

1099 Treatment of Commonly Used University Terms:

- Stipend
- Assistantship
- Fellowship
- Honorarium
- Prize or Award

The IRS defines them as:

- **Stipend** – A fixed sum of money paid that is intended to defray expenses. Examples include: tuition, fees, room, board, or incidental expenses

The IRS does not require stipend payments to be reported on Form 1099. It is the responsibility of the individual payee to determine taxability of the payments.

- **Assistantships** – Amounts paid to students for teaching or performing research. (students receiving assistantships frequently receive a fee waiver)

These are paid as wages and reported on the W-2

- **Fellowship** – Is a stipend paid to graduate students that is based on academic excellence. (students receiving assistantships frequently receive a fee waiver)

The IRS does not require fellowship payments to be reported on Form 1099. It is the responsibility of the individual payee to determine taxability of the payments.

- **Honorarium** – Payment given in recognition of special service or distinguished achievement. Examples include lecture, concert, performance etc.

Honorariums are reported on form 1099-Misc, Box 7

Prize or Award – See the UM System Business Policy Manual Section 216

http://www.umsystem.edu/ums/rules/bpm/bpm200/manual_216