

## Social Security & Medicare Tax Exemption

### Policy:

Students who are enrolled at least half-time, as defined by the University of Nebraska, qualify for the exemption. See table below.

Undergraduate students must take a minimum of 6 credit hours per summer session. For students in their final semester, the half-time rule and the 6 credit hour rule is waived so long as they are enrolled for the number of credit hours needed to complete the requirements to obtain a degree. To qualify, students must submit a copy of the UNMC Application for Degree to the Payroll Office.

Graduate degree candidates in their final semester of a degree program, with the approval of the Dean of their college, who are registered for fewer than the minimum hours required for a half time program may be granted halftime status provided they are not employed more than 20 hours per week. To qualify for the FICA exemption, students must submit a copy of their UNMC Application for Degree.

A student who works during the school breaks of five weeks or less qualifies for the exemption, provided that he or she qualified for the student FICA exemption at the end of the preceding session and is eligible to enroll in the following session. The exemption does not apply to a student who continues employment during a break of more than five weeks. Thus, summer employment of more than five weeks when the student is not enrolled will be taxed.

In order to qualify for the FICA exemption, students and graduate assistants cannot work greater than 20 hours per week in order to qualify for the FICA exemption.

To qualify students must be enrolled for the following number of hours per term:

	<i>Undergraduate</i>	<i>Graduate</i>
Fall & Spring Term	6 or more hours	4 or more hours 3 or more (MSN/DNP)
Summer Terms		
8-Week Session	6 or more hours	2 or more hours
I & II 5-Week Session	6 or more hours	1 or more hours

If you have questions concerning the FICA tax exemption requirements, contact the Payroll Office 559-7460.

Reference:	IRS Revenue Procedure 98-16,
Date Policy Adopted:	January 1998
Date Policy Revised:	March, 2016
Date Reviewed by	
University General Counsel:	January, 2016
Reviewed by:	Mary Jane Zeini
Approved by:	Jeff Miller
Reviewed:	Yearly