling \$600 or more to the IRS, but does not have to withhold tax. Prizes totaling \$600 or more will also be reported to recipients on a Form 1099-MISC. The University's Office of Finance & Treasury will issue the forms to recipients by January 31. **It is the responsibility of the prize recipient to report the taxable prize payment to the IRS.**
2. For nonresident aliens, the University must withhold taxes at a rate of 30%, and prizes are not eligible for a tax treaty exemption. Prize amounts and applicable tax withholding will be reported on a Form 1042-S. The University's Office of Finance & Treasury will issue these forms to students by March 15th following the calendar year.

If you have questions please visit the university's [Student Tax Information website](#) or contact staff in the [Financial Service Center](#).