

Vendor Data Record (Form 204)

- **Purpose** – Effective January 1, 1993, California tax regulations require the CSU to withhold Federal and/or State income taxes from payments to certain vendors. Payments made to **nonresident** vendors, including corporations, individuals, partnerships, estates and trusts, are subject to withholding. **Nonresident** vendors performing services in California or receiving rent, lease or royalty payments from property (real or personal) located in California will have 7% of their total payments withheld for State income tax. However, no withholding is required if total payments to the vendor for the calendar year are \$1,500 or less.
- **Who needs to submit a 204?** – In order to gather such information as residency status, taxpayer ID number, Payee type, etc. the CSU now requires **all vendors** complete a Vendor Data Record Form, STD 204 on a one-time basis before any payments can be made. If Form, STD 204 is not completed and returned by the individual or company being paid, payment will either be delayed or Federal and/or State withholding will be calculated (Federal withholding rate 30%, and for State income tax withholding rate 7%).
- **Who is exempt from filing a Form 204?** – Payments made to other State or Federal agencies. Also, refund or reimbursement payments made to individuals are exempt from filing a Vendor Data Record Form.
- **How can you Help!** – If a School or Department is involved in dealing directly with a vendor (guest lecturers, emergency P.O.'s, e.g.) or is requesting a pre-payment for publication, subscription or membership, then the department must have the Vendor Data Record Form, Std 204, completed and signed and attached to the requisition, direct pay approval form and/or invoice when submitted, **Because checks cannot be released or issued without the completed documentation described above, please plan in advance to avoid payment delays.**

Form available on informed filler