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Compensation to Human Subjects, 1099's and Tax Liability, Compensation to Student Research Assistants (SRA) and (Student) Nurses

Framingham State Food Study

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Framingham State Food Study Policies and Procedures

Compensation to Human Subjects 1099's

After much consultation with the Office of the state Comptroller and other research universities, compensation to human subjects was paid through the Business Office.

Each approved participant completed a W9 and a copy of the Commonwealth's Terms and Conditions was completed. Once executed, payments were then set up in Banner on (approximately) a monthly basis. To authorize the actual payment, Boston Children's Hospital sent a report denoting each participant and compensation earned; the Financial Coordinator then processed this through the Business Office and Banner (the University's data management system).

A letter from Dr. Cara Ebbeling, Principal Investigator, provides justification for the food consumed not being part of the participant's tax liability.

1099's and Tax Liability

For any participant earning more than \$600 in a fiscal year, a 1099 was sent from the Business Office no later than January 31:

Form 1099-MISC Box 3, Other Income, should be used to report "[a] payment or series of payments to individuals for participating in a medical research study or studies."

Earnings appearing in Box 3 will likely result in a lesser tax liability because the participant will not be subject to self-employment tax.

Compensation to Students Research Assistants (SRA) and (student) Nurses:

SRA's and Nurses were paid through Student Payroll/Human Resources. Each student was hired and completed a contract during the summer preceding each cohort/academic year. Limits on the number of hours students could work was set by HR.

At the end of each week students submitted their own payroll hours through the State's Employee Self-Service portal. The Study's Financial Coordinator verified hours worked with the Study's Research Associate/SRA Coordinator.

See PowerPoint, Student Payroll Information.