

University Of Massachusetts Lowell	
Date: July 01, 2001	Section:1.13
Subject: Vendor Code/Foreign Individual Tin Number	

1. In the University's FRS System, a vendor code is an 11-digit number that is assigned to a vendor that dictates the address to which the remittance will be mailed.
2. Vendor codes are created based upon the vendor's 9-digit Taxpayer's Identification Number (F.E.I. or Social Security Number). On the University's FRS System, the first character of the vendor code is a letter (usually "A" if for a vendor). The last digit of the code is zero.
3. No encumbrance can be affected in the University's FRS System without a valid 11-digit vendor code, which must appear in the University's FRS System. If the 11-digit vendor code is not on file, the department must provide the vendor's 9-digit taxpayer's number, with a completely signed original VW-9 form. Vendor code creation can be processed within 48 hours of the request. All vendors must have a Taxpayer Identification Number that has been assigned by the Federal Government in order to obtain a Vendor Code.
4. Those departments that are on-line to FRS can access vendor codes from screen 202 by keying in the vendor's name or screen 204 with an A/and the vendor's 9-digit Taxpayer's ID Number. Departments that do not have access to FRS may obtain vendor codes by contacting the Purchasing Department.
5. Purchases that are done against state appropriated accounts require a 13-digit vendor code, which is controlled by the Commonwealth through the MMARS System. No encumbrance can be affected against a state-appropriated account unless and until there is a valid 13-digit vendor code for the vendor in the Commonwealth's MMARS System, and a valid 11-digit vendor code number in the University's FRS System. Vendor Code assignment and changes through MMARS take three or more weeks to process and require that stringent processing parameters be followed.
6. Questions concerning vendor codes may be directed to the Purchasing Department.

Note: Citizens and Resident Aliens (Foreign Individual) of the United States must certify with the MW-9 that they have a valid social security (SS) number or a Taxpayer Identification (TIN) number.

Non-Citizens who are Non-Resident Aliens (Foreign Individuals) must complete a University Payee Information Sheet to provide written documentation of required IRS information. This information sheet can be obtained from the Business office. If a person cannot obtain a Social Security Number, then they can file a Form W-7 to receive a TIN. The University is attempting to become a “Certified Accepting Agent” for the IRS so it can assist individuals in obtaining a TIN in the future.

The IRS requires that the Payor (the University) withhold 30% of all service payments and reimbursements to Non-Resident Aliens (Foreign Individuals). Exceptions exist for countries under tax treaty with the U.S., but these exceptions are the responsibility of the payee and must be certified and documented. Otherwise, the 30% must be withheld and transferred immediately to the IRS.

The Comptroller’s Office will prepare and issue 1042 forms to report payments for Non-Resident Aliens (Foreign Individuals) to the IRS, INS, State Department of Revenue and the Payee, when they prepare the 1099 forms for payments to citizens and Resident Aliens.