



**State of Louisiana**  
Division of Administration  
**Office of State Uniform Payroll**

**THIS MEMO HAS BEEN REPLACED BY OSUP MEMO #2010-41, DATED MARCH 31, 2010.**

March 14, 2008

OFFICE OF STATE UNIFORM PAYROLL MEMORANDUM #2008-32

TO: All ISIS HR Paid Agencies

FROM: Jena W. Cary  
Director

SUBJECT: Update to Tax Withholding Procedures for Non-Resident Alien Employees

This memorandum supersedes OSUP Memo #2007-24 which notified agencies that an additional amount of \$102 would automatically be added to wages before taxes were calculated each pay period for those employees with a residence status of **“Non-Resident Alien” on IT0094 in ISIS HR**. This procedure is now being replaced with different functionality in ISIS HR.

A new indicator on IT0210 will identify employees as non-resident aliens and taxes will be calculated using an amount determined and published annually by the IRS in Publication 15, Circular E, Employer’s Tax Guide. Until the published amount changes, non-resident alien employees should only notice a one to two cent difference in net pay compared to periods with the same taxable wage amounts. This change will be implemented March 24, 2008 for the April 11<sup>th</sup> payday. Agencies need to be aware of the following:

- No changes are needed for current employee records that are already correctly identified as a “Non-Resident Alien” on IT0094.
- The new indicator on IT0210 will be marked manually by ISIS HR staff for those employees that currently have a residence status of “Non-Resident Alien” on IT0094.
- After this change has been implemented, agencies must mark the “Non-resident tax calculation” indicator on IT0210 for all newly hired and re-hired non-resident alien employees in addition to selecting a residence status of “Non-Resident Alien” on IT0094.
- Agencies must also remember to copy and create a new IT0210 record with a new effective date and then deselect the “Non-resident tax calculation” indicator

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as needed for current employees when their residence status changes. New IT0094 records should also be created for these employees.

- Employees that are identified as a “Non-Resident Alien” will be prevented from making tax withholding changes in LEO. These changes must be processed by the Employee Administration office.
- Agency personnel will be prevented from making tax withholding changes in ISIS HR for those employees with the “Non-resident tax calculation” indicator marked on IT0210.

Agencies are reminded that all non-resident alien employees are required to complete Form W-4, per Internal Revenue Service [Notice 2005-76](#), as follows:

- Check only “Single” marital status on line 3 (regardless of your actual marital status);
- Claim only one allowance on line 5, unless you are a resident of Canada, Mexico, or the Republic of Korea (South Korea), or a U.S. national;
- Write “Nonresident Alien” or “NRA” on the dotted line on line 6. You can request additional withholding on line 6 at your option; and
- Do not claim “Exempt” withholding status on line 7.

**REMINDER: It is OSUP policy that IT0094 must be completed and monitored for all employees.**

Any questions regarding tax withholding procedures for non-resident aliens should be directed to a member of the OSUP Benefits and Financial Administration Unit at [\\_DOA-OSUP-BFA@la.gov](mailto:_DOA-OSUP-BFA@la.gov) or (225):

Angel Vernon	342-5344	Jodi Bullock	342-5345
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JWC/PAR