FOREIGN STUDENT AND SCHOLAR TEXT
For Use in Preparing Tax Year 2003 Returns

VOLUNTEER ASSISTOR'S GUIDE

FOR USE IN IRS VOLUNTEER PROGRAMS

VITA Volunteer Income Tax Assistance

TCE Tax Counseling for the Elderly

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INTRODUCTION

This *International Student and Scholar Supplement* is designed to provide assistance to volunteers who will be working at Volunteer Income Tax Assistance (VITA) sites that assist International Students and Scholars. This text can be used in conjunction with IRS Publication 678, Volunteer Assistor's Guide.

Over 500,000 international students and scholars are at American colleges and universities to study, teach and do research. Due to problems with English, the complexity of the federal tax laws applying to nonresidents, and scarcity of assistance, many of them have difficulty meeting their tax obligations. Failure of non-residents to comply with U.S. tax laws can lead to monetary penalties and immigration problems, and even destroy eligibility for citizenship.

We want to thank you for answering the call to help international students and scholars. We also want to answer the call from you. A phone number is available for nonresident alien issues. The number (**not** toll-free) is (215) 516-2000 and is available from 6:00 a.m. to 2:00 a.m., Eastern Time.

This book is designed to let learners teach themselves and monitor how well they have learned. To do that, read each lesson carefully. Work the exercises as you go along to confirm what you learned. After completing the chapters, work the comprehensive problems in Appendix C, and compare your answers to those provided. Self-grade using the answers provided. If your answers were not correct, go back to the sections on those topics and find out why.

This year a comprehensive test and certification have been added at the end of the book. Site coordinators may wish to remove the answer key before giving the text to the volunteers. Additional instructions precede the test.

OBJECTIVES

At the end of this course, you will be able to:

1. Distinguish between

- resident aliens and
- nonresident aliens.

2. Determine whether a nonresident alien is required to file.

3. Determine the correct form(s) to file.

4. Determine whether a tax treaty applies.

5. Using an applicable treaty, determine which income is

- taxable, and which is
- excludable from income.

6. Determine

- what income is "effectively connected" and what is not;
- what income must be reported; and
- where an international taxpayer's return should be sent.

7. Correctly complete Form 8843.

8. Correctly complete Forms 1040NR and 1040NR-EZ.

The most important terms in this book are in **boldface** the first time they are used. They are explained shortly after that first use, and are defined in the glossary.

9. Establish an International VITA site.

Site, Sponsor and Volunteers Liability Issues

Some colleges and universities are reluctant to sponsor an international VITA site because of the potential liability they feel it causes them. This section is intended to serve as a reference. It does not constitute legal guidance. Legal counsel should be consulted if you have questions.

Volunteers at all VITA sites (including international sites) appear to be covered by the federal Volunteer Protection Act of 1997, Public Law 105-19 (42 U.S. Code sections 14501 et seq.). The Act applies to volunteers who perform services for a nonprofit organization or governmental entity, and receive no compensation other than reasonable reimbursement or allowance for expenses actually incurred (or any other thing of value in lieu of compensation over $500 per year), and to a volunteer serving as a director, officer, trustee, or direct service volunteer.

The Act generally protects volunteers from liability for negligent acts they perform within the scope of their responsibilities in the organization for whom they volunteer. The Act excludes conduct that is willful or criminal, grossly negligent, or reckless, or that constitutes a conscious, flagrant indifference to the rights or safety of the individual harmed by the volunteer. The Act does not protect volunteers from liability for harm arising from the operation of a motor vehicle, vessel, aircraft, or other vehicle for which a license and insurance are required; or from crimes of violence, hate crimes, sexual offenses, civil rights violations, or acts committed under the influence of alcohol or drugs. Volunteers are not liable for punitive damages for harm caused by acts they perform within the scope of their responsibilities, unless a claimant establishes by clear and convincing evidence that the harm was proximately caused by an action constituting willful or criminal misconduct, or a conscious, flagrant indifference to the rights or safety of the individual harmed.

The Act provides that certain conditions imposed in state laws limiting the liability of volunteers will not be considered inconsistent with the Act. In other words, those limitations are not invalidated by the Act, and may limit the effects of the Volunteer Protection

Act. The state conditions that remain in force are listed in subsection 4(d) of the Act. Most significant among the **conditions that may apply in some states** are: (1) volunteers may be subject to liability if the civil action was brought by a state or local government official pursuant to state or local law; (2) volunteers may be protected only if the sponsoring organization has provided a secure alternate source of compensation for those harmed; and (3) some states waive liability only if sponsors adhere to risk-management procedures, including providing mandatory training of volunteers. State limitations will vary, so protection of volunteers may vary also.

In conclusion, it is the opinion of the Internal Revenue Service that the Volunteer Protection Act of 1997 offers significant protections from liability for those meeting its requirements. The most significant requirement is that the volunteer's sponsor must be a nonprofit organization, or governmental entity, and that the act causing harm is performed within the scope of the volunteer's responsibilities. It is also important to note that **the Act's best protection covers only negligent acts**—not willful, criminal, reckless, or conscious, flagrantly indifferent acts; and that state limitations on volunteer protection may apply.

Establishing International VITA Sites

The following information is intended for International VITA site coordinators. If you are just forming your International VITA site, you may have many questions about how to establish the site. This section provides suggestions and guidance that you may find helpful, including liability protection for VITA site sponsors and volunteers. Keep in mind, that no two sites are exactly the same.

Talk to the School Officials

Possibly the first step that you need to take is informing the school officials that you plan to offer this service. They can help you with publicity and they may be able to provide the space for the site. The foreign student advisor can help you develop the site. In some schools, the foreign student advisor serves as the site coordinator. If possible, talk to school officials during the summer.

Find a Location

You also need to start searching for a location for your site. Keep in mind that many students have limited transportation. If you cannot find a spot on campus for the site, consider asking a nearby religious organization or library for space. Be prepared to tell them the amount of space that you will need and how long you will need the space. The amount of space will depend on the number of volunteers you will have working at the same time. Don't forget to think about space for people to wait in line. Since International Students and Scholars have very few places to turn for help on their taxes, you may have a very good turn out at your site.

Find Site Sponsors

It is a good idea to find multiple site sponsors. For example, maybe the local office supply store will sponsor all of your office needs (staplers, pens, paper, and calculator). Try to see if the local pizza places will donate some food for your training class. Better yet, see if the local food places will take turns providing food for your volunteers while they are working at the site. Keep good records of the businesses which have helped you. Make sure that you send them a thank you note at the end of the season. See if the local paper will run a free thank you ad for you.

Recruit Volunteers

In the fall, start recruiting volunteers. There are many places that you can look for volunteers. If the school has an accounting club, approach the club president and see if the club would be willing to take on the VITA site as a service project. Explain that training will be provided and that the volunteers do not need to be multilingual. You might also want to contact the professor that teaches the Income Tax class in the Accounting Department. Some students from that class may be available to help.

You can look to sources outside of the campus for volunteers. In some communities, all of the International VITA site volunteers are senior citizens. They have a desire to help the International Students and Scholars and they have the time to volunteer. In other communities, the local accountants volunteer at the International VITA site. In a couple of locations, the Rotary Club provides the volunteers. Use your connections and don't be afraid to ask.

Not all of your volunteers need to prepare taxes. You could have someone who is the greeter or receptionist at your site. Someone else might watch the children while married students and scholars get help with their returns. If you have someone willing to help you, find something for them to do.

Plan for Training

You need to determine what type of training you will offer to the volunteers. The tools that the IRS will provide for your training include this book and an instructional web cast. The web cast will most likely take place in February. It allows volunteers to watch a live training session on the computer. The IRS will also provide you with all of the forms that you need for your training.

If you plan to have a class for your volunteers, you will need to recruit an instructor. The IRS does not have the resources to provide instructors for individual VITA sites. You may wish to have the volunteers self-study this book.

Testing and Certification

At the end of this book, there is a comprehensive test. All volunteers who plan to prepare tax returns must complete the test. You can fill in the certificate for the volunteer after the test has been successfully completed.

Keeping Records

VITA sites are not allowed to keep copies of the returns that they prepare. No records can be kept of social security numbers or income. You should ensure that your volunteers are familiar with the privacy and confidentiality rules for VITA volunteers.

Year Round Assistance

While the greatest need for International VITA sites is during the filing season, many International Students and Scholars need tax help throughout the year. If you have the resources available, you might consider keeping your site open after April 15. Maybe you could provide walk-in assistance on the first Friday of the month from 1-3 p.m., for example.

STUDENT NOTES

Determination of Residency Status

Lesson 1

U.S. immigration laws speak of immigrants, nonimmigrants (also called nonresident aliens), and illegal aliens (undocumented aliens). But U.S. tax laws speak of **resident aliens** and **nonresident aliens.**

The basic facts to remember about taxation of aliens are that resident aliens are taxed like U.S. citizens, while nonresident aliens are taxed differently. The tax law applicable to aliens—although based on U.S. immigration law—defines residency for tax purposes differently from how it is defined in immigration law. Under the Internal Revenue Code, even **illegal aliens** (undocumented aliens) are treated as resident aliens if they meet the "substantial presence" test in the tax code.

The first step in assisting international students and scholars is determining their residency status for tax purposes. As described in future chapters, that status effects the amount of income to be reported, availability of deductions, and treaty benefits.

It is important to emphasize that the following discussion of residency status is for federal income tax purposes **only,** because residency for immigration purposes is determined differently. Some state taxing agencies follow IRS residency determinations; others use their own criteria. If you plan to help international students and scholars with **state** income tax returns, you will need to check with the taxing agency of the state where they live and/or work.

How to Determine Residency Status

All noncitizens of the U.S. are legally "aliens." There are three types of aliens for tax purposes: (1) nonresident; (2) dual-status; and (3) resident. Persons in categories (2) and (3) are taxed like U.S. citizens. This book focuses almost entirely on group (1), nonresident aliens ("nonresidents" for short). It will help you to keep in mind that for many international students and scholars present in the U.S., nonresident tax status is more favorable than resident status.

