

## Associating Academic Terms to Pay Periods

The following criteria based on Section 3121(b)(10) and Revenue Procedure 2005-11 is used to associate an academic term to a pay period:

- If the pay period straddles terms, that is if the end date of one term and the start date of the next term fall within the same pay period, the pay period may be tied to either term's enrollment. Example: Summer term ends 8/20, Fall term starts 8/21, and pay period 04 starts 8/9 and ends 8/22. Since pay period 04 straddles Summer and Fall terms, the institution can tie this pay period to either Summer or Fall term. *Note:* In the above scenario, it would be most beneficial to the campus and the student employee if the pay period is tied to Fall as students who are enrolled at least  $\frac{1}{2}$  time in Fall term would be exempt from FICA taxation and the campus would save by not having to pay the employer's matching FICA tax.
- If the pay period falls completely in a between-term break of 5 weeks or less, the enrollment data for the term prior to the break must be used. Example: Fall term ends 12/11, Spring term starts 1/8 and pay period 13 starts 12/15 and ends 12/29. Because pay period 13 falls completely in the between-term break, it must be tied to Fall term enrollment.
- If the pay period straddles a break and a term, the current term's enrollment data must be used. Example: Summer term ends 7/28, Fall term starts 8/21, pay period 04 starts 8/9 and ends 8/22. Pay period 04 must be tied to Fall term enrollment since it is the only term that includes any portion of the pay period.