

Notice to Recipients of Scholarships and Fellowships (This information applies to U.S. Citizens and Resident Aliens only)

This award is based on the fact that you will not be performing services for SDSU, SDSU Research Foundation (or anyone else) as a condition to receive this award. If services were a requirement to receive funds, SDSU Research Foundation would be required by law to consider you an employee and process all payments through the payroll office. Because there are no service requirements, the funds may or may not be taxable based on your personal situation. A clear understanding of the commonly used terms will help you to understand the tax implications in order to avoid a tax liability surprise at year-end.

Definition of Scholarship: "A scholarship is generally an amount paid for the benefit of a student at an educational institution to aid in the pursuit of studies." The student may be either an undergraduate or graduate.

Definition of Fellowship: "A fellowship is generally an amount paid for the benefit of an individual to aid in the pursuit of study or research." The student may be either a graduate fellow or a post-doctoral (trainee) fellow. **All of the fellowship money is usually taxable.** For further information on the definition and differences of a scholarship and fellowship, please see IRS Publication 520.

Definition of Qualified Scholarship or Fellowship (as stated in IRS Publication 520): "A qualified scholarship or fellowship is any amount you receive as a scholarship or fellowship grant that is used under the terms of the grant for:

1. Tuition and fees required to enroll in, or to attend, an educational institution, or
2. Fees, books, supplies, and equipment that is required for the courses at the educational institution. These items must be required by **all** students in your course of instruction."

Your scholarship or fellowship grant can still qualify as tax free even if the terms do not provide that it be used only for tuition and course-related expenses. It will qualify if you actually use the grant proceeds for tuition and course-related expenses. However, if the terms of the grant require it be used for other purposes, such as room and board, or specify that the grant cannot be used for tuition or course-related expenses, the amounts received under the scholarship or fellowship grant are not tax-free.

The Internal Revenue Services does not require SDSU Research Foundation to report taxable fellowship and scholarship income to either the individual or the IRS. It is entirely the responsibility of the US citizen or resident alien to report any taxable income on his/her tax return. If you have any questions, we recommend that you engage a tax professional.

The Effect of Scholarships or Fellowships on Receipt of Financial Aid: If you are student who has applied for, or who has been awarded financial aid, receiving additional financial resources like scholarships, fellowships, stipends, etc. can affect your financial aid eligibility. Federal and state law requires that resources be counted when determining financial aid eligibility. It is **your** responsibility to report any additional financial resources to the SDSU Office of Financial Aid and Scholarships. *Failure to report resources may result in the reduction or cancellation of financial aid received and you being required to return funds.*

Responsible Conduct of Research (RCR) Training: The National Institutes of Health (NIH), National Science Foundation (NSF), U.S. Department of Commerce (DOC), and U.S. Department of Agriculture (USDA) require certain categories of researchers to receive RCR training. If you are receiving a scholarship or fellowship by one of these agencies, you are required to complete the RCR training prior to being paid. A certificate of completion of the RCR training is required to be on file at SDSU Division of Research Affairs. For further information, please contact SDSU Division of Research Affairs. (http://research.sdsu.edu/research_affairs)

I hereby certify that I have read the above information and understand that I am responsible for reporting taxable income to the IRS.

Print Legal Name of Recipient:			
Have you applied for or been awarded financial aid (including student loans)? Yes ☐ No ☐			
(if "Yes" SDSU Office of Financial Aid approval is required)			
Address:	City:	State:	Zip:
Recipient's Signature:			Date:
Principal Investigator Signature:		SDSURF Fund Number:	
Total Estimated Amount of Support:			
SDSU Office of Financial Aid Signature (if applicable):			Date:
RCR Training Completed?	N/A ☐	Yes ☐	