Gifts, Prizes, or Awards
Recipient Information Form
Purpose of the form

The form is used to record the information of an gift, prize, or award recipient. It also identifies the type and amount of the gift, prize, or award.
Where can I find the form?

http://www.unco.edu/general-accounting/forms/

| Gift, Prizes or Awards Recipient Information Form | To report cash and non-cash awards given to employees and non-employees. | 05/02/2016 |
Filling out the form

- Must have recipients name, address, and SSN, ITIN, or Bear ID
  - This has to be included if the recipient is going to get a 1099
- Check the box of the recipients status
  - It is possible for recipient to be a student and an employee or non employee
- Financial Aid Director Approval
  - Any time the student box is checked and the gift, prize, or award is CASH or GIFT CARD, Financial Aid must approve the payment before the recipient receives the cash payment or gift card
• Cash
  • SUBJECT TO TAXATION TO ALL STATUSES, ALL AMOUNTS
  • Will be included on employee’s W-2 and non employee 1099
• Gift Cards
  • SUBJECT TO TAXATION TO ALL STATUSES, ALL AMOUNTS
  • Waiver needs to be filled out before purchase of gift cards
  • Will be included on employee’s W-2 and non employee 1099
• Non Cash
  • SUBJECT TO TAXATION TO ALL STATUSES IF ABOVE $50
  • Will be included on employee’s W-2 and non employee 1099
Filling out the form, cont.

- Fill out FOAPA information
- Include the type of transaction used to purchase the gift, prize, or award
- Contact Information
FAQs

• Are gifts, prizes, and awards considered taxable income?
  – It depends. Cash and gift cards always will be. Non employees will get a 1099 if they receive more than $600 in a year and employees will always have the amounts added to their W-2. Tangible property above $50 will have the same taxation rules applied.
FAQs

• What do I need to do if the gift, prize, or award is being given to a student?
  – Any cash or preapproved gift card MUST be approved by Financial Aid prior to being distributed to the student. These awards can affect a student’s financial aid award and may need to be distributed to them via Financial Aid.
FAQs

• Why are purchases of gift cards not allowable?
  – Gift cards must be preapproved by the University Controller in writing (Gift Card Waiver). This is to minimize risk and be compliant with IRS and other applicable rules.
FAQs

• What happens if I need to provide gift cards to people for participation in an anonymous confidential study?
  – First, a Confidential Research Gift Card Waiver Request Form must be filled out and approved by OSP. Then it’s forwarded to the Controller for final approval. We do not need an information form for these gift cards. Recipients must know they are receiving a taxable award.
FAQs

• How will this be reported to the IRS?
  – All taxable awards to employees will be reported on the recipient’s W-2. All taxable awards to non employees above $600 will be reported on the recipients 1099-M form.
FAQs

• What account codes should I use for gifts, prizes, and awards?

*External Sales:*

• **72312**- Prizes and Awards REPORTABLE- Cash prizes of any value, gift cards of any value, non-cash awards over $50 in value. MUST turn in a Gift, Prizes, and Awards Recipient Information Form to General Accounting within 7 days

• **72313**- Prizes and Awards NONREPORTABLE- Any non-cash awards under $50 in value

*Internal Sales (When using EIO):*

• **57952**- Internal Sales-Prizes REPORTABLE- Revenue from internally purchased gift cards or non cash awards over $50 in value

• **57953**- Internal Sales- Prizes NONREPORTABLE- Revenue from internally purchased non-cash awards under $50 in value

• **72952**- Internal Purchase-Prizes REPORTABLE- Expense from internally purchased gift card or non-cash awards over $50 in value. MUST turn in a Gift, Prizes, and Awards Recipient Information Form to General Accounting within 7 days

• **72953**- Internal Purchase-Prizes NONREPORTABLE- Expense from internally purchased non-cash awards under $50 in value
Contact

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THANK YOU!