

Questions about paying human subjects? Contact the [Financial Support Center](#) at (650) 723-2772.

See full document available at [Stanford Gateway to Financial Activities: Paying Human Subjects](#)

Definitions:

- **Payments (also called compensation, incentives or remuneration):** funds paid to a participant that provide incentive for participation or compensate participants for their time, effort and inconvenience but are not tied to specific expenses incurred as a result of the research.
- **Reimbursement:** funds paid to participants to repay them for out-of-pocket expenses incurred as a result of participating in a study such as study-related travel, gas, non-business mileage (medical/move rate), lodging, and meals. Reimbursement payments must be based on actual incurred expenses.

General Principles

- Investigators have fiduciary responsibility to account for funds spent in study
- Investigators must allocate payments to the correct purchasing transaction account (PTA)
- Payments are considered income to study participants and are taxable
- Payment options differ depending on participants' residency status
- For payment purposes, it may be necessary to obtain sensitive information (e.g., SSN), participants should be informed of those requirements so they can make an informed decision about participating in the research (also see [Ethical Considerations](#) guidance for more details).
- Pre-payment of "estimated expenses" that are not based on receipts or actual costs incurred may be considered taxable income. Please contact the Financial Support Center to discuss the specifics of your proposed activities.
- Reimbursement of expenses based on actual expenses is not considered taxable income.

Participant is a non-US resident: two methods of payment

1. Check using **Other Checks** module in iOU.
 - Payment in any amount: Record participant name, address, signature, date, payment amount, protocol number, and SSN or copy of completed Individual Tax Identification Number (ITIN) application. Submit to Travel and Reimbursement (T&R).
 - *All payments, in any amount, will be reported to the IRS.*
2. Gift certificate or other non-cash items (e.g., t-shirt, gift cards)
 - Payment (value) under \$200. Record name, address, value and recipient signature evidencing receipt. Submit the recipient information, plus a receipt for the gift/item to T&R. (If no signature – complete the Attestation form and submit to T&R.).
 - Payment (value) over \$200. Record name, address, value, recipient signature evidencing receipt and SSN (or copy of completed Individual Tax Identification Number (ITIN) application), as the recipient or payer must pay the 30% withholding tax at the time the money is disbursed. Submit the recipient information, plus a receipt for the gift/item to T&R.

Participant is a US citizen or resident non-citizen: three methods of payment

1. Cash with funds disbursed to department via the **Advance** module in iOU
2. Check using **Other Checks** module in iOU

For both of the above methods:

- Payment under \$200. Record participant name, address, signature, date, payment amount and protocol number. If you believe recipient will receive less than \$600 in a calendar year, collecting a SSN is not required (unless participant is Stanford or SLAC National Accelerator Lab employee). Submit to Travel and Reimbursement (T&R).
- Payment over \$200. Record participant name, address, signature, date, payment amount and protocol number and SSN. Submit to Travel and Reimbursement (T&R).

- *If you elect to retain tax documentation for payments under \$100, you assume tax liability for the tax compliance, and must produce documentation if requested by tax authorities. (Certification method).*
 - *Cash payments to Stanford/SLAC employees, regardless of amount, will be reported to the IRS.*
- 3.** Gift certificate or other non-cash item (e.g., t-shirt, gift cards)
- Payment (value) under \$200. Record name, address, value and recipient signature evidencing receipt. Submit recipient information, plus receipt for the gift/item to T&R. (If no signature – complete the Attestation form and submit to T&R.). If you believe recipient will receive less than \$600 in a calendar year, collecting a SSN is not required (unless participant is Stanford or SLAC employee).
 - Payment (value) over \$200. Record name, address, value, SSN and recipient signature evidencing receipt. Submit the recipient information, plus a receipt for the gift/item to T&R.

Special Considerations for Stanford or SLAC Employees

- Study conducted by participant's department or related to participant's regular employment: employee must be paid through the Payroll system.
- Cash payments, regardless of amount: collect SSN and report to T&R.