

STATE CONTROLLER'S OFFICE  
PERSONNEL AND PAYROLL SERVICES DIVISION  
P.O. BOX 942850  
SACRAMENTO, CA 94250-5878

DATE: July 1, 2019

PERSONNEL LETTER #19-010

TO: All Agencies/Campuses in the Uniform State Payroll System

FROM: Marissa Revelino, Chief  
Personnel and Payroll Services Division (PPSD)

**RE: VERIFICATION OF EMPLOYEES IDENTIFIED AS NONRESIDENT ALIENS**

The State Controller's Office (SCO) maintains a database of Nonresident Alien (NRA) employees reported to SCO by agencies and campuses. As of July 2, 2019, reports of all employees identified as NRA, per federal tax withholding rules determined by the Internal Revenue Service (IRS) will be available to view for verification. For more information on this process, please see Payroll Letter #06-030 for agencies or Payroll Letter #06-029 for campuses. **All agencies and campuses are required to comply even if no NRA's work for the agency or campus.**

#### VIEWING THE NONRESIDENT ALIEN REPORT

##### (CIVIL SERVICE ONLY):

This report is now available on ViewDirect and will remain on ViewDirect until September 2019. You can access the report under ID PDW7170, report name "Employees Identified as Nonresident Aliens."

Only personnel authorized to access ViewDirect can view and print the report. For more information on accessing and printing ViewDirect reports, please refer to the [ViewDirect User Guide](#) on the SCO website (*SCO will not provide a hard copy version of the report*).

If your agency does not have the "Employees Identified as Nonresident Aliens" report (PDW7170) in the ViewDirect directory, your agency did not report NRA individuals and are not on the NRA database.

##### (CAMPUSES ONLY):

SCO will mail a hardcopy of the NRA report to each campus human resources office. All employees reported by the campuses are on the report and are on the NRA database.

If your campus does not receive a report by **July 19, 2019**, your campus did not report NRA individuals and are not on the NRA database.

##### VERIFYING THE REPORT:

Please review each record on the report and verify the employee is still an NRA per the rules indicated in the [IRS Notice 2005-76](#). Use the attached form to indicate any employee changes and complete the agency/campus name, contact person, contact number/email and authorizing signature. The form attached was modified for audit compliance purposes.

If an employee separated or changed status and is no longer an NRA subject to the federal tax withholding rules, complete the employee's name, social security number and enter '**Delete**' under the Type of Change field. If there are any NRA employees missing from the report, complete the employee's name, social security number and enter '**Add**' under the Type of Change field. If there are no changes, please mark the box '**No Changes**' at the bottom of the form. If you do not have any NRA employees, mark the box '**No Nonresident Alien Employees**' at the bottom of the form. **All agencies/campuses are required to return forms to comply with IRS.**

Return the completed form through secure fax at (916) 322-0664 or mail to the following address:  
State Controller's Office  
Personnel and Payroll Services Division  
Attn: Statewide Tax Support Program  
P.O. Box 942850  
Sacramento, CA 94250-5878

All forms are due by **July 31, 2019** to update our NRA database and to comply with the IRS.

EMPLOYEE ACTION REQUEST (EAR), FORM STD. 686 OR STUDENT PAYROLL ACTION REQUESTS (SPAR), FORM STD. 457:

Agencies/Campuses should verify that the employees on the report are claiming the appropriate federal marital status and number of federal tax exemptions. Per IRS Notice 2005-76, the listed NRA employees must claim a federal marital status of "S" for single, regardless of their actual marital status and cannot claim more than "1" federal tax exemption with exceptions for residents of Canada, Mexico, or South Korea. An NRA employee cannot claim an exemption from federal tax withholding unless they are covered under a tax treaty.

Verify that employees complete their Form STD. 686 or STD. 457 correctly. Do not accept documents that request a federal marital status or tax exemption other than allowed by the IRS. For employees on the report with incorrect federal marital status/tax exemptions, have the employees complete and submit a new form with the appropriate information.

If you have questions or need additional information, please contact the Personnel and Payroll Services Division Statewide Tax Support Program at [PPSDtaxsupsect@sco.ca.gov](mailto:PPSDtaxsupsect@sco.ca.gov).

MR:JEB:AR:SF:PPOB:STSP

Attachment

