

## **Business Requirements Document**

*SR83872 - Allow Citizenship Code "R" for Student Employees  
from India*

# Information Technology Services

Office of the President

## Document Information

Document Attributes	Information
ID	SR83872
Owner	Payroll Coordination and Tax Services
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## Revision History

Version	Issue Date	Changes
1.0	02/04/2013	1 <sup>st</sup> Draft
1.1	02/06/2013	Removed a few unneeded sections from BRD.
1.2	02/26/2013	B. Burkart – Functional Requirements

## Document Approvals

Role	Name	Signature	Date
Controller	Peggy Arrivas		

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## 1 Overview

Allow Citizenship Status code “R” (Resident) to be used for student employees from India who become residents for tax purposes by passing the substantial presence test.

### 1.1 Background

In March 2000, Release 1279 (in particular the addendum to SR 14828) established a new Citizenship Status Code (DE 0109) of “S” for student employees whose Country of Residency Code (DE 0143) had a value of “IN” and Student Status Code (DE 0119) had a value of “3”, “4”, “6”, or “7”. This was done in response to Internal Revenue Publication 515, Withholding of Tax on Nonresident Aliens and Foreign Entities which states:

“Students and business apprentices who are eligible for the benefits of Article 21(2) of the United States-India income tax treaty can claim additional withholding allowances on line 5 for their spouses. In addition, they can claim an additional withholding allowance for each dependent who has become a resident alien.”

Citizenship Status Code “S” allows the Indian Student to claim more than “1” Federal Withholding Allowance (DE 0128) for Federal Income tax purposes. Also, these students are not subject to the additional nonresident alien Federal withholding tax (GTN 301) that is withheld from the wages of all other nonresident aliens. The value of the marital status for this Citizenship Status Code must be “S” (single).

When a Citizenship Status Code other than “S” is entered for a student employee from India, an Employee reject error message (08-440) is issued stating:

*STUDENT EMP FROM INDIA CTZN CODE MUST BE “S”*

An international student who is temporarily present in the United States under an “F,” “J,” “M,” or “Q” visa for 5 or more calendar years can become a “resident for tax purposes” by passing the substantial presence test. This would include student employees from India. Student employees who pass the substantial presence test and become residents for tax purposes are generally taxed in the same way as U.S. citizens. They can use the same filing statuses available to U.S. citizens which means for students who are married, being able to claim “M” marital status.

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## 1.2 Objectives

The Citizenship Status Code (DE 0109) for student employees with Country of Residency Code (DE 0143) "IN" and Student Status Code (DE 0119) "3" "4", "6", or "7" should be limited to values of "S" or "R". No other values should be allowed for this population.

This is not date mandated however it has been requested by campuses.

## 1.3 Related Projects & Dependencies

Release 1279 (Addendum to SR 14828)

## 1.4 Stakeholders

Acronym	Description	Role
*	Authorize	Has ultimate signing authority for any changes to the document
R	Responsible	Responsible for creating this document
A	Accountable	Accountable for accuracy of this document (e.g. project manager)
S	Supports	Provides supporting services in the production of this document
C	Consulted	Provides input
I	Informed	Must be informed of any changes

Name	Position	*	R	A	S	C	I
Marcia Johnson	Senior Analyst		X	X			X
John Barrett	Director			X	X	X	X
Jaime Espinoza	Principal Analyst				X	X	
Peggy Arrivas	Controller	X					

## 1.5 Proposed Strategy

Currently PPS only accepts Citizenship Code “S” as a valid value for student employees from India. We now want Citizenship Code “R” to be valid as well.

## 1.6 Glossary

N/A

## 2 Product/Solution Scope

### 2.1 Included in Scope

N/A

### 2.2 Excluded from Scope

N/A

### 2.3 Assumptions & Constraints

N/A

### 2.4 Outstanding Items

N/A

## 3 Business Services and Processes

N/A

## 4 Business Rules

N/A

## 5 Business Requirements

### 5.1 User Requirements

N/A

### 5.2 Functional Requirements

Req ID	Requirement Type	Requirement Description	Priority [L/M/H]	Comments
<b>R0001</b>	EDB Edits And Implied Maintenance - Consistency Edits	Currently, the process that performs consistency edits on citizenship code and country of origin sets message 08-440 or 12-270 for Indian student employees when their citizen code (EDB0109) is anything other than "S". This edit should be changed to allow code "S" or "R."	H	
<b>R0002</b>	Control Table: System Messages Table	<p>Messages 08-440 and 12-270 should be changed to reflect that the valid values of citizen code are "S" and "R" for Indian student employees.</p> <p>Messages 08-440 and 12-270 should be changed to read:</p> <p>STUDENT EMP FROM INDIA CTZN CODE MUST BE 'S' or 'R'</p>	H	

### 5.3 Reporting Requirements

N/A

## **6 Non-Functional Requirements**

N/A

## **7 External References**

N/A