Nonresidents become residents for federal tax purposes in one of two major ways. One is by receiving permanent resident status from the Department of Homeland Security, Bureau of Citizenship and Immigration Services (Formerly Immigration and Naturalization Service), as described below. The other is by having a **substantial presence** in the U.S. For nonresident aliens, having a substantial presence normally means being present for a total of more than 183 days. But most international students and scholars are **exempt individuals** (also described below) for this purpose.

(Important note: Being an "exempt individual" does not mean that one is exempt from taxation. It merely affects how days of presence are counted.)

The charts in this lesson will help you determine the residency status of foreign students and scholars, based on the information they provide. Before using the charts, you need to know a few terms used in them.

Substantial presence

Nonresident aliens meet the **substantial presence test** if they have spent more than 183 days in the U.S. To meet the substantial presence test, and thus be considered a resident alien for tax purposes, an alien must **at least:**

1. be physically present for 31 days in the current year, **and**
2. be physically present for 183 days (as calculated below) during the 3-year period consisting of the current year and the 2 immediately prior years. The 183 days are calculated as follows:
   - **a.** all days of presence in the current year;
   - **b.** 1/3 of days of presence in the year immediately before the current year; and
   - **c.** 1/6 of days of presence in the year before that.

Exempt individual

Any person who is temporarily exempt from the substantial presence test. Time spent in this category does not count toward the 183 days in the U.S. that normally will convert a nonresident alien into a resident alien. Being in any of the following categories will temporarily exempt a person from the substantial presence test:

Student

A student is anyone who is temporarily in the U.S. on an "F", "J", "M", or "Q" visa and substantially complies with the requirements of that visa. A person is considered to be substantially complying who has not engaged in activities prohibited by the immigration law. Immediate family members of a student are also counted as students for this purpose—including a spouse, and unmarried children under age 21 who reside with the student. Students are exempt from the "substantial presence" test for 5 years. But any part of a calendar year in which the student is present in the U.S. counts as a full year. (See "Counting Years of Exemption" later in this lesson).

Teacher or Trainee

A person who was primarily admitted to the U.S. to teach or research (not study); is temporarily present with "J" or "Q" visa status; and substantially complies with all requirements of that visa is considered a teacher or trainee—as is the person's immediate family. Teachers and trainees are exempt from the "substantial presence" test only if they have been in the U.S. no more than 2 out of the last 6 years. As with the student exception, any part of a calendar year in which the person was present counts as a full year. (See "Counting Years of Exemption" later).

Closer Connection to Home Country

A third exception to the "substantial presence" test applies if the person can show a closer connection to a foreign country than to the U.S. To qualify for this exception, the person must file IRS Form 8840 and be able to show that (s)he:

1. was present in a non-exempt status for less than 183 days during the current year;
2. has a tax home in a foreign country; **and**
3. has a closer connection to that country than to the U.S.

(See Form 8840 or Publication 519 for a discussion of a "closer connection" to a foreign country.) A person meeting the "closer connection" exception continues to be treated as a nonresident despite continuing presence in the U.S.

Chart 1-A. **Are you a Nonresident Alien for U.S. Income Tax Purposes?**

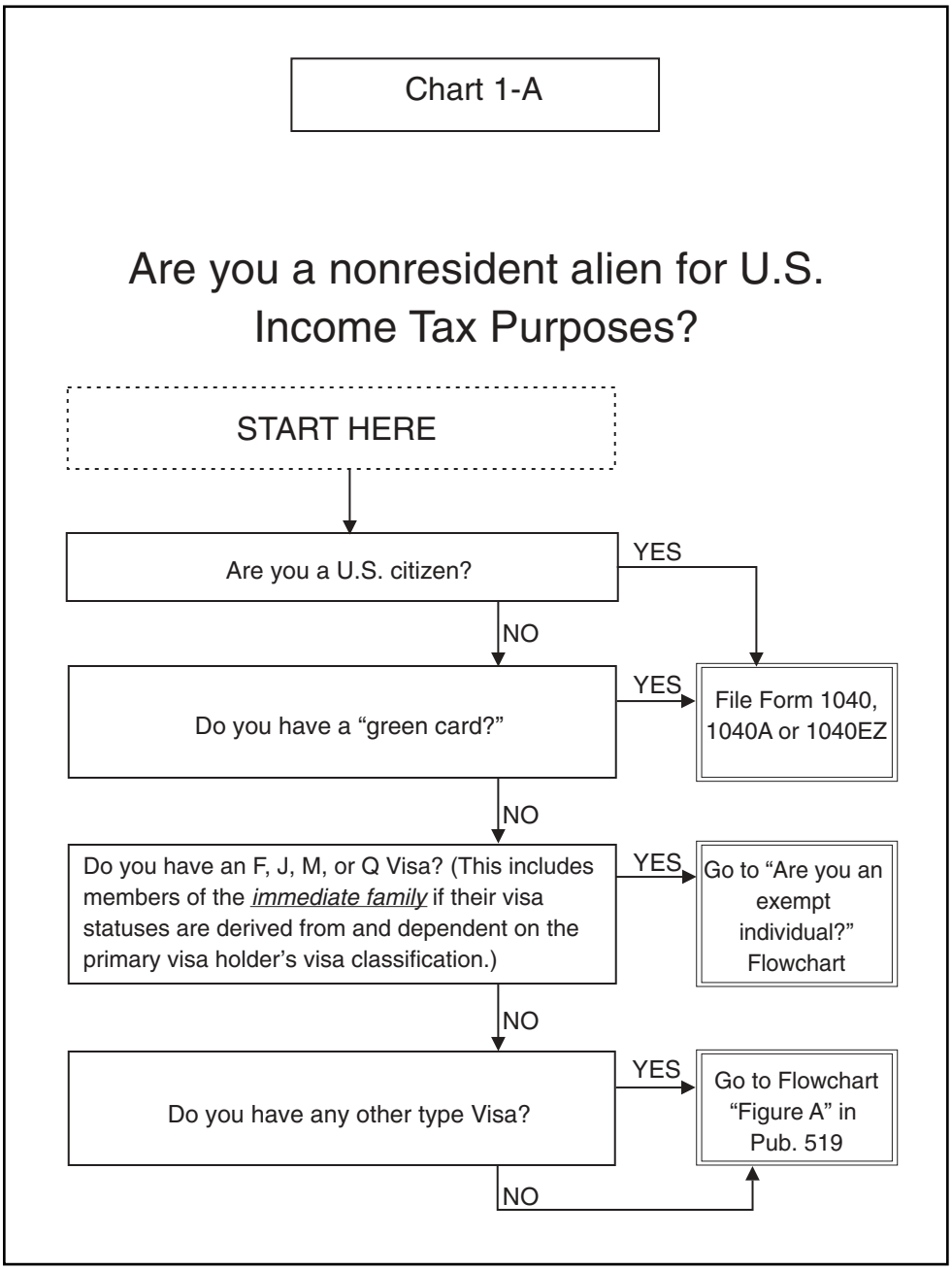


Chart 1-B. **Are you an Exempt Individual?**

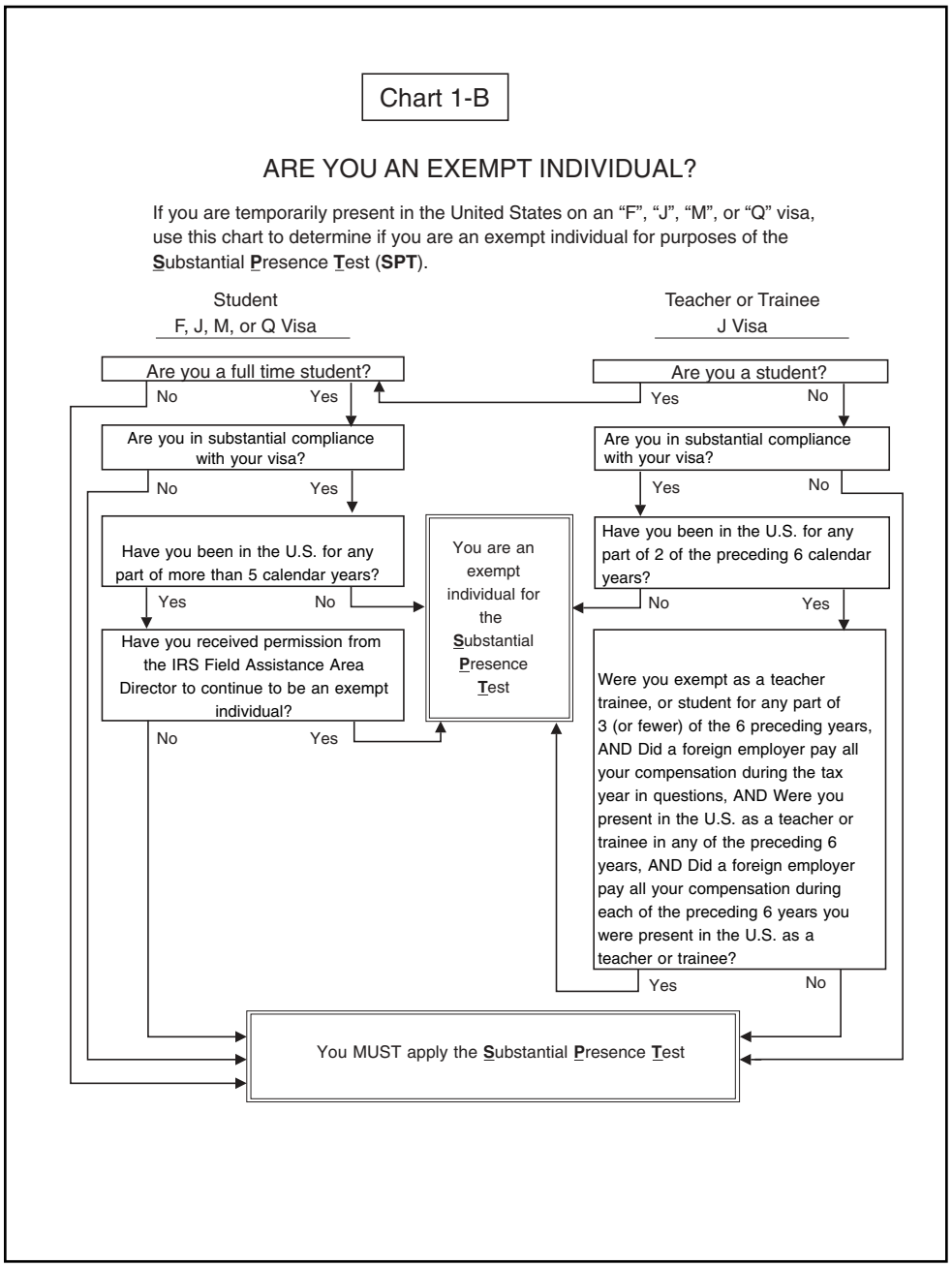
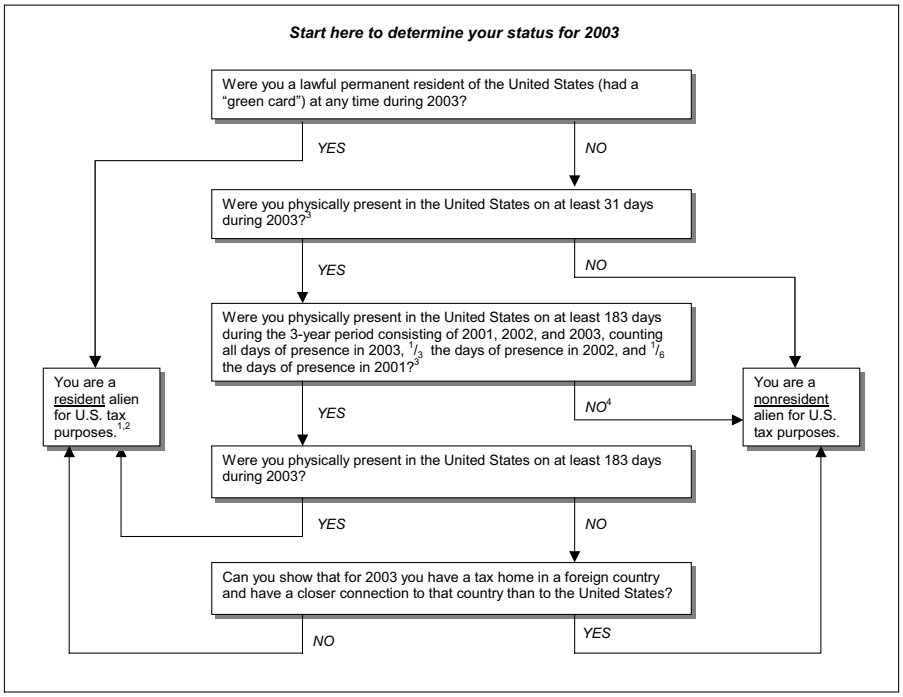


