

MEMORANDUM

To: Primarily University Business Administrators
From: UH Tax Department
Subject: Student FICA Exemption

At the beginning of each semester, there are many students that have had Social Security and Medicare (FICA) taxes withheld on their paychecks, due to any of the following reasons below:

- 1. Late ePAR processing by departments**
- 2. Student not enrolled in the minimum required hours to qualify for the “Student” FICA exemption**
- 3. Changes to job classification that affects the student FICA exemption status**
- 4. “Visa FICA” (NOT Student FICA Exemption) Incompletion of the foreign national exemption process by the UH Tax Department**

1. Prevent Late ePARs

Please generate ePARs in a timely manner to ensure the positions are added to payroll **prior** to the “Student” FICA Exemption Report is generated. This report is generated each payroll cycle to capture those who are eligible to receive exemption under the “Student” FICA exemption. Please refer to the “FICA Schedule” on the Tax Department’s website http://www.uh.edu/administration-finance/tax-information/student_fica_exemption/fica-schedule.pdf to view the calendar for specific dates for each payroll cycle.

2. Enrolled and Regularly Attending Classes

Students must be “actively” enrolled in a minimum (half-time) number of hours at each UH campus in time for the information to be utilized for Payroll calculation. The Payroll calculation will occur about one week before each Payroll period (i.e. biweekly / monthly) is finalized. Refer to the minimum enrolled hours below for each campus:

Course Load Status		Campus			
Semester / Term	Classification	Victoria	Main	Clear Lake	Downtown
Fall or Spring	GR *	5	5	3	6
	UG ** & PB *** (Note 1)	6	6	6	6
Summer	GR	2	2	2	2
	UG & PB	3	3	3	3

(Note 1 - * Graduate Student, ** Undergraduate Student, *** Post Baccalaureate Student)

3. Career Employee

All non-students and/or full time employees of the University are not eligible for the student FICA exemption. The “student” FICA exemption will automatically be cancelled, if a student has a job change that now classifies them as a “career employee” working full time.

4. Visa FICA Exemption

There are foreign national students that may be eligible for the “**Visa FICA Exemption**”. This exemption does not require a minimum number of class-credit hours. However, there is a tax analysis that must be completed by the Tax Department in order to determine whether or not the foreign national is eligible for this exemption. The student should contact the Tax Department Tax@uh.edu to apply for the exemption.

For additional information regarding the student FICA exemption, please refer to the tax website http://www.uh.edu/administration-finance/tax-information/student_fica_exemption/