

Financial Services Manual (FIN)

FIN 425–02: Immigration Status—Eligibility to Receive Payment

Effective: 5/1/1996

Revised: 11/1/2025

Purpose

To describe the policy for authorizing payments to nonresident aliens at ASU

Sources

U.S. Citizenship and Immigration Services

University policy

Background

This policy is dependent on immigration status as shown on the I-94 record issued by U.S. Customs and Border Protection, a part of the Department of Homeland Security (DHS) when a foreign visitor enters the country.

USCIS Documentation for J1 or F1 Visa Categories

Nonresidents may enter the U.S. under an F1 or J1 immigration category by obtaining from an educational institution (or other institution) certain documents. These documents are used by the nonresident to acquire a visa from the U.S. Consulate prior to departing the nonresident's home country. These preliminary documents are forms generated by the Student and Exchange Visitor Information System (SEVIS):

1. SEVIS Form I-20, Certificate for Eligibility for Nonimmigrant (F1) Student Status

or

2. SEVIS Form DS-2019, USIA Exchange Visitor Facilitative Staff Certificate of Eligibility for Exchange Visitor (J1) status. Once the nonresident has obtained a visa, they may proceed to enter the United States. Upon the individual's arrival at a U.S. entry point, DHS processes the I-20 or DS-2019 and issues to the nonresident an I-94 record. This record will indicate the immigration status that the individual has during his or her stay in the United States.

A copy of the I-94 record is one piece of documentation required before ASU can make payments to a foreign visitor and can be obtained on the Department of Homeland Security website.

USCIS Documentation for Other Visa Categories

Nonresidents may enter the U.S. under other visa categories. The most common categories are referred to as B-1 (WB) for business, B-2 (WT) for tourist, TN-1 for Canadian USMCA business visa, TN-2 for Mexican USMCA business visa, or TD for either Canadian or Mexican USMCA dependent.

Residents of Canada and Mexico may enter the U.S. without a visa to prove B-1 status for purposes of receiving an honorarium, such visitors should print a copy of their I-94 arrival record after entering the country. The request should be made based on a letter of invitation from ASU to lecture or participate in a conference or other usual academic

activity. Alternatively, residents of Mexico may have a Mexican border-crossing card (BCC) or a multiple-entry nonimmigrant visa.

The Visa Waiver Program (VWP) allows foreign nationals from certain countries to be admitted to the U.S. under limited conditions and for a limited time without obtaining a visa. They receive this authorization through the Electronic System for Travel Authorization (ESTA). A list of the designated countries can be found on the U.S. State Department website. Nonresident visitors from these countries may enter the United States without a visa for up to 90 days. An I-94 record is issued indicating the visa category applicable to the person’s entry into the United States.

Eligibility to Receive Payment

Immigration and taxation regulations require that only individuals in certain immigration status are eligible to receive payments from the university. U.S. Citizenship and Immigration Services (USCIS) may assess significant penalties if improper, unauthorized payments are made to nonresident visitors. Payments to individuals in an immigration status that do not have authorization may result in a “loss of status” condition leading to immediate deportation and/or sanctions against future entry into the U.S.

U.S. immigration law allows only the following types of payments to nonresident visitors for each of the following visa categories:

Visa Type, Description, and Allowable Payments		
Visa Type	Description	Type of Payments Allowed
B-1/WB	Visitor for Business, visa waiver for business	B-1 status is not a work authorized status, although there is a limited exception for foreign visitors to colleges and universities. Under this statutory exception, B1 and B2 visa holders may be paid honoraria and/or reimbursed for travel expenses if (a) the visitor is engaged in usual academic activities, (b) the activity lasts nine days or less, and (c) the visitor has not been paid or reimbursed by more than five other U.S. institutions or organizations during the past six months. This is known as the 9/5/6 rule. Departments wishing to make payments based on this exception must complete the form “Foreign Data Collection Form _ Honoraria to B1 status visitors is limited to the nine days of activity. Reimbursement to B1 status visitors may be made for travel expenses over the duration of the legal stay, not to exceed 9 days.
B-2/WT	Visitor for tourism, visa waiver for tourism	No honoraria unless the 9/5/6 exception applies. Reimbursement for travel expenses cannot exceed the nine days of approved activity.
H-1B	Temporary workers in a specialty occupation	Restricted employment status where the nonresident is authorized to work only for the sponsor or petitioner institution. Meaning ASU can only pay H-1B visitors that it sponsors. ASU can pay the sponsor institution of an H-1B visitor for services provided in cases where ASU is not the sponsor.
TN-1	Treaty NAFTA (Canada)	Same as H-1B
TN-2	Treaty NAFTA (Mexico)	Same as H-1B

TD	Treaty dependent	Payments of any kind are disallowed
J-1	Nonstudent professor and researchers	ASU-sponsored J-1 nonstudents may be employed on campus. Off-campus employment is very restrictive, and approval must be obtained through the International Students and Scholars Center. Scholarship, fellowship, and noncompensatory stipends are allowed. Payments to nonstudent J-1s not sponsored by ASU must provide written permission from their sponsoring organization to receive payment.
J-1 and F-1	Students	ASU-sponsored students may be employed on campus. Off-campus work requires authorization. Must check with International Students and Scholars Center to determine eligibility. Non-ASU sponsored students may not receive payments for services from ASU unless ASU is reflected on their DS-2019 or I-20. Scholarships, fellowships, and noncompensatory stipends are allowed for both ASU and Non-ASU sponsored students.
J-2 and F-2	Dependents of J-1 and F-1	J-2 can obtain employment authorization directly from USCIS, and in such cases will be issued an employment authorization card (EAD). They need to provide a copy of the EAD card to receive any compensation payments. F-2 holders are unable to obtain work authorization and are unable to receive any compensatory payments. Scholarships, fellowships, and noncompensatory stipends are allowed for both ASU and non-ASU sponsored students.

Factors that determine whether an individual is a nonresident for income tax purposes differ significantly from residence status for immigration purposes. The Internal Revenue Service (IRS) uses a substantial presence test to determine whether an individual is a resident or nonresident for income tax purposes. The substantial presence test is explained more fully in [FIN 425-04](#), "Nonresident Independent Contractors and Other Foreign Entities."

Policy

The university will make payments to nonresidents only if they are in an appropriate immigration status as described above at the time of the relevant activity.

All nonresident students on campus must obtain the necessary documents to enter the country as part of the admission process. After the admissions process, the International Students and Scholars Center will be the liaison between ASU and the nonresident student and assist the student in maintaining their immigration status and work authorization.

Nonresident visitors on campus under the Department of State Exchange Visitors Program should contact the Global Education Office to prepare the appropriate USCIS documents to ensure that all visiting professors and participants in university-sponsored events who are expecting payments from the university have an immigration status that will permit such payments.

ASU departments can establish the B-1 visa status for visitors from Mexico and Canada by providing a letter of invitation addressed to their home country address. Such a letter, dated prior to entry into the U.S., will substantiate the business intent for the visit.

Additional Information

For additional guidelines on nonresident alien tax issues see the [ASU Foreign Visitor Tax Guide](#).

Cross-Reference

For more information on making payments to short-term foreign visitors, see [FIN 425-04](#), “Nonresident Independent Contractors and Other Foreign Entities.”