Chart 1-C. **Nonresident Alien or Resident Alien?**

Caution: The chart for 2003 was not available when these materials went to print. However the rules used to determine substantial presence for 2003 will not change.

Figure 1-A. **Nonresident Alien or Resident Alien?**



1 If this is your first or last year of residency, you may have a dual status for the year.
2 In some circumstances you may still be considered a nonresident alien under an income tax treaty between the U.S. and your country. Check the provisions of the treaty carefully.
3 See *Days of Presence in the United States* in this chapter for days that do not count as days of presence in the United States.
4 If you meet the substantial presence test for 2004, you may be able to choose treatment as a U.S. resident alien for part of 2003.

Counting Years of Exemption

For both the 2-year period during which a scholar can be exempt, and the 5-year period during which a student can be exempt, from the "substantial presence" test, the person's presence in the U.S. for any part of a calendar year counts as a full year's presence. Thus if a scholar (or student) arrived in the U.S. in December 2000, the year 2000 was the first of that person's 2 (or 5) years. If the person stayed in the U.S. into 2001, and is subject to a 2-year limit, that limit was reached at the end of 2001—so the "substantial presence" test began to apply at the beginning of 2002.

Example 1

Julianna came to the U.S. on an F-1 visa in October 2000 to study American art history. She had never been in the U.S. before. As a student, she is exempt from counting her days of presence during her first 5 years— which are 2000, 2001, 2002, 2003, and 2004. If she remains in the U.S. beyond July 2, 2005, she will become a resident alien for tax purposes at the beginning of that year.

Example 2

Neeni came to the U.S. on a J-1 visa in 2002 to teach for 2 years at a state university. She knows that the cultural adjustment will go smoothly because she also taught in the U.S. in 1998 and 1999 on a J visa. To determine her residency status for 2003, use a 6-year "look-back" period (1998-2003). During that time she had been in the U.S. with J visa for 2 years. Thus for tax purposes, she is no longer an exempt individual and she must count her days towards the substantial presence test. She will be a resident alien for tax purposes.

Example 3

Eduard is a junior in F-1 immigration status at the local university. He came to the U.S. in 1999 from France, his home country. He studied in the U.S. until the end of 2000, then returned home. He re-entered the U.S. as a J-1 student in 2002. For federal income tax purposes, he is still a nonresident alien because he has not yet been in the U.S. for 5 years.

Example 4

Xhao came to the U.S. on a J-1 visa in 2001 to teach at a university for two years. He brought his wife and three children (each on a J-2 visa). In November 2002 the university contracted with Xhao's wife for her to teach there in fall 2003 (she had received BCIS work authorization). It also extended Xhao's original contract. For the year 2003, both Xhao and his wife will be considered resident aliens for tax purposes, because they have already spent 2 years in an exempt status. Their children can be claimed as dependents if they meet all dependency tests (like those for citizens).

Exercise 1

Bridgette arrived in the U.S. as a student with an F-1 visa in December 1999. For tax year 2003, is she a resident or non-resident alien for federal income tax purposes?

Answer_____

Exercise 2

Guladua came to the U.S. on a J-1 visa in June 2001 to teach for 2 years, starting in August 2001. For tax year 2003, is he considered a resident or nonresident alien for federal income tax purposes?

Answer_____

✔ Check your answers at the end of the chapter.

Residency Starting Date

For a person who becomes a resident by meeting the 183-day "substantial presence" test, the starting date of residency for tax purposes is the first day the person was present in the U.S. **in the tax year in which the person met the "substantial presence" test.** By contrast, for a person who is granted permanent resident status by the BCIS (a "green card"), the starting date of residency for tax purposes is the first day the person was in the U.S. as a lawful permanent resident. That usually is the day of receipt of notification from the BCIS that the residency application had been approved. For someone who both (1) meets the "substantial presence" test **and** (2) has been granted permanent residency, residency begins on the earlier of the two dates.

Example 5

Edem has been in the U.S. continuously since 1997 on an F-1 visa. He is considered a resident alien for tax purposes as of January 1, 2002.

Example 6

Assume the same facts as in Example 5. Edem also applied for resident alien status in 2002, and was notified by the BCIS on October 20, 2002 that his residency application was approved. He is still considered a resident alien for tax purposes as of January 1, 2002.

Example 7

Zachary who entered the U.S. in F-1 status on August 15, 2001 received notification from BCIS on July 13, 2002 that his application for residency was approved. He is considered a resident alien for tax purposes as of July 13, 2002.

Exercise 3

Mike, a graduate student, is present in the U.S. temporarily on a J-1 visa. He arrived on June 15, 2000 to prepare for his studies that fall. Mike had never been in the U.S. before. For 2003, is Mike a resident or nonresident alien?

Answer_____

Exercise 4

Assume the same facts as in Exercise 3. Mike's wife accompanies him on a J-2 visa. She is given permission to work by the BCIS and begins working in July. Is she a resident or nonresident alien for federal tax purposes?

Answer_____

Exercise 5

Wei Wu, a citizen of the People's Republic of China, is temporarily in the U.S. as a graduate student on an F-1 visa. He has resided continuously in the U.S. since arriving on August 15, 1997. His immigration status has not changed, and he was in the U.S. all of 2002. When did Wei become a resident alien for federal income tax purposes?

Answer_____

Exercise 6

Kuongeza Muda Mpya, a resident of Kenya, is in the U.S. as a teaching scholar on a J-1 visa. He arrived in the U.S. on December 17, 2000 and has been here continuously since. On July 7, 2002 Kuongeza was notified by the BCIS that his application for permanent residence was approved and a permanent resident card would be issued by July 20, 2002. What is his residency starting date for federal income tax purposes?

Answer_____

✔ Check your answers at the end of the chapter.

Residency Through Marriage

A nonresident alien who does not meet the substantial presence test, and does not have a "green card," may still be treated as a resident for tax purposes if the nonresident is married to a U.S. citizen, legal permanent resident or someone who has met the substantial presence test. This election can be made if:

1. at the end of the year, one spouse is a nonresident alien and the other is a U.S. citizen or resident, **and**
2. both spouses agree to file a joint return and to treat the nonresident alien as a resident alien for the entire tax year.

Example 8

Norman is a student temporarily in the U.S. on an F visa. He is married to Pat, who is a U. S. citizen. Since Pat is a citizen, she and Norman can elect to treat Norman, who would otherwise be a nonresident alien, as a resident alien for the entire tax year.

To make the election, a statement must be attached to the joint return that is filed for the year of the election. There is no form for this statement; it can be handwritten or typed. It should be attached to the back of the tax return, after all schedules and forms. The statement should contain the following information:

1. A declaration that one spouse was a nonresident alien and the other spouse was a U.S. citizen or resident on the last day of the tax year, and that they choose to be treated as U.S. residents for the entire tax year, **and**
2. Each spouse's name, address, and taxpayer identification number.

For the year of the election to treat the spouse of a U.S. citizen as a resident, the spouses must file a joint return. The election continues into future years; but the spouses can file separately after that year if they choose. The election to treat the spouse as a resident is terminated by revocation, death of either spouse, or legal separation; or the IRS may terminate it for failure to keep adequate records or failure to allow the IRS access to records. Since one's status as a resident or nonresident affects the income to be reported, availability of deductions, and treaty benefits, an election to be treated as a resident alien should be considered carefully.

