FOREIGN SOURCES FUNDS & CORPORATIONS

Funds that originate with a foreign grantor remain foreign sourced if RFCUNY is acting as the agent for distribution purposes. If a foreign grantor specifies who the funds should be granted to and the amount of funds to be granted, and RFCUNY does not impose its own requirements on the disbursement decision, the amount disbursed should be considered foreign source income. Document the original source of the funds, instructions from the foreign grantor, and any other issues related to the disbursement. A student studying abroad for a semester who receives scholarship funding is considered to be receiving a foreign-sourced scholarship. The scholarship is not subject to IRS taxation and is not reportable.