

DePaul University conducts numerous research projects and some research studies require the participation of human subjects. The University recognizes the need to provide remuneration to human subjects as an incentive to participate and to defray costs associated with such participation. Remuneration for research subjects should be used as an incentive for participation, and thus amounts paid should generally be modest, and must be approved by the Institutional Review Board (IRB).

The purpose of these Guidelines is to outline the rules for payments made to human research subjects in accordance with Internal Revenue Service (IRS) tax laws.

Research participants may be paid in any of the following manners:

1. Check (preferred method)
2. Cash or cash equivalents (i.e., gift cards or gift certificates)
3. Tangible property (i.e. non-cash items such as t-shirts)

Research study participants who are eligible for payment for their participation must be informed of the payment amount and plan as part of the informed consent process or exempt information process before they agree to be in the research. The IRB-approved consent document, script, or exempt information sheet must inform the subject that identifying information (e.g., name, mailing address, social security number or EMPLID, in the case of a DePaul employee) must be collected by the Principal Investigator in order for the subject to receive any payment greater than \$200 per participant, per study in a single calendar year. Additionally, the \$200 level for collecting identifying information applies to either a single payment of this level or multiple payments which, when aggregated, reach this level. If a participant declines to provide the above information, they will not be paid. Payment and identifying information will be forwarded by the Principal Investigator to Accounts Payable for the purpose of determining whether federal tax reporting is required.

Participants receiving compensation greater than \$200 must be tracked utilizing Reporting Form for Taxable Transactions which can be found at:

<http://financialaffairs.depaul.edu/forms/>.

Payments to Employees (including student employees):

If payment is for services similar or connected to the employee's job requirements or duties, or for a research study specifically targeting University employees as research participants, any and all payments must be reported on the employee's W-2 and applicable tax withholding will be applied. If payment is not for services similar or connected to the employee's job requirements or duties, or for a research study specifically targeting University employees as research participants, payments aggregated to \$600 or more for a calendar year will be tax reported on IRS Form 1099-MISC. Non-U.S. person employees participating in a non-employment related study are not eligible for payment.

Contact University Tax Services prior to payment if assistance is needed related to University employee participants. A determination of whether services are or are not related to an employee's job requirements or duties will be the decision of University Tax Services, in consultation with Payroll, Accounts Payable, and the individual(s) responsible for conducting the research study.

Payments to Non-Employees (including students):

For U.S. Citizens and Resident Aliens for Tax Purposes, in accordance with IRS regulations, participant payments will be reported to the IRS on IRS Form 1099-MISC, if reportable payments for a calendar year aggregate to \$600 or more in a tax year.

Payments to Nonresident Aliens for tax purposes:

Other than as stated above in *Payments to Employees (including student employees)* section, non-U.S. persons are not eligible for payment.

Confidential Studies:

The University recognizes that privacy of human subjects must be protected and the confidentiality of data must be maintained in certain circumstances. In cases in which confidentiality is required or preferred, a participant may waive his/her right to payment if he/she does not want to provide the requested information necessary for appropriate IRS tax reporting.

Exceptions:

Exceptions to these guidelines may be approved in limited situations by Financial Affairs management.

DePaul University Payments to Research Participant Guidelines

Research Participant Reporting Grid

Scenario	Level at which Identifying Information is Required	Method of Reporting	Subject to Tax Reporting & Withholding	Office Responsible for Tax Reporting and Withholding	Additional Documentation Needed
Employee, including student employees, who received payment of cash or cash equivalent for participation in a research study that is related to their University employment or specifically targets University employees.	Any	<ul style="list-style-type: none"> Gift Card Reporting Form Automatic, if paid through P/S one-time payment process or through Accounts Payable 	Yes	Accounts Payable or Payroll	N/A
Employee, including student employees, or non-employee who received a payment of cash or cash-equivalent for participation in a research study.*	<= \$200	None	None	N/A	N/A
Employee, including student employees, or non-employee who received a payment of cash or cash-equivalent for participation in a research study.*	> \$200	<ul style="list-style-type: none"> Gift Card Reporting Form Automatic, if paid through P/S one-time payment process or through Accounts Payable 	Aggregate reportable payments >= \$600	Accounts Payable or Payroll	W-9 for non-employees
Non-U.S. persons	Not eligible for payment				

* For employees, research study must not be related to their university employment or for a study that specifically targets university employees for participation.