Dual-Status Alien

A dual-status alien is a person who is a resident alien and a nonresident alien at different times in the same tax year. This most commonly occurs in the year a person arrives in the U.S. or leaves the U.S. It may also occur if a person's residency status changes during the year. More information is in IRS Publication 519, *U.S. Tax Guide for Alien*s. Completing dual-status returns is an advanced task and thus not covered by the volunteer program.

Exercise 1 Bridgette would still be considered a nonresident alien for federal income tax purposes. If she stays in the U.S. past July 1, 2004, she will become a resident alien for federal tax purposes effective January 1, 2004.

Exercise 2 Guladua is considered a resident alien for federal income tax purposes in 2003. He was in an exempt status in 2001 and 2002. Even though he was not in the U.S. for a full year in 2001, he must count that entire year toward his 2 years of exempt status.

Exercise 3 Mike would be a nonresident alien for 2002. Even though he is on a "J" visa, if his primary purpose for coming to the U.S. was to study, he is in exempt status for 5 years. He will not begin counting days of presence until January 1, 2005.

Exercise 4 Mike's wife would be a nonresident alien also. Her status depends on her husband's status. While F-2 visitors are not permitted to work, J-2 visitors can.(This information will be covered in a later lesson.) Permission to work does not change her residency status for tax purposes.

Exercise 5 Wei Wu is a resident alien for federal income tax purposes in 2002. His residency starting date is January 1, 2002. His 5 years of exempt status were 1997, 1998, 1999, 2000, and 2001.

Exercise 6 Kuongeza will be considered a resident alien for tax purposes as of January 1, 2002. He was in an exempt status in 2000 and 2001. He meets the substantial presence test in 2002. He also received a "green card" in 2002. If both apply, the earlier starting date governs.

WHO MUST FILE

In many countries, the government assesses and collects taxes that are owed. But in the U.S. it is each individual's own responsibility to meet his or her tax obligations.

Each student or scholar is responsible for helping his or her employer estimate how much income to withhold (deduct) from the student's or scholar's pay for income tax. The employer pays those amounts directly to the U.S. Treasury on the employee's behalf.

A student's or scholar's yearly tax return must reconcile the amounts withheld with actual tax liability for that year, so that the right amount will end up being paid for that year. If too much was withheld from pay, the Treasury will pay a refund after receiving the return.

In Lesson 1 you learned that all non-citizen taxpayers fall into one of three statuses for tax purposes: resident alien, nonresident alien, or dual-status alien. Each status has different filing requirements. This lesson will give information on filing requirements for **non-resident** aliens. But first will be a brief discussion of filing requirements for resident and dual-status aliens.

RESIDENT ALIENS

Resident aliens are subject to the same federal income tax filing requirements as U.S. citizens. Whether they must file depends on their filing status and income. Filing requirements for U.S. citizens and resident aliens are described in IRS Publication 678, *VITA Assistor's Guide,* and Publication 17, *Your Federal Income Tax Guide*.

DUAL-STATUS ALIENS

As mentioned in Lesson 1, international VITA site volunteers do not assist with filing dual-status returns. The following information is for reference only. Completed examples are available in IRS Publication 519.

A taxpayer who is a **resident** alien at the end of the calendar year must file Form 1040 if the person is a dual-status taxpayer who became a resident during the year. The words "Dual-Status" should be written across the top of the return. Also, a statement should be attached to the return showing the income for the part of the year when the taxpayer was a nonresident. Form 1040NR or 1040NR-EZ can be used as that statement; across its top the words "Dual-Status Statement" must be written.

A taxpayer who is a **nonresident** alien at the end of the year must file Form 1040NR or 1040NR-EZ if (s)he is a dual-status taxpayer who gave up residency during the year. Across the top of the return the words "Dual-Status" should be written. Also, a statement should be attached to the return showing the income for the part of the year when the taxpayer was a resident. Form 1040 can be used as that statement; "Dual-Status Statement" must be written across its top.

Nonresident Aliens

General Rule

In general, nonresident aliens must file tax returns if they engage in any trade or business in the U.S. (Studying, teaching, and doing research are all considered to be activities in which the taxpayer is engaged in a trade or business.) Nonresidents must file even if they had no income from the U.S., or their income is exempt from U.S. taxes.

Student and Scholar Exception

However, an exception applies to many international students and scholars. Nonresident aliens who are students, teachers, or trainees, and are temporarily present in the U.S. under an F, J, M, or Q visa, must file a **return** only if they have income that is subject to withholding, even if no tax was withheld. (Caution: Even if they are exempt from filing a **return,** they must still file a tax **form.** See Lesson 5.) But even students and scholars who are not required to file returns should do so if they are eligible for refunds.

Example 1

Pedro is a junior at the state university. He is on an F-1 visa. In 2003 he had wages of $213 from his job on-campus. His wage statement shows that $14 of federal income tax was withheld. He must file a return since he had some income subject to withholding. He will receive a $14 refund.

Example 2

Jose, who is from Peru, worked on campus last year. He earned $142 and had no withholding. He must file a return because wages are a type of income that is subject to withholding, although Jose had no withholding. If he does not file Form 1040NR-EZ, the IRS will not penalize him since $142 is not enough income for him to owe tax; but he may be considered out of compliance with the tax law.

Form 1040NR or 1040NR-EZ

Once you have determined that a nonresident needs to file a return, you should choose the best form to use. Nonresident aliens file either Form 1040NR or Form 1040NR-EZ. Form 1040NR is 5 pages long and can accommodate all types of income and expenses. Form 1040NR-EZ is only 2 pages long and is limited to specific situations. Nonresidents cannot file joint returns, and are very limited in claiming dependents. You should choose the simplest and shortest form that will accommodate all the taxpayer's income and deductions.

You can use Form 1040NR-EZ instead of Form 1040NR if **all nine** of the following statements are true:

1. No dependents are claimed (rules for this are covered in Lesson 8).
2. The taxpayer cannot be claimed as a dependent on another U.S. tax return.
3. The only sources of income were wages, salaries, tips, taxable refunds of state and local income taxes, and scholarship or fellowship grants.
4. Taxable income is under $50,000.
5. The only adjustment to income is the student loan interest deduction or scholarship exclusion.
6. No tax credits are claimed.
7. No exemption is claimed for the spouse.
8. The only itemized deduction is state and local income tax.
9. The only taxes owed are income tax.

Example 3

Joy is a married student from China. She can't be claimed as a dependent on any U.S. return. Her only income is $8,390 that she earned on-campus. Her only deduction is $96 of state income tax. She can file Form 1040NR-EZ.

Example 4

Peter is a married student from Canada. His wife meets all the requirements to be claimed as a personal exemption. His only income was $11,000 he earned from his assistantship. He is not entitled to the $10,000 treaty benefit because his income exceeded $10,000. He should file Form 1040NR. He can take a deduction for his wife on that form, if she has a U.S. taxpayer identification number.

Example 5

Lee is a single student from China. He tells you that he gave a local church $10 every week. His total income was $7,950. His state income tax withholding was $65. He can still file a Form 1040NR-EZ, because his treaty benefit and allowable deductions (both covered in later chapters) reduce his income below $0 even without considering his charitable contributions.

Income	**$ 7,950**
Minus:	
Treaty benefit	**– 5,000**
Personal exemption	**– 3,050**
State tax	**– 65**
Total income:	**($165)**

Example 6

Olga does not know which form to file. She had no wages, but she sold $50,000 of stock on-line. She made only $70 after expenses. You should tell Olga to file Form 1040NR. She will also need a Schedule D (the same as used on domestic returns) to report the stock sales.

When and Where to File

A nonresident who received any wages must file a tax return by April 15, 2004. If the only income was from scholarships or other income not subject to withholding, the return must be filed by June 15, 2004.

All Forms 1040NR and 1040NR-EZ must be mailed to:

Internal Revenue Service
Philadelphia, PA 19255

Failure to File

Many students and scholars who are required to file returns either don't file, or file incorrectly. Many of them would be eligible for a refund if they filed the required forms. They would rather forgo the refund than try to figure out what they should file and when. Part of your job is to inform them whether they need to file.

If they have no tax liability, the IRS will not penalize them for not filing (although they must still file Form 8843). However, the terms of students' and scholars' visas require that they stay in compliance with all laws of the U.S., including income tax filing. If they want to apply for residency at a later date, they may be asked to show proof of tax compliance. So they should file tax returns, even if they do not care about (or are not eligible for) refunds.

Alternative Methods of Filing

You can use software to help you prepare nonresident returns; but the forms cannot be filed electronically. Very little software is available for preparing foreign students' and scholars' tax returns. If you can use such software (some colleges provide it), it can be of great help in preparing returns. The VITA program does not currently furnish software to international VITA sites. The TaxWise® software used in Form 1040 preparation does have Form 1040NR on it, but it does not help you with calculations. If you have access to TaxWise, you can use it as a template and type in the information for Form 1040NR; but you must still do the calculations and know the treaties. If you have additional software questions, talk to your VITA coordinator or the foreign student advisor.

Note: Returns cannot be faxed to the IRS.

STUDENT NOTES

TREATY OVERVIEW

Many countries have **tax treaties** with the U.S. that allow their residents to earn some money while temporarily in the U.S. without being subject to income tax on those earnings in both countries. These treaties will have a large impact on your volunteer work with international students and scholars. The texts of the treaties are posted on the IRS Web site (http://www.irs.gov), but understanding them can be a challenge. IRS Publication 901, *U.S. Tax Treaties,* has an overview of them. This chapter provides very general treaty information and is not intended to replace the governing rules of the treaties. The publication 901 overview appears at the end of this lesson.

India is the only country whose international students are allowed to use the standard **deduction** in the U.S. On the other hand, all international students and scholars are entitled to the personal **exemption** for themselves, and in some cases for family members. (See Lesson 8 for more information.)

