

**PROCEDURES FOR ADVANCE APPROVAL**  
**FOR THE PURCHASE OF GIFT CARDS**  
**NOT FUNDED BY SPONSORED PROJECTS**

**Note: Sponsored projects are identifiable by their XX5XXXXXX department number format. This form is used for all other departments as the restrictions on gift card use are different.**

**This form should be signed and attached to the GIFT CARDS PRE-APPROVAL—NONSPONSORED form in CrimsonCorner. FS will review your request and let you know if you are authorized to purchase gift cards.**

**IMPORTANT TAX INFORMATION**

Generally, gift cards given to individuals (employees or non-employees) or to businesses are taxable and reportable to the IRS. In order to ensure University compliance with the laws and regulations requiring tax reporting for certain payments, rules must be followed when distributing gift cards.

The use of gift cards has the following restrictions for each group of recipients:

**Employees**

- Gift cards, regardless of value or use, provided to employees must be reported to Payroll. Reported information must include each recipient's (1) name, (2) employee id number, and (3) gift card amount. All information must be submitted by December 5. Information on any gift cards issued after December 5 must be submitted by January 10 to Payroll Services. **The custodian of the cards and the department sponsor are responsible for timely reporting of these cards.**

**Non-US Persons**

- Gift cards, regardless of value, **cannot** be given to anyone considered a non-US person for tax purposes. See the definition of non-US person below. Any payments to these individuals must be processed through Crimson Corner, rather than via gift card, so the appropriate tax can be withheld. This will require that the recipient be set up as a supplier in CrimsonCorner. All required information (including a legibly completed and signed W-8BEN) must be provided before the supplier can be established.
- The term "United States person" means:
  - A citizen of the United States
  - A U.S. entity (non-individual)
  - A resident alien for U.S. tax purposes
- A foreign (non-U.S.) person includes:
  - A nonresident alien individual
  - A non-U.S. entity (non-individual)
  - Any other person that is not a U.S. person

**All Others**

- Gift card recipients for uses other than Sponsored Projects are limited to a maximum of \$100 per year from a department. If payments in excess of \$100 are needed for this group of recipients, payments must be paid through Financial Services using Crimson Corner. **The custodian of the cards and the department sponsor are responsible for ensuring no recipient receives more than \$100 per year in gift cards from their department.**

Questions should be directed to:

- Tax reporting for outside parties: 1099@ou.edu
- Tax reporting for employees: Payroll department, 325-2961

By signing this document, you are acknowledging that you accept responsibility for collecting appropriate tax data and remitting it to the proper University department. **If the proper information is not collected you may be held personally liable for taxes due.**

\_\_\_\_\_  
SIGNATURE

\_\_\_\_\_  
PRINTED NAME

\_\_\_\_\_  
DATE

\_\_\_\_\_  
PHONE NUMBER

To be taken to the gift card policies for nonsponsored programs, click [here](#).