

## **International Students: Your Tax Obligations**

If you are an international student in the U.S., you're required to file tax documentation (a tax return) each year with the Inland Revenue Service (IRS). You must do so even if you haven't earned income in the U.S. The good news is that if you overpaid tax, you'll get a refund.

### **Resident or Non-resident for tax purposes**

Before filing your tax return, you should know if you're a "**resident alien**" or "**non-resident alien**" for tax purposes. Most international students on **F, J, M** or **Q** visas are non-residents for tax purposes. U.S. citizens, legal permanent residents, and non-resident aliens who have met the Substantial Presence Test are considered residents for tax purposes.

Please note that U.S. Citizenship and Immigration Services and the Internal Revenue Service use the terms "resident" and "nonresident" to mean different things. So being a resident or non-resident for tax purposes is not related to your immigration status.

### **Form 8843**

If you had no job, did not earn any wages, received no US source income (such as scholarship, stipend, grant award etc), then you do not need to file a full tax return, however you still need to file Form 8843. All international students in the US who are (tax) non-residents, must file form 8843. You do not need a Social Security Number or an Individual Taxpayer Identification Number to complete Form 8843.

### **Basic information on how you're taxed in the U.S:**

If you get a job in the U.S., you'll need to fill out a **W-4 Form** so your employer knows what income should be withheld from your wages as taxes. The taxes are then paid directly to the U.S. Treasury (and/or the appropriate state agency) on your behalf. Similarly if you received a grant, scholarship or stipend, some of this may be classified as income and have tax implications. At the end of the tax year, you need to prove that you've paid the correct amount by filing your tax return! Remember, even if you didn't have a job, you must still file your tax return each year.

Generally you'll only be taxed on your income based on U.S. sources. This includes on-campus employment, scholarships, fellowships, graduate assistantships, practical or academic training, and compensation for labor. Many students come from countries that have tax treaties with the

U.S. This means you may be able to earn a certain amount in the U.S. without paying federal tax. Make sure you research this: [Tax Treaty for Fellowship Payments](#).

**In your tax return, you must declare all sources of U.S. income such as:**

- Income from employment in the U.S.
- Scholarship, fellowship or grant
- Any other source of income

**Forms to complete:**

If you earned income in the U.S. you should complete **Form 1040NR / Form 1040 NR-EZ** and **Form 8843**. If you didn't earn any U.S. income, you still must file **Form 8843**.

To file your tax 1040NR / 1040NR-EZ, you'll need either a Social Security Number of an **Individual Taxpayer Identification Number (ITIN)**", which is used where you don't have a SSN.

**Important deadline:**

**April 18**: In 2016, April 18<sup>th</sup> is the last day for residents and non-residents who earned U.S. income to file Federal tax returns for 2015.

**Documents/info you'll need:**

- Social Security Number or ITIN
- Passport
- All U.S. entry and exit dates
- All tax forms, including Forms W-2, 1042-S and/or 1099 - if you received them
- Visa/Immigration Status information: Including Form DS-2019 (for J visa holders) or Form I-20 (for F visa holders)
- For State Tax Return(s) preparation: A copy of your prepared Federal Tax return

**Tip:** Make sure you have your payment documents (1042S, W2 etc) for the tax year you're applying for.

To assist you with your tax preparation, **SCHOOL** has arranged for Free access to a tax preparation software – **Sprintax**

Sprintax will determine your tax status, identify which forms you need to complete, and then complete the forms for you, based on the information you enter. If you need to do a Form 8843 a State return, or apply for an ITIN or a FICA refund, Sprintax can do this too.

International students can create a profile and log in to Sprintax. The first time you log in, you will need to create a UserID and password.

Sprintax will guide you through the process, firstly determining your tax residency status, then identifying which forms you need to complete based on your own personal circumstances.

If you have any questions about Sprintax, or questions when completing your tax using Sprintax, please use the 'live chat' function which is available within the system.

The link below will give you a short overview of the system

[Sprintax Demo Video](#)

If you have any general questions about tax preparation for non resident international students, please visit: [Sprintax FAQ](#)

Once you are ready, please proceed to log in the Sprintax using the link below:

**INSERT SCHOOL TRACKED LINK HERE**

### **Resident for tax purposes?**

If you are unsure of your tax status, please use Sprintax to determine if you are a non-resident for tax purposes.

There are many resources for filing as a resident for tax purposes:

- The IRS provides a good overview in [Publication 17, Your Federal Income Tax](#)
- "Free File" online federal tax preparation and electronic filing through the IRS for individuals with an adjusted gross income of \$57,000 or less. See the [Free File](#) page on the IRS web site.
- The New York State Department of Taxation and Finance lists the companies that offer free e-filing for both federal and state taxes if you qualify. See the [E-File for free with FreeFile](#) page on their web site.
- There is free tax assistance at some [New York Public Library neighborhood branches](#), including the
- Commercial tax preparation such as:
  - [www.turbotax.com](http://www.turbotax.com)
  - [www.hrblock.com](http://www.hrblock.com)
  - [www.taxback.com](http://www.taxback.com)