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**To:** [SRBA-CENTRALADMIN-L@LISTS.UPENN.EDU](#); [SRBA-SCHOOLCENTER-L@LISTS.UPENN.EDU](#)  
**Subject:** Student Prizes and Awards  
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***The following message is being sent on behalf of Corporate Tax, Compliance and Payroll;  
Student Registration & Financial Services; and the Provost Administrative Affairs Office***

As we approach the end of the academic year, we would like to remind you of the policies related to student prizes and awards. These payments to students should be made as follows:

- **Graduation prizes** are awarded in recognition of educational achievements. These payments should be processed through the Penn Marketplace via a non-PO Payment Request using object code 5344 Prizes & Awards
- **Travel awards** are payments made to students to travel to enable them to perform research or other educational activity that is not required as part of their degree. Examples of travel awards include Fontaine and GAPSA travel awards, as well as travel related to a conference to present the student's research, not affiliated with research done in conjunction with a Penn professor. These payments should be processed through the Penn Marketplace via a non-PO Payment Request using object code 5345 Expense Reimbursement.
- **Research awards** are payments made to students following an application by the student and approval by a review committee. These awards provide support to the student to perform their own research, typically during the summer break. These payments should be processed through the Penn Marketplace via a non-PO Payment Request using object code 5344 Prizes & Awards.
- **Externships** are internships that do not take place at Penn. These subsistence payments should be processed through the Penn Marketplace via a non-PO Payment Request using object code 5344 Prizes and Awards.
  - Students performing **internships** at Penn should be paid via Workday as a student worker.
- **Gifts** to students using University funds are prohibited.
- **Honoraria** payments to students are prohibited.

**Tax Reporting**

For US citizens and resident alien students, all prizes and awards in the amount of \$600 or greater within a calendar year must be reported by the University to the IRS on Form 1099-MISC. It is the responsibility of all prize/award recipients, regardless of the amount of the prize/award, to report the taxable prize/award to the IRS on their personal income tax returns.

For nonresident alien students, the University is required to withhold 30% tax on the full amount of the prize/award unless the individual is exempt from taxation under a tax treaty. This information is reported to the IRS on Form 1042-S

Please also refer to the Policy on [Payments to Students](#) on the SRFS website.

If you have any additional questions, please contact [BEN Helps](#).

