

**UNIVERSITY OF CALIFORNIA, DAVIS**  
**Guidelines for Noncash Awards and Prizes Received by Non- Employees**

Use these guidelines to determine the University's tax reporting and withholding obligations with respect to noncash awards and prizes given to non-employees.

- Per UC Policy G-42 "[Gifts Presented to Non-Employees on Behalf of the University](#)" the cost of promotional gifts such as a T-shirt or mug bearing the University logo is limited to \$75 per individual. The cost of recognition and appreciation gifts such as a plaque, or tickets to a sporting or theater event must be less than \$600 per individual. Awards or prizes equal to or more than \$600 must be approved as an exception to policy. Except for items of minimal value (such as a T-shirt), the award or prize should be accompanied by a transmittal letter on University letterhead, indicating that the gift was made on behalf of the University.
- [UC Davis PPM 260-45, Gifts Presented to Non- Employees](#) provides additional local guidance.
- **The department or event organizer responsible for obtaining a "Statement of Noncash Award or Prize – Non Employee" from the recipient as follows:**
  - **Recipient of the award or prize is a U.S. resident for tax purposes**
    - If the value of the award or prize received is \$600 or more, the payee must be established in the KFS vendor table as a DV vendor. Once this is done, submit the *Non-Employee Statement of Non Cash Award or Prize* should be submitted to TR&C at afs-trcmail@ucdavis.edu. The amount will be reported to the recipient and the IRS on Form 1099-MISC.
    - If the value of the award or prize is less than \$600, the form does not need to be completed and the University has no reporting obligation. However, the recipient should be advised that the value of the award or prize received should be included on his or her income tax returns.
  - **Recipient of the award or prize is a U.S. nonresident for tax purposes**
    - The department should assist the individual with completing a record on GLACIER, if one does not exist. Glacier access can be requested at <http://afs.ucdavis.edu/systems/glacier/action-form-request.html>. The department also needs to establish the payee in the KFS vendor table.
    - The *Non-Employee Statement of Non Cash Award or Prize* s should be completed regardless of the value of the award or prize, and submitted to Tax Reporting and Compliance at afs-trcmail@ucdavis.edu. The amount will be reported on Form1042-S and will be subject to 30% federal income tax withholding, unless a tax treaty exemption applies.