International students and scholars may complete Form 8233, *Exemption From Withholding on Compensation for Independent (and Certain Dependent) Personal Services of a Nonresident Alien Individual,* annually and give it to their employer. This allows the employer to avoid withholding federal income tax on their earnings or other payments until the applicable treaty benefit amount is exceeded. It also enables the employer to issue the correct type of wage statement at the end of the year. But the students and scholars are entitled to claim their treaty benefits on their tax returns, even if they did not give the proper forms to their employer or college. The individual is also allowed to claim the treaty benefit even if the employer did not issue the correct reporting document.

Each type of income that an alien can earn is identified by a numeric code on Form 1042-S (which international students and scholars should receive in lieu of a Form W-2 for any income that is covered by a treaty). A code often seen is “19”— wage income for a student. The codes are helpful in determining the application of the treaty benefits. Table 1 on the next page lists these codes and their meanings.

The pages following the income codes give a quick guide to treaty benefits. However, they do not list all the restrictions on treaty benefits. Publication 901 provides additional information. Tables 2 through 4 summarize treaty benefits applicable to each of the three major kinds of income (codes 15, 18, and 19) of students and scholars from each country for which a treaty gives benefits for that code. Countries not listed in the tables had no treaty benefits for their students or scholars when this publication went to press. However, new treaties are ratified from time to time. Students can often tell you what they think their treaty benefit should be. If you

don't see information for their country listed in Tables 2 through 4, you can check the IRS Web site (http://www.irs.gov) to see whether a new treaty has been ratified. Treaty benefits are tied to the residency of the individual immediately before entering the U.S., not the country who issued the passport.

TAX RESIDENCY

As we noted in lesson 1, you must determine the residency status for US income tax purposes. You also learned that the residency status for tax purposes could be different than the residency status for immigration. Now we need to introduce one more residency status.

For an individual to be eligible for treaty benefits, the individual must be a resident in the treaty country at the time designated by the treaty. This requires that you determine the tax residence for the individual. Most of the time, the person will be both a citizen and resident in the treaty country. However, as we become a more mobile society, students who are citizens of one country may have been residents of a different country immediately before coming to the United States. The application of the treaty benefit is usually determined by where the person resided immediately before entering the US. This is illustrated in the following example.

Example 1

Suigita is a citizen of India. In 2001 she received her undergraduate degree from the University of Toronto. In April, 2002 she entered the U.S. from Canada to begin work on her graduate degree. Since she was a resident of Canada immediately before entering the United States, she is governed by the Canada treaty not the India treaty.

Table 1: Income Codes for Aliens

(This is a comprehensive list. The codes most often applying to international students and scholars are in **boldface**. Many codes rarely apply to students and scholars, but are shown here for reference.)

Code	*Description*
01	Interest paid by U.S. obligors—general
02	Interest on real property mortgages
03	Interest paid to controlling foreign companies
04	Interest paid by foreign corporations
05	Interest on tax-free covenant bonds
06	Dividends paid by U.S. corporations—general
07	Dividends qualifying for direct dividend rate
08	Dividends paid by foreign corporations
09	Capital gains
10	Industrial royalties
11	Motion picture or television copyright royalties
12	Other royalties
13	Real property income and natural resources income
14	Pensions, annuities, alimony, and/or insurance premiums
15	**Scholarship or fellowship grants**
16	Compensation for independent personal services
17	Compensation for dependent personal services
18	**Compensation for teaching and researching**
19	**Compensation during study and training**
20	Earnings as an artist or athlete
	. . .
24	Real estate investment trust (REIT) distributions of capital gains
25	Trust distributions subject to Code section 1445
26	Growing crops and timber income
27	Publicly traded partnership distributions
28	Gambling winnings
29	Deposit interest
30	Original issue discount (OID)
31	Short-term OID
32	Notional principal contract income
	. . .
50	Other income

Income Code 15: Scholarship of Fellowship Grants

International students and scholars often receive scholarships, fellowships, grants, and assistantships from U.S. sources. Regardless of the term used, the taxability of such payments (or waivers of charges) depends on their nature, as described below. All such grants and waivers fall into one of three categories:

a. Money received for (or a waiver of charges for) tuition, fees, books, and/or supplies. This money is not taxable if it was spent for the purpose intended and there was no requirement to perform services. (The same is true for domestic students.) This rule applies whether the payer is foreign or domestic.

b. Money received from a domestic payer for (or a waiver of charges for), room and board—again, if paid with no requirement to perform services. This money is normally taxable; but some countries have treaty provisions making it nontaxable. They are listed on the next page. Usually there is a maximum number of years of presence in the U.S. during which such money will be nontaxable. If those years are exceeded, the treaty benefit ends. The maximum years are listed in Table 2, along with the article number containing the provision in the treaty.

c. Money received (or a waiver of charges) on condition that the recipient perform services such as teaching or research. This money is treated as wages and is considered code 18 or 19 income. Its taxation is discussed later.

Table 3 Countries With Treaty Benefits for Scholarship Income (income code 15)

Country	*Maximum years in U.S.*	*Amount*	*Treaty article*
Belgium	5	Unlimited	21(1)
China, People's Rep.	No limit	Unlimited	20(b)
C.I.S.*	5	Limited†	VI(1)
Cyprus	5	Unlimited	21(1)
Czech Rep.	5	Unlimited	21(1)
Egypt	5	Unlimited	23(1)
Estonia	5	Unlimited	20(1)
France	5	Unlimited	21(1)
Germany	5	Unlimited	20(3)
Iceland	5	Unlimited	22(1)
Indonesia	5	Unlimited	19(1)
Israel	5	Unlimited	24(1)
Japan	5	Unlimited	20(1)
Kazakhstan	5	Unlimited	19
Republic of Korea	5	Unlimited	21(1)
Latvia	5	Unlimited	20(1)
Lithuania	5	Unlimited	20(1)
Luxembourg	No limit	Unlimited	XIV(1)
Morocco	5	Unlimited	18
Netherlands	3	Unlimited	22(2)
Norway	5	Unlimited	16(1)
Philippines	5	Unlimited	22(1)
Poland	5	Unlimited	18(1)
Portugal	5	Unlimited	23(1)
Romania	5	Unlimited	20(1)
Russia	5	Unlimited	18
Slovak Rep.	5	Unlimited	21(1)
Spain	5	Unlimited	22(1)
Thailand	5	Unlimited	22(1)
Trinidad & Tobago	5	Unlimited	19(1)
Tunisia	5	Unlimited	20
Ukraine	5	Unlimited	20
Venezuela	5 (undergraduate)	Unlimited	21(1)

* The Commonwealth of Independent States (C.I.S.) includes Armenia, Azerbaijan, Belarus, Georgia, Kyrgzstan, Moldova, Tajikistan, Turkmenistan, and Uzbekistan.

† The annual income limit under the tax treaty with the C.I.S. is $10,000 if that amount is spent for the purposes for which the person is in the U.S.

Example 2

Aseye is from Ghana, Africa. She is an F-1 student in the U.S. She receives a tuition waiver from her college. She is not required to work to get the waiver. She also received a $250 scholarship from a local group to help cover her books. She pays her own room and board with monies from her home country. She has no taxable scholarship or fellowship income.

Example 3

Birgit is from Sweden. She is an F-1 Student at a graduate school in the U.S. She receives a tuition waiver in exchange for services as a graduate assistant. Her waiver is taxable to the extent it equals the value of her services.

Example 4

Reinhard, who is from Germany, is a student with an F-1 visa. He receives a tuition waiver from his college. He is not required to perform any services to get this waiver. The tuition waiver is not taxable. He has another scholarship that covers all his room and board. It would normally be taxable, but his treaty provision makes it nontaxable.

Income Code 18: Compensation for Teaching and Researching

Pay of professors and teachers may be exempt from U.S. income taxes for either 2 or 3 years if they are temporarily in the U.S. to teach or do research. Table 3 lists the countries with treaty benefits for this type of income. These exemptions by treaty apply to pay earned by the visiting professor or teacher only—not to any earnings of a spouse or dependents.

The treaty exemption for teaching or research income is counted from the day of arrival in the U.S. Germany, India, Netherlands, Thailand, and the United Kingdom have treaty clauses saying that if the maximum years of presence are exceeded, the **entire** treaty benefit is lost. This could require the teacher to file amended returns and pay tax on past years. Thus a taxpayer who expects to stay more than the limit on years of presence should avoid claiming the treaty benefit for any years.

Example 5

Deepak is from India. He is on a J-1 visa and is teaching engineering at a local university. He has been offered an 18 month contract with that university, and fully expects to return to India when it ends. He should claim his treaty benefit when filing his return.

Example 6

Assume the same facts as in Example 5, except that Deepak renews his contract for an additional year in its second year. Now all of his earnings from the university will be taxable from the beginning of his employment. He will have to file amended returns for the tax years he claimed the treaty benefit.

Example 7

Assume that Deepak was hired on a 4-year contract to teach at the university. Since he expects to stay beyond the maximum years of presence allowed by treaty, he should not claim the treaty benefit for any year.

Example 8

Assume the same facts as in Example 7, except that Deepak stays only 1 year and then returns to India. He is entitled to the treaty benefit, even though his original contract exceeded the limit on years of presence.

Table 3 Countries With Treaty Benefits for Income From Teaching (income code 18)

Country	*Maximum years in U.S.*	*Amount*	*Treaty article*
Belgium	2	Unlimited	20
China, People's Rep.	3	Unlimited	19
C.I.S.	2	Unlimited	VI(1)
Czech Rep.	2	Unlimited	21(5)
Denmark†	2	Unlimited	XIV
Egypt	2	Unlimited	22
France	2	Unlimited	20
Germany	2	Unlimited	20(1)
Greece	3	Unlimited	XII
Hungary	2	Unlimited	17
Iceland	2	Unlimited	21
India	2	Unlimited	22
Indonesia	2	Unlimited	20
Israel	2	Unlimited	23
Italy	2	Unlimited	20
Jamaica	2	Unlimited	22
Japan	2	Unlimited	19
Korea	2	Unlimited	20
Luxembourg†	2	Unlimited	XIII
Luxembourg (new treaty)	2	Unlimited	21(2)
Netherlands	2	Unlimited	21(1)
Norway	2	Unlimited	15
Pakistan	2	Unlimited	XII
Philippines	2	Unlimited	21
Poland	2	Unlimited	17
Portugal	2	Unlimited	22
Romania	2	Unlimited	19
Slovak Rep.	2	Unlimited	21(5)
Thailand	2	Unlimited	23
Trinidad & Tobago	2	Unlimited	18
United Kingdom	2	Unlimited	20
Venezuela	2	Unlimited	21(3)

† Applies to users of the old treaty only.

