



# Purchasing Newsletter

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## SPECIAL POINTS OF INTEREST:

- **Buying Software from Foreign Vendors**
- **New Travel Contracts**
- **Travel Portal Enhancements**

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## Buying Software from Foreign Vendors

Payments for the use (license or upgrade) of software from *foreign vendors* are considered U.S. source and are subject to U.S. foreign taxation and possible withholding. If the payments that relate to hardware are bundled with payments for software, then the full payment is subject to foreign taxation and possible withholding, unless the seller can provide a breakdown of the payment. Foreign tax withholding is required unless 1.) a U.S. treaty exists with the vendor's country of residence that exempts the payment from taxation and 2.) the foreign vendor qualifies for and 3.) requests treaty benefits; or if the foreign vendor is effectively connected to the U.S.

To obtain Treaty Benefits, the company must provide a Form W-8BEN with Parts I and II completed and that includes an U.S. EIN (Employer Identification Number.) If the company's U.S. activities cause the company to be doing business in the United States, the company may submit a completed and signed Form W-8ECI to claim an exemption from foreign tax withholding on its effectively connected income. Form W-8ECI also must include an EIN (Employer Identification Number.)

Foreign Tax withholding will be paid to the IRS in the vendor's name. In March following the end of a calendar year, a 1042-S will be mailed to the foreign vendor showing the amounts of the payment and the withholding. The foreign vendor may then fill out a US tax return to request a refund, if applicable.





Do you have a comment or question for the newsletter? Email us!

PURCHASING  
NEWSLETTER

## New LoboMart Features

Three times a year we have an upgrade to our LoboMart eProcurement system. Most of the time, these upgrades just make the system run more smoothly or more securely, but sometimes we get new functionality. Our latest upgrade delivered two new features that Purchasing

would like to share with you.

First, you will now be able to see the future LoboMart requisition number, before you click on place order. We hope this will make it easier to keep track of backup documentation.

The second new feature is the ability for Purchasing to view your in

process cart. This will allow us to better help you when you have a question about a LoboMart requisition you are currently working on. Just make a note of your LoboMart requisition number (now that it will be available) before you call.

## PCard Special Exception Requests

Just a reminder for cardholders that all PCard Special Exception Requests must be approved by Purchasing and your Financial Services Office. When you submit your monthly

statement reconciliation, don't forget to include the email approval from Purchasing—not from your Financial Services Office. Transactions needing Special Exception approval that

do not include the email approval from Purchasing will be considered a PCard violation. Contact your PCard Representative for more information.

## Cardholder Leave Notification

All of our PCard holders know that Purchasing must be notified if you terminate employment with the University or are changing departments. But, that's

not the only time you should be contacting us. If you are taking extended leave it's a good idea to let your PCard Representative know in advance. This way we can

make sure there is no fraudulent activity on your card while you are away.



## UNM Travel Portal Enhancements

Have you checked out the UNM Travel Portal yet? If not, take a look. You can find the travel portal at <http://www.campustravel.com/university/unm/index.html>. The portal is a one stop shop for ne-

gotiated rates for air travel, lodging, car rentals and airport parking.

We've recently added more contracts including:

Sheraton Albuquerque Uptown,  
Hotel Albuquerque,

Embassy Suites, and  
Hilton Albuquerque.

Keep checking back as we continue to add services to make your travel planning easier and more cost effective!

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## What Do You Think?

We'd love to hear your feedback on our Purchasing Newsletter. What kind of information would you like to see in future issues? We want this to be useful to you, so please send your comments and/or suggestions to [aortiz@unm.edu](mailto:aortiz@unm.edu).

Thanks for reading!