

# Resolution 10: Mitigating Negative Student Impact of 14% International Student Tax Withholding

**Abstract:** This resolution calls for action on behalf of financial aid and tax offices at Cornell to increase preparation of international students receiving financial aid for the 14% tax withholding.

**Sponsored by:** Pareesay Afzal '24, Amari Lampert 24'

**Reviewed by:** The Executive Committee (4-0-2)

**Type of Action:** Recommendation

**Originally Presented:** 10/27/2022

**Current Status:** New Business

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**Whereas,** the Student Assembly Charter, Section 2: Actions of the Assembly, Part A, iv., enlists Recommendation as one of the six principal actions of the Assembly pursuant to the legislative authority and responsibilities of the SA.

**Whereas,** Part E (lines 43-44) of the aforementioned section explains the purpose of Recommendation as follows:

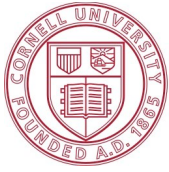
E. Recommendation is an action of the SA expressing the recommendation of the SA in policy areas over which the SA through its Charter may or may not have policy-making power.

**Whereas,** IRS qualifies grant aid in excess of tuition and mandatory fees as taxable income;

**Whereas,** Cornell financial aid follows a 14% tax withholding policy for recipients of financial aid who are non-resident aliens and not eligible for exemption from taxes under a tax treaty;

**Whereas,** currently, the only mention of the 14% tax withholding is on the financial aid office's website's policy [page](#) and graduate school's tax information [page](#);

**Whereas,** incoming international students are asked, in orientation, requested one-on-one settings, upon hire by University and through the tax office website, to provide information via the Foreign National Questionnaire;



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28 **Whereas**, the Foreign National Questionnaire collects information that is to evaluate the foreign  
29 national's U.S. tax status, i.e., eligibility for exemption from income or FICA taxes, etc;

30 **Whereas**, the Foreign National Questionnaire may be used to determine in/eligibility for the  
31 14% tax withholding, but it does not serve as information or notification regarding the  
32 withholding;

33 **Whereas**, a considerable portion of the international student population has expressed concern,  
34 stress arising from the lack of notification regarding the withholding;

35 **Whereas**, for students receiving full or near full financial aid, the withholding amounts to  
36 around \$3,000-3,500 deducted from the financial aid refund;

37 **Whereas**, the unnotified deduction has incurred a negative impact on the academic, mental and  
38 financial aspect of several international students' experience, especially for those who are those  
39 who are receiving full financial aid with very little student and/or parent contribution;

40 **Whereas**, in some cases, the withholding amount exceeds students' estimated financial  
41 contribution and can therefore be viewed as unmet financial need;

42 **Whereas**, international students comprise 10% of the Cornell undergraduate student population  
43 and 50% of the graduate student population, according to Fall 2021 statistics;

44 **Be it therefore resolved**, that the Student Assembly recommend the financial aid office and tax  
45 office to incorporate an explicit and direct mention of the 14% tax withholding as an email  
46 notification to incoming international students who are receiving financial aid.

47 **Be it further resolved**, that the Student Assembly recommend the financial aid office to include  
48 the withheld amount in the financial aid award letter sent to students.

49 **Be it finally resolved**, that the Student Assembly recommend the concerned offices and  
50 departments to provide adequate, immediate, and effective financial relief to international  
51 students who have been disproportionately negatively affected by the withholding they were  
52 unprepared for.

53 Respectfully Submitted,

54 Pareesay Afzal '24

55 Amari Lampert 24'

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