



## National Defense Science and Engineering Fellowship Program

### MEMORANDUM

TO: 2008 National Defense Science & Engineering Graduate (NDSEG) Fellows

FROM: American Society for Engineering Education (ASEE)  
Administrators of the NDSEG Fellowship Program

SUBJECT: Tax Treatment of NDSEG Fellowships

### **PLEASE READ CAREFULLY!**

You are advised of the following:

ASEE must report all stipend payments made to you under the NDSEG Fellowship Program. At yearend, ASEE will provide you and the Internal Revenue Service (IRS) with the informational Form 1099-MISC recording the amount paid to you during the tax year. ASEE does not withhold taxes from your stipend payments. Under current laws and regulations, you are responsible for submitting quarterly estimates of income taxes to the IRS and paying the amounts due. You may have a similar liability with respect to state and/or local taxes depending upon the state and/or locality where you reside. As stated in the NDSEG Terms and Conditions, you are considered an independent contractor, and not self-employed, and are not employed by either the United States Government or ASEE. If you have further tax questions, please contact the IRS, as ASEE is prohibited from giving tax advice.

Administered by the American Society for Engineering Education