Income Code 19: Compensation During Study and Training

Students and trainees from many countries are allowed to earn some money tax-free in the U.S. Table 4 lists these amounts, which vary by country.

Immigration restrictions usually bar students from working **off**-campus during their first year in the U.S. Even after that year, special BCIF permission is needed to work off-campus. Most international students earn money from the college or university they attend. If they work for the campus food service, but it is managed by an outside company, their wage statements will show the name of that company. That is considered on-campus work for immigration purposes.

A spouse or dependent of an F-1 student is not permitted to work while in the U.S. on an F-2 visa. A spouse who acquires his or her own F-1 visa may be granted permission to work on campus.

Sometimes, students earn more wages than their treaty benefit. If that happens, the excess must be reported on their tax return. As you will see later, international students are allowed only limited deductions against their income.

Example 9

Yumiko is an international student from Japan. She earned $3,516 last year working in the campus library. She had $118 of federal income tax withheld. This is her second year in the U.S. Her treaty allows her to earn $2,000 tax-free. Her taxes would be computed as follows:

Wages	**$ 3,516**
Treaty benefit	**-2,000**
Wages subject to tax	**1,516**
Personal deduction	**-3,050**
Taxable income	**0**
Refund	**$ 118**

Table 4 Countries With Treaty Benefits for Student Wages (income code 19)

Country	*Maximum years in U.S.*	*Amount*	*Treaty article*
Belgium	5	$2,000	21(1)
China, People's Rep.	No limit	5,000	20 (c)
C.I.S.	5	Limited	VI(1)
Cyprus	5	2,000	21(1)
Czech Rep.	5	5,000	21(1)
Egypt	5	3,000	23(1)
Estonia	5	5,000	20(1)
France	5	5,000	21(1)
Germany	4	5,000	20(4)
Iceland	5	2,000	22(1)
Indonesia	5	2,000	19(1)
Israel	5	3,000	24(1)
Japan	5	2,000	20(1)
Korea	5	2,000	21(1)
Latvia	5	5,000	20(1)
Lithuania	5	5,000	20(1)
Luxembourg (new treaty)	2	Unlimited	21(1)
Morocco	5	2,000	18
Netherlands	No limit	2,000	22(1)
Norway	5	2,000	16(1)
Pakistan	No limit	5,000	XIII(1)
Philippines	5	3,000	22(1)
Poland	5	2,000	18(1)
Portugal	5	5,000	23(1)
Romania	5	2,000	20(1)
Slovak Republic	5	5,000	21(1)
Spain	5	5,000	22(1)
Thailand	5	3,000	22(1)
Trinidad & Tobago	5	2,000	19(1)
Tunisia	5	4,000	20
Venezuela	5	5,000	21(1)

Dependent and Independent Personal Services

Students and scholars sometimes try to make use of the treaty benefits for dependent and independent personal service income (income codes 16 and 17). Generally, this is an incorrect interpretation of the treaties, except for Canadian students. Treaties often do not permit students and scholars to earn those types of income. They are only allowed to engage in employment that is related to the reason they were admitted to the country. Students are not admitted to be performers or have dependent service income. The BCIF usually does not allow a student to engage in independent personal services in the U.S.

Unusual Treaty Provisions

Although every treaty is unique, most have very similar rules for students and scholars. However, three countries have unusual provisions for students and scholars. The following information is a summary of those provisions.

Canada Treaty

The Canadian treaty has some provisions that are unique to it. IRS Publication 597 is a good reference tool on its benefits to students and scholars from Canada. Residents of other countries often go to Canada and establish residency there, then come to the U.S. to study. Generally, they follow the treaty provisions of the country in which they were most recently residents.

The U.S. – Canada tax treaty contains no specific benefits for either students or visiting scholars who are residents of Canada. The treaty does, however, contain a benefit that will apply to some students and scholars for Canada. The students and scholars are permitted to use article 15 of the tax treaty, which applies to dependent personal services. As we noted earlier, generally international students and scholars can't use the treaty benefits for dependent personal services. Canada is an exception to the general rule.

The tax treaty with Canada is different from all other tax treaties because it (1) exempts all earned income if the nonresident earned no more than $10,000 in the tax year, but (2) taxes all income if the nonresident earned over $10,000. This treaty benefit is lost if the nonresident becomes a resident for tax purposes.

Example 10

Henry LaRue is an international student from Canada. He entered the U.S. on an F-1 visa in 2002. In 2003 he earned $5,600 from on-campus employment. His federal tax withholding was $593. He must file either Form 1040NR or Form 1040NR-EZ. In either form's question-and-answer section, he will provide the information that "Tax treaty article XV exempts all earned income from tax. I earned $5,600 in 2003". Henry will receive a refund of $593.

If Henry had earned more than $10,000, he could not use the earned income treaty benefit. He would owe federal taxes on all his earnings that year.

India Treaty

The IRS issued procedures for a new tax treaty with India in 1994. The treaty's benefits apply to tax years beginning on or after January 1, 1993.

An Indian **student** may take a **standard deduction** equal to the amount allowable on Form 1040 and may claim the personal exemptions for a non-working spouse and U.S. born children.

Treaty benefits for a **scholar** from India are very different from those for a **student**. The **scholar** benefit for income code 18 is lost retroactively if the visit exceeds 2 years.

Example 11

Kumar Dali arrived in the U.S. in 2000 on a J-1 visa. He had a 1-year contract to teach agriculture at the local university. His teaching was well received, and he was asked to stay and teach until the fall of 2003. In 2000 and 2001 he excluded all his earnings from tax by using the Indian treaty benefit. In 2002, all his earning will be taxable. He also must file amended returns for 2000 and 2001, changing his income from non-taxable to taxable.

China Treaty

Almost all U.S. tax treaties are limited to a specific number of years and may not be available for residents for tax purposes. But the U.S. treaty with China is different. Many of its provisions are available to both nonresident **and** resident aliens.

The treaty provides that a scholar is exempt from tax on earned income for 3 years. After 2 years a scholar will become a resident alien for tax purposes, but is still entitled to 1 more year of tax benefits under the treaty.

Example 12

Joy Chen came to the U.S. in 2001 to teach for 3 years at the local university. She was paid $38,000 per year for her full-time "Art as Clothing" program. For 2001 and 2002 she filed Form 1040NR-EZ, reporting no taxable income because her treaty benefit exempted all her income.

A student from China, is entitled to the $5,000 exemption for the amount of time reasonably necessary to complete education or training. A student will become a resident alien for tax purposes after 5 years, but is still entitled to the treaty benefit as long as (s)he remains a student.

Example 13

Kia came to the U.S. in 1997 on an F-1 visa to study bioengineering. She has not left the U.S. except for short visits home. In 2003 she earned $10,700 as a graduate assistant. She must file a Form 1040. She can exclude $5,000 of her wages under her treaty benefit. The remaining $5,700 will be her adjusted gross income. Kia's country of residence is P.R. China.

Exercise 1

Determine the treaty benefit available for the following **students.** Assume that all money was earned in the U.S.
Use Table 4 to help you answer these questions.

Country	*Years in U.S.*	*Earned income*	*Treaty benefit*
Germany	2	$5,400	_____
China	6	6,200	_____
Ghana	3	4,700	_____
Nigeria	1	2,100	_____
Poland	4	7,600	_____
Israel	6	5,800	_____
Russia	2	7,300	_____

What form should be given to the university payroll office to claim exemption from withholding on the amount of income covered by the treaty?_____

Exercise 2

Determine how much of the following **scholars'** income from U.S. universities will be exempt from U.S. taxation. Use Table 3 to help you answer these questions.

Country	*Years in U.S.*	*Salary*	*Nontaxable portion*
India	1	$34,000	_____
China	1	34,000	_____
China	3	34,000	_____
South Africa	1	34,000	_____
Sweden	2	34,000	_____

Exercise 3

Determine how much of the following **scholars'** income from U.S. universities will be exempt from U.S. taxation in 2003. They each entered the U.S. on August 1, 2001 and were still here in 2004. Use Table 3 to help you answer these questions.

Country	*Salary*	*Nontaxable portion*
India	$34,000	_____
China	34,000	_____
South Africa	34,000	_____
Sweden	34,000	_____

Exercise 4

Did the following students have any taxable scholarships? Assume that their tuition was equal to the tuition scholarship. Also assume that each student arrived in the U.S. for the first time in 2000, and that all scholarships are provided by U.S. institutions. use Table 2 to help you answer these questions.

Country	*Tuition scholarship*	*Room & board scholarship*	*Amount subject to tax*
China	$5,000	$4,600	_____
Poland	3,800	6,700	_____
India	3,150	4,900	_____
Australia	4,950	5,000	_____
Pakistan	3,700	7,300	_____
Russia	4,600	5,900	_____
Guyana	4,400	2,950	_____

STUDENT NOTES

Exercise 1

Germany		$5,000
China		$5,000
Ghana	(No Tax Treaty)	0
Nigeria	(No Tax Treaty)	0
Poland		$2,000
Israel	(5 year Tax Treaty Benefit; student is in the 6th year)	0
Russia	(No Treaty Benefit)	0

Form 8233 should be used to inform the university payroll office of the treaty benefit being claimed

Exercise 2

India		$34,000
China (1 year)		$34,000
China (3 years)		$34,000
South Africa	(No Treaty Benefit)	0
Sweden	(No Treaty Benefit)	0

Exercise 3

India		0

India is zero because the scholar exceeded two year in the U.S.

