

MONTANA BOARD OF REGENTS OF HIGHER EDUCATION
Policy and Procedures Manual

SUBJECT: FINANCIAL AFFAIRS

Policy 901.8 – Student Payroll FICA Exemption

Adopted: July 7, 1994; Revised: November 19, 1998

Board policy

Students "enrolled and regularly attending classes," whose employment at their school is incident to and for the purpose of pursuing a course of study are exempt from paying FICA tax per IRC Sec. 3121(b)(10). For purposes of defining "incident to the pursuit of study," the following credit hours are to be used in determining when the FICA exemption begins:

Half-time (6 credits or more)

History:

Item 83-003-R0594, Student Payroll FICA Exemption (NEW), approved July 7, 1994, as revised November 19, 1998.