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.