China		$34,000

China is $34,000 because the treaty allows the benefit for 3 years even though the scholar must file Form 1040. In 2004, the benefit will have to be prorated to July 31st.

South Africa	(No Treaty Benefit)	0
Sweden	(No Treaty Benefit)	0

Exercise 4 None of the tuition scholarship money would be taxed to any of these students. That is because the Internal Revenue Code allows any recipient of tuition, fees, and books scholarships to exclude them from income

China	0
Poland	0
India	$4,900

Australia	$5,000
Pakistan	$7,300
Russia	0
Guyana	$2,950

Table 2. **Compensation for Personal Services Performed in United States Exempt from U.S. Income Tax Under Income Tax Treaties**

Country (1)	Code[1] (2)	Category of Personal Services: Purpose (3)	Maximum Presence in U.S. (4)	Required Employer or Payer (5)	Maximum Amount of Compensation (6)	Treaty Article Citation (7)
Australia	16	Independent personal services[22]	183 days	Any contractor	No limit	14
	20	Public entertainment	183 days	Any contractor	$10,000	17
	17	Dependent personal services[15]	183 days	Any foreign resident	No limit	15
	20	Public entertainment[15]	183 days	Any foreign resident	$10,000	17
	19	Studying and training:				
		Remittances or allowances[10]	No limit	Any foreign resident	No limit	20
Austria	16	Independent personal services[22]	No limit	Any contractor	No limit	14
	20	Public entertainment	No limit	Any contractor	$20,000 p.a.[25]	17
	17	Dependent personal services[15]	183 days	Any foreign resident	No limit	15
	20	Public entertainment	No limit	Any U.S. or foreign resident	$20,000 p.a.[25]	17
	19	Studying and training:[10]				
		Remittances or allowances	3 years[11]	Any foreign resident	No limit	20
Barbados	16	Independent personal services[7,22]	89 days	Any foreign contractor	No limit	14
			89 days	Any U.S. contractor	$5,000	14
	20	Public entertainment	No limit	Any contractor	$250 per day or $4,000 p.a.[6]	17
	17	Dependent personal services[7,15]	183 days	Any foreign resident	$5,000	15
	20	Public entertainment	No limit	Any U.S. or foreign resident	$250 per day or $4,000 p.a.[6]	17
	19	Studying and training:[20]				
		Remittances or allowances[10]	No limit	Any foreign resident	No limit	20
Belgium	15	Scholarship or fellowship grant	5 years	Any U.S. or foreign resident[5]	No limit	21(1)
	16	Independent personal services[22]	182 days	Any contractor	No limit	14(2)(a)(b)
	20	Public entertainment	90 days	Any contractor	$3,000	14(2)(c)
	17	Dependent personal services[15]	182 days	Belgian resident	No limit	15
	18	Teaching[4]	2 years	U.S. educational institution	No limit	20
	19	Studying and training:				
		Remittances or allowances	5 years	Any foreign resident	No limit	21(1)
		Compensation during training	12 consec. mo.	Belgian resident	$5,000	21(2)(b)
			5 years	Other foreign or U.S. resident	$2,000 p.a.	21(1)
		Compensation while gaining experience[2]	12 consec. mo.	Belgian resident	$5,000	21(2)(a)
		Compensation under U.S. Government program	1 year	U.S. Government or its contractor	$10,000	21(3)
Canada	16	Independent personal services[22]	No limit	Any contractor	No limit[12]	XIV
	17	Dependent personal services	No limit	Any U.S. or foreign resident	$10,000	XV
			183 days	Any foreign resident[15]	No limit[12]	XV
	19	Studying and training:				
		Remittances or allowances[10]	No limit	Any foreign resident	No limit	XX
China, People's Rep. of	15	Scholarship or fellowship grant	No specific limit	Any U.S. or foreign resident[5]	No limit	20(b)
	16	Independent personal services[22]	183 days	Any contractor	No limit	13
	20	Public entertainment[29]	No limit	Any contractor	No limit	16
	17	Dependent personal services[7,15]	183 days	Any foreign resident	No limit	14
	20	Public entertainment[29]	No limit	Any U.S. or foreign resident	No limit	16
	18	Teaching[4]	3 years	U.S. educational or research institute	No limit	19
	19	Studying and training:				
		Remittances or allowances	No specific limit	Any foreign resident	No limit	20(a)
		Compensation during training or while gaining experience	No specific limit	Any U.S. or foreign resident	$5,000 p.a.	20(c)

Table 2. *(Continued)*

Country (1)	Code[1] (2)	Category of Personal Services: Purpose (3)	Maximum Presence in U.S. (4)	Required Employer or Payer (5)	Maximum Amount of Compensation (6)	Treaty Article Citation (7)
Commonwealth of Independent States	15	Scholarship or fellowship grant	5 years	Any U.S. or foreign resident	Limited[19]	VI(1)
	16	Independent personal services	183 days	Any U.S. or foreign contractor	No limit	VI(2)
	17	Dependent personal services	183 days	Any U.S. or foreign resident	No limit	VI(2)
	18	Teaching[4,18]	2 years	Any U.S. educational or scientific institution	No limit	VI(1)
	19	Studying and training:				
		Remittances or allowances	5 years	Any U.S. or foreign resident	Limited[19]	VI(1)
		Compensation while gaining experience	1 year	C.I.S. resident	No limit[19]	VI(1)
		Compensation under U.S. Government program	1 year	Any U.S. or foreign resident	No limit	VI(1)
Cyprus	15	Scholarship or fellowship grant	Generally, 5 years	Any U.S. or foreign resident[5]	No limit	21(1)
	16	Independent personal services[22]	182 days	Any contractor	No limit	17
	20	Public entertainment	No limit	Any contractor	$500 per day or $5,000 p.a.[6]	19(1)
	17	Dependent personal services[15]	182 days	Any foreign resident	No limit	18
		Directors' fees	No limit	U.S. corporation	No limit[21]	20
	20	Public entertainment	No limit	Any U.S. or foreign resident	$500 per day or $5,000 p.a.[6]	19(1)
	19	Studying and training:				
		Remittances or allowances	Generally, 5 years	Any foreign resident	No limit	21(1)
		Compensation during training	Generally, 5 years	Any U.S. or foreign resident	$2,000 p.a.	21(1)
		Compensation while gaining experience[2]	1 year	Cyprus resident	$7,500	21(2)
		Compensation under U.S. Government program	1 year	U.S. Government or its contractor	$10,000	21(3)
Czech Republic	15	Scholarship or fellowship grant	5 years	Any U.S. or foreign resident[5]	No limit	21(1)
	16	Independent personal services[22]	183 days	Any contractor	No limit	14
	20	Public entertainment	183 days	Any contractor	$20,000 p.a.[30]	18
	17	Dependent personal services[7,15]	183 days	Any foreign resident	No limit	15
	20	Public entertainment	183 days	Any foreign resident	$20,000 p.a.[30]	18
	18	Teaching[4,35]	2 years	Any U.S. educational or research institution	No limit	21(5)
	19	Studying and training:				
		Remittances and allowances	5 years	Any foreign resident	No limit	21(1)
		Compensation during training	5 years	Any U.S. or foreign resident	$5,000 p.a.	21(1)
		Compensation while gaining experience[2]	12 consec. mos.	Czech resident	$8,000	21(2)
		Compensation under U.S. Government program	1 year	U.S. Government	$10,000	21(3)
Denmark	16	Independent personal services	180 days	Danish resident contractor	No limit	XI
			90 days	Other foreign or U.S. resident contractor	$3,000	XI
	17	Dependent personal services	180 days	Danish resident	No limit	XI
			90 days	Other foreign or U.S. resident	$3,000	XI
	18	Teaching	2 years	U.S. educational institution	No limit	XIV
	19	Studying and training:				
		Remittances or allowances	No limit	Any foreign resident	No limit	XIII
Denmark (New Treaty)	16	Independent personal services[22]	No limit	Any contractor	No limit	14
	20	Public entertainment	No limit	Any contractor	$20,000 p.a.[25]	17
	17	Dependent personal services[15]	183 days	Any foreign resident	No limit	15
	20	Public entertainment	183 days	Any foreign resident	$20,000 p.a.[25]	17
	19	Studying and training:[4,10]				
		Remittances or allowances	3 years[11]	Any foreign resident	No limit	20

