

## UC Student Employee Classification Possible Impacts Reference Sheet

University of California, Riverside  
UCR Revised\* Date: April 2022

### Possible Tax, Benefit, Retirement, Leave, Work Study and Visa Impacts

Listed below are possible impacts:

- a. FICA Tax: Students employed by the University who are not members of the University of California Retirement Plan (UCRP) must be enrolled at least half-time<sup>1</sup>, as defined under the Department of Education regulations, to qualify for the FICA exemption.<sup>2</sup> Student employees not enrolled at least halftime must contribute 7.50% of their earnings to the Defined Contribution Plan (DCP) and 1.45% to Medicare. Student employees who meet the following requirements are not subject to DCP/Medicare withholding.
  - i. A student working for the University who has a total active appointment percentage (including both fixed and variable appointments) of 80% time or more for any part of the month, is not eligible for the FICA exemption.
  - ii. A student employed during the summer is subject to withholding, unless the student is taking the minimum number of units established for Summer Session and not employed **at** 80% time or greater.
  - iii. Withholding is not required during intersession and break periods of five (5) weeks or less as long as the student is otherwise eligible for the exemption on the last day of classes preceding the break and is eligible to enroll in classes in the academic period following the break.
  - iv. The student FICA exemption will **not** be granted if the number of units is less than the minimum number of units required for half-time status in any term. For undergraduates, the student FICA exemption will **not** be granted if the number of units is less than six (6) in any full term. If the undergraduate student's last term is in the summer or similar term of shorter length, then the FICA exemption will not be granted if the credit hours are less than three (3) hours.
  - v. If the student was in their last term prior to graduating **and** took less than the minimum number of units required for half-time status, they can request a refund of their FICA taxes from the IRS when filing income tax return.
  - vi. Campus requests for exemptions to these procedures must be submitted to the Associate Vice President and Systemwide Controller for approval.
- b. Benefits Eligibility: Students may become eligible for Core Benefits if they work equal to or greater than 75% FTE time for three (3) months or more.

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<sup>1</sup> If a student is enrolled less than half-time, the student can still be eligible if they are in their last semester or quarter of a course of study, and is enrolled in the number of units needed to complete the requirements of obtaining a degree.

<sup>2</sup> The exception applies to all services performed during all payroll periods of a month or less that fall wholly or partially within the academic term.

- c. Retirement Eligibility: Regardless of time worked or appointment percentage, student titles are not eligible for retirement system benefits.
- d. Sick Leave Accrual: Students may become eligible for sick leave accruals if they work a total of 50% FTE in a monthly or quadri-weekly cycle depending on their exemption status calculated by the time and attendance system.
- f. Work Study: Departments may require student workers funded by work study to limit their work hours due to the maximum funding allowed per student.
- g. Visa Restrictions: International students are restricted to on-campus employment of no more than 50% FTE during the academic terms - no exceptions. Employment may increase up to 100% during the intersession breaks (winter break, spring break, and summer break). International students should check with campus international office on restriction.

For additional information regarding student employee classifications, [click here](#).