DREXEL UNIVERSITY
Office of
Research &
Innovation

Research Participant Payments – IRB Reporting Update

Effective January 1, 2026, the U.S. IRS reporting threshold for research participant compensation has increased from $600 to $2,000 per calendar year. While the institutional reporting threshold to the IRS has increased, the fact that research participant compensation is taxable income remains unchanged. Reimbursement for documented participant expenses related to participation is generally not taxable (e.g., reimbursement for parking or mileage).

New Study Submissions:

The IRB consent form templates have been updated with the new tax reporting threshold information. Study teams should use the following updated template language in their consent materials when participants will receive financial compensation for participation:

> Federal tax law requires to you to report this payment as income to the Internal Revenue Service. If you receive compensation from Drexel for participating in research, you may be asked to provide your social security number or other identifying information (e.g., full name). If you receive $2000 or more in total research payments from Drexel University during a calendar year, Drexel may be required to report the payments to the IRS and send you an IRS Form 1099.

Existing Studies with Active Participants:

For already approved studies with ongoing participant payments, study teams should inform active participants who received or will receive payment after January 1, 2026 of the change in IRS reporting. Study teams will be expected to revise the consent form language to the new tax reporting information at such time that the study requires a consent form amendment or a continuing review with future enrollment expected is submitted to the IRB (whichever comes first).

*Please note, if you are paying participants through the Concourse payment system, please use the language provided in the JP Morgan Concourse Payment System User Guide.

Active participants, and any newly enrolled participants (enrolled prior to approval of revised consent materials), can be notified of the change using one of the following methods:

- Verbal notification at the time of the next interaction with the participant, using the new template language as a script. The date and time of participant notification, as well as a summary of the information provided, should be recorded in the study records.
- Provision of the Drexel University IRB-approved IRS Reporting Update Information Sheet. For new participants, the Information Sheet can be presented as a Consent Addendum. For already enrolled active participants, the Information Sheet can be provided at the time of the next interaction with the participant, including via email for virtual study visits. For participants who received study payment after January 1, 2026, but who do not have continuing visits, the information may be conveyed via verbal notification or email but is not required. The date and time of participant notification should be recorded in the study records, along with a copy of the Information Sheet.

Please note that the IRS Reporting Update Information Sheet is IRB-approved and cannot be modified other than the fillable sections highlighted in yellow, including insertion of the PI name, protocol title, and contact information where indicated.