

CLINCARD UPDATES

WHY ARE CHANGES NECESSARY?

- Payments to Human Research Participants are considered taxable income
- Emory is required to issue Form 1099-misc to individuals who receive \$600 or more from all sources at Emory
- Emory is also required to withhold tax and report on payments to non-U.S. residents (in U.S. on visa) regardless of amount.
- Internal Revenue Service has issued penalty notices to Emory for issuing 1099s with invalid Tax ID numbers (SSN/TIN) on the forms.
 - Majority of the penalties were related to ClinCard payments to research participants

WHAT IS CHANGING

- When entering a new participant, the system will validate the SSN/TIN entered for the participant
 - Cost is \$1 per participant, charged to the study. Charge will only apply the first time the participant is entered in the system.
- If SSN/TIN comes back invalid and the study team proceeds, system will automatically withhold taxes at the non U.S. resident tax rate of 30% to ensure compliance. Payment to the participant will be net of taxes withheld.
- Tax form will be issued to anyone who has tax withholding.

OTHER PAYMENT METHODS

- Payments should follow guidelines set out in Policy 7.28
- All payments, whether cash, checks, or gift card, are considered the same as cash
- Reporting requirements are the same regardless of method
 - No central tracking of information
 - Study teams have to collect, secure, and provide the information to Procurement for tax reporting
- Amounts paid via gift cards with no Tax ID collected will need to be grossed up for taxes with tax charged to the study

RESOURCES

If you have any questions, please contact:

- General ClinCard inquiries: emoryclincards@emory.edu.
- Tax-related questions: Susan Clark at sclar38@emory.edu.

Budget adjustment requests or other subject payment options:

- For any industry-contracted studies, contact WISC at wisctrials@emory.edu.
- For federally funded studies, contact your School and Unit RAS.
- For all others, contact OCR at ocr_preaward@emory.edu.