

MAPP 03.04.06 Student Social Security Tax Withholding

Section Exemption
Area Fiscal Affairs
Original Payroll
Reviewed 11/13/2017
04/02/2026



TEXAS SOUTHERN UNIVERSITY
**MANUAL OF ADMINISTRATIVE
POLICIES AND PROCEDURES**

I. PURPOSE AND SCOPE

In 1999, the State of Texas modified its Section 218 Agreement with the Social Security Administration. As a result, the services of qualified student employees at specified Texas public colleges and universities are exempt from withholding Social Security and Medicare taxes (FICA) if such service is performed by a student who is enrolled and regularly attending classes at such college or university. This exemption was effective for services performed after June 30, 2000.

II. POLICY PROVISIONS

Due to the change in the Section 218 Agreement and in accordance with federal tax law, Texas Southern University ("University") shall grant an exemption from FICA tax withholding of wages paid to a student during an academic semester or summer session in which that student is enrolled and regularly attending classes at the University.

Enrollment and Attendance

A student is considered to be enrolled and regularly attending classes if enrolled at least half-time (i.e., fifty percent (50%) of the minimum number of hours required for full-time enrollment certification purposes). Minimum exemption thresholds for each campus are as follows:

- **Fall or Spring Graduate (GR):** 5 hours
- **Fall or Spring Undergraduate (UG):** 6 hours
- **Summer I and Summer II (GR and UG):** 3 hours

Between Semesters

Student employees who are enrolled and regularly attending classes in a given academic semester/session will be afforded the exemption from FICA tax withholding for any brief period of time (five weeks or less) between the end of one semester/session and the start of the succeeding semester/session, if they qualified for exemption in the immediately preceding semester/session. For example, a student enrolled during the last summer session would retain the exemption during the period between the last summer session and the start of the fall semester, as well as during Christmas break.

Full-Time Employees

All non-students and full-time employees of the University are not eligible for the student FICA exemption.

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Social Security Number

In order to be exempted from FICA tax withholding, a student employee must provide their valid Social Security Number to the University.

No FICA Tax Refund by University

The University's Payroll Department may not refund any FICA taxes, even if the taxes were mistakenly deducted (e.g., failure to provide a valid Social Security Number, the effect of dropping/adding courses, or the determination of credit hours at the beginning of the semester).

To request a refund from the Social Security Administration, the student employee would file Form 843. For Form 843, the University's employer identification number is **74-6001391** and FICA taxes are classified as "employment" taxes. This policy, along with Form 8316, should be attached to Form 843 as proof that the University will not refund any FICA taxes with regard to the student FICA exemption.