**Subject Line: PA Income Tax Withholding for Certain Vendor Payments**

The University is required to withhold Pennsylvania Income Tax (currently, 3.07%) from payments of Pennsylvania sourced income to non-resident individuals and certain entities owned by non-resident individuals. Business income and tax withholding information will be reported to the Pennsylvania Department of Revenue on IRS Form 1099-NEC.

To accommodate this new law, please note the following changes to the Accounts Payable process:

1) Accounts Payable will request an updated IRS Form W-9 from many of Lehigh’s out of state vendors in order to determine who is subject to Pennsylvania income tax withholding.

2) A new Accounts Payable Payment Approval Form will soon be on the Accounts Payable website. The new form will request some additional information to determine tax withholding status, and includes a reminder regarding the need for a current IRS Form W-9. You will be notified when the form is available but please use the current form until then.

3) The Accounts Payable website now includes a link to the current IRS Form W-9 for your convenience.

4) An information notice will accompany Accounts Payable checks to any vendors affected by this new law.

**If you have any questions, please contact:**

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