**UTHealth Research Study Participant Payment Processing**

When UTHealth issues payments to Research Study Participants (“Participants”), payments may be reportable for tax purposes on Form 1099 or Form 1042-S.

To facilitate capturing the required information for anticipated tax reporting, the following guidelines will allow research coordinators to take the proper steps to ensure tax compliance.

1. Payments Under $100. If estimated payments to the Participant are not expected to total $100 or more per incidence or $600 per calendar year, and are expected to be paid by petty cash or gift card, no Form W-9, Form W-8BEN, or vendor setup is required unless the Participant is involved in multiple studies. Research coordinators should determine if Participants are involved in multiple studies and if so, obtain and a completed [Form W-9](https://inside.uthouston.edu/dotAsset/3037193.pdf) or [Form W-8BEN](https://inside.uthouston.edu/dotAsset/2593021.pdf) from the participant.
2. Payments $100 and Over. Any single payment of $100 or more must be paid by check. To set up the vendor code to permit a payment of $100 or more, the research coordinator must obtain a completed Form W-9 or Form W-8BEN. Guidance on setting up vendors and links to Forms W-9 and W-8BEN forms can be found at: <https://inside.uthouston.edu/dotAsset/1898684.pdf>. For children under 16 years of age, payments should be directed to the child’s parent or guardian.
3. Total Payments in Excess of $600. If total payments during the calendar year are expected to exceed $600, whether paid by petty cash, gift card, or check, a vendor code must be set up for the Participant at the beginning of the study, and the research coordinator must obtain a completed Form W-9 or Form W-8BEN.
4. Tracking Payments. All payments, regardless of source, made to Participants must be tracked by the research coordinator on a log that includes Participant’s First and Last Name, Middle Initial, Vendor ID (if applicable), Amount, Participant ID/MRN (if applicable), and Address.
5. Reporting. At the end of each calendar year, Budget and Financial Reporting (“BFR”) will provide instructions for submitting required payment information for tax reporting purposes.
6. Upon receipt, completed Form W-9 or W-8BEN should be forwarded to Procurement by secure fax at 713-383-3722. The original forms should be shredded after confirming that they were received by Procurement. Procurement will retain the forms in accordance with UTHealth retention polices set forth under HOOP 181 (see link below).

Reminder: All normal course guidelines including those listed below regarding the safeguarding of personal identification information must be adhered to in communications and documentation related to the payments, Form W-9 or W-8BEN, and any other related matters.

Questions regarding these procedures can be addressed to Budget and Financial Reporting at [budget@uth.tmc.edu](mailto:budget@uth.tmc.edu) or 713-500-4919.

Glossary:

Form 1099: An information form filed with the Internal Revenue Service that is used to report income from sources other than wages

Form 1042-S: An information form filed with the Internal Revenue Service that is used to report certain U.S. income of a foreign person that is subject to withholding

W-9: An Internal Revenue Service form titled “Request for Taxpayer Identification Number and Certification”

Form W-8Ben: An Internal Revenue Service form titled “Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding”

Related polices include:

## [Handbook of Operating Procedures - Policy 206 - Privacy of Individually Identifiable Health Information](http://www.uthouston.edu/hoop/policy.htm?id=1974558)

* [Handbook of Operating Procedures - Policy 179 - Responsibilities for the Use of Digital IDs](http://www.uthouston.edu/hoop/policy.htm?id=1448206)
* [Handbook of Operating Procedures - Policy 181 - Records Management Program](http://www.uthouston.edu/hoop/policy.htm?id=1448210)
* [Handbook of Operating Procedures - Policy 092 - Research Data Retention and Access](http://www.uthouston.edu/hoop/policy.htm?id=1448032)