Table 2. *(Continued)*

Country (1)	Code[1] (2)	Category of Personal Services: Purpose (3)	Maximum Presence in U.S. (4)	Required Employer or Payer (5)	Maximum Amount of Compensation (6)	Treaty Article Citation (7)
Egypt	15	Scholarship or fellowship grant	Generally, 5 years	Any U.S. or foreign resident[5]	No limit	23(1)
	16	Independent personal services	89 days	Any contractor	No limit	15
	20	Public entertainment	No limit	Any contractor	$400 per day	17
	17	Dependent personal services[14,15]	89 days	Egyptian resident	No limit	16
	20	Public entertainment	No limit	Any U.S. or foreign resident	$400 per day	17
	18	Teaching[4]	2 years	U.S. educational institution	No limit	22
	19	Studying and training:				
		Remittances or allowances	Generally, 5 years	Any foreign resident	No limit	23(1)
		Compensation during training	Generally, 5 years	U.S. or any foreign resident	$3,000 p.a.	23(1)
		Compensation while gaining experience[2]	12 consec. mos.	Egyptian resident	$7,500	23(2)
		Compensation under U.S. Government program	1 year	U.S. Government or its contractor	$10,000	23(3)
Estonia	15	Scholarship or fellowship grants[4]	5 years	Any U.S. or foreign resident[5]	No limit	20(1)
	16	Independent personal services[22]	183 days	Any contractor	No limit	14
	20	Public entertainment	No limit	Any contractor	$20,000[9]	17
	17	Dependent personal services[7,15]	183 days	Any foreign resident	No limit	15
	20	Public entertainment	No limit	Any U.S. or foreign resident	$20,000[9]	17
	19	Studying and training:				
		Remittances or allowances	5 years	Any foreign resident	No limit	20(1)
		Compensation during training	12 consec. mos.	Estonian resident	$8,000	20(2)
			5 years	Other foreign or U.S. resident	$5,000 p.a.	20(1)
		Compensation while gaining experience[2]	12 consec. mos.	Estonian resident	$8,000	20(2)
		Compensation under U.S. Gov't. program	1 year	U.S. Government or its contractor	$10,000	20(3)
Finland	16	Independent personal services[22]	No limit	Any contractor	No limit	14
	20	Public entertainment	No limit	Any contractor	$20,000 p.a.[25]	17
	17	Dependent personal services[15]	183 days	Any foreign resident	No limit	15
	20	Public entertainment	No limit	Any U.S. or foreign resident	$20,000 p.a.[25]	17
	19	Studying and training:				
		Remittances or allowances[10]	No limit	Any foreign resident	No limit	20
France	15	Scholarship or fellowship grant	5 years[40]	Any U.S. or foreign resident[5]	No limit	21(1)
	16	Independent personal services[22]	No limit	Any contractor	No limit	14
	20	Public entertainment	No limit	Any contractor	$10,000[30]	17
	17	Dependent personal services[7,15]	183 days	Any foreign resident	No limit	15
	20	Public entertainment	No limit	Any U.S. or foreign resident	$10,000[30]	17
	18	Teaching[4,39]	2 years[40]	U.S. educational or research institution	No limit	20
	19	Studying and training:[4]				
		Remittances or allowances	5 years[40]	Any foreign resident	No limit	21(1)
		Compensation during study or training	12 consec. mos.	French resident	$8,000	21(2)
			5 years	Other foreign or U.S. resident	$5,000 p.a.	21(1)
		Compensation while gaining experience	12 consec. mos.	French resident[2]	$8,000	21(2)
Germany	15	Scholarship or fellowship grant	No limit	Any U.S. or foreign resident[5]	No limit	20(3)
	16	Independent personal services[7,22]	No limit	Any contractor	No limit	14
	20	Public entertainment[22]	No limit	Any contractor	$20,000 p.a.[30]	17
	17	Dependent personal services[7,15]	183 days	Any foreign resident	No limit	15
	20	Public entertainment[15]	183 days	Any foreign resident	$20,000 p.a.[30]	17
	18	Teaching[4]	2 years	U.S. educational or research institution	No limit	20(1)
	19	Studying and training:				
		Remittances or allowances[10]	No limit	Any foreign resident	No limit	20(2)
		Compensation during study or training	4 years	Any U.S. or foreign resident	$5,000 p.a.	20(4)
		Compensation while gaining experience[2]	1 year	Any German enterprise or foreign organization or institution	$10,000[28]	20(5)

Table 2. *(Continued)*

Country (1)	Code[1] (2)	Category of Personal Services: Purpose (3)	Maximum Presence in U.S. (4)	Required Employer or Payer (5)	Maximum Amount of Compensation (6)	Treaty Article Citation (7)
Greece	16	Independent personal services	183 days	Greek resident contractor	No limit	X
			183 days	Other foreign or U.S. resident contractor	$10,000	X
	17	Dependent personal services	183 days	Greek resident	No limit	X
			183 days	Other foreign or U.S. resident	$10,000	X
	18	Teaching	3 years	U.S. educational institution	No limit	XII
	19	Studying and training:				
		Remittances or allowances	No limit	Any foreign resident	No limit	XIII
Hungary	16	Independent personal services[22]	183 days	Any contractor	No limit	13
	17	Dependent personal services[15]	183 days	Any foreign resident	No limit	14
	18	Teaching[4]	2 years	U.S. educational institution	No limit	17
	19	Studying and training:[20]				
		Remittances or allowances[10]	No limit	Any foreign resident	No limit	18(1)
Iceland	15	Scholarship and fellowship grant	5 years	Any U.S. or foreign resident[5]	No limit	22(1)
	16	Independent personal services[22]	182 days	Any contractor	No limit	18
	20	Public entertainment	90 days	Any contractor	$100 per day	18
	17	Dependent personal services[15]	182 days	Iceland resident[16]	No limit	19
	18	Teaching[4]	2 years	U.S. educational institution	No limit	21
	19	Studying and training:				
		Remittances or allowances	5 years	Any foreign resident	No limit	22(1)
		Compensation during training	5 years	U.S. or any foreign resident	$2,000 p.a.	22(1)
		Compensation while gaining experience[2]	12 consec. mo.	Iceland resident	$5,000	22(2)
		Compensation under U.S. Government program	1 year	U.S. Government or its contractor	$10,000	22(3)
India	16	Independent personal services[7,22]	89 days	Any contractor	No limit	15
	20	Public entertainment[22]	89 days	Any contractor	$1,500 p.a.[26]	18
	17	Dependent personal services[7,15]	183 days	Any foreign resident	No limit	16
	20	Public entertainment[15]	183 days	Any foreign resident	$1,500 p.a.[26]	18
	18	Teaching[4]	2 years	U.S. educational institution	No limit	22
	19	Studying and training:				
		Remittances or allowances	No limit	Any foreign resident[27]	No limit	21(1)
Indonesia	15	Scholarship and fellowship grant	5 years	Any U.S. or foreign resident[5]	No limit	19(1)
	16	Independent personal services[22]	119 days	Any contractor	No limit	15
	20	Public entertainment	No limit	Any contractor	$2,000 p.a.[25]	17
	17	Dependent personal services[15]	119 days	Any foreign resident	No limit	16
	20	Public entertainment	No limit	Any U.S. or foreign resident	$2,000 p.a.[25]	17
	18	Teaching[4]	2 years	U.S. educational institution	No limit	20
	19	Studying and training:				
		Remittances or allowances	5 years	Any foreign resident	No limit	19(1)
		Compensation during training	5 years	Any foreign or U.S. resident	$2,000 p.a.	19(1)
		Compensation while gaining experience	12 consec. mo.	Any U.S. or foreign resident	$7,500	19(2)
Ireland	16	Independent personal services[22]	No limit	Any contractor	No limit	14
	20	Public entertainment	No limit	Any contractor	$20,000 p.a.[25]	17
	17	Dependent personal services[15,23]	183 days	Any foreign resident	No limit	15
	20	Public entertainment	No limit	Any U.S. or foreign resident	$20,000 p.a.[25]	17
	19	Studying and training:[10]				
		Remittances or allowances	1 year[11]	Any foreign resident	No limit	20

Table 2. *(Continued)*

Country (1)	Code[1] (2)	Category of Personal Services: Purpose (3)	Maximum Presence in U.S. (4)	Required Employer or Payer (5)	Maximum Amount of Compensation (6)	Treaty Article Citation (7)
Israel	15	Scholarship and fellowship grant	5 years	Any U.S. or foreign resident[5]	No limit	24(1)
	16	Independent personal services	182 days	Any contractor	No limit	16
	20	Public entertainment	No limit	Any contractor	$400 per day[26]	18
	17	Dependent personal services[14,15]	182 days	Israeli resident[16]	No limit	17
	20	Public entertainment	No limit	Any U.S. or foreign resident	$400 per day[26]	18
	18	Teaching[4,37]	2 years	U.S. educational institution	No limit	23
	19	Studying and training:				
		Remittances or allowances	5 years	Any foreign resident	No limit	24(1)
		Compensation during study or training	5 years	Any U.S. or foreign resident	$3,000 p.a.	24(1)
		Compensation while gaining experience[2]	12 consec. mo.	Israeli resident	$7,500	24(2)
		Compensation under U.S. Government program	1 year	U.S. Government or its contractor	$10,000	24(3)
Italy	16	Independent personal services[7,22]	183 days	Any contractor	No limit	14
	20	Public entertainment	90 days	Any contractor	$12,000 p.a.[25]	17(1)
	17	Dependent personal services[7,15]	183 days	Any foreign resident	No limit	15
	20	Public entertainment	90 days	Any U.S. or foreign resident	$12,000 p.a.[25]	17(1)
	18	Teaching[4]	2 years	U.S. educational institution	No limit	20
	19	Studying and training:				
		Remittances or allowances	No limit	Any foreign resident	No limit	21
Jamaica	16	Independent personal services[22]	89 days	Any foreign contractor	No limit	14
			89 days	Any U.S. contractor	$5,000 p.a.	14
	20	Public entertainment	No limit	Any contractor	$400 per day or $5,000 p.a.[6]	18
	17	Dependent personal services[15]	183 days	Any foreign resident	$5,000 p.a.	15
	20	Public entertainment	No limit	Any U.S. or foreign resident	$400 per day or $5,000 p.a.[6]	18
		Directors' fees	No limit	U.S. resident	$400 per day[6]	16
	18	Teaching[4]	2 years	U.S. educational institution	No limit	22
	19	Studying and training:[20]				
		Remittances or allowances[10]	No limit	Any foreign resident	No limit	21(1)
		Compensation during study	12 consec. mo.	Jamaican resident	$7,500 p.a.	21(2)
		Compensation while gaining experience[2]	12 consec. mo.	Jamaican resident	$7,500 p.a.	21(2)
Japan	15	Scholarship or fellowship grant	5 years	Any U.S. or foreign resident[5]	No limit	20(1)
	16	Independent personal services[22]	183 days	Any contractor	No limit	17
	20	Public entertainment	90 days	Any contractor	$3,000[6]	17
	17	Dependent personal services[15,17]	183 days	Japanese resident[16]	No limit	18
	18	Teaching[4]	2 years	U.S. educational institution	No limit	19
	19	Studying and training:				
		Remittances or allowances	5 years	Any foreign resident	No limit	20(1)
		Compensation during training	5 years	U.S. or any foreign resident	$2,000 p.a.[6]	20(1)
		Compensation while gaining experience[2]	12 consec. mo.	Japanese resident	$5,000[6]	20(2)
		Compensation under U.S. Government program	1 year	U.S. Government or its contractor	$10,000[6]	20(3)
Kazakstan	15	Scholarship or fellowship grant[44]	5 years[31]	Any U.S. or foreign resident[5]	No limit	19
	16	Independent personal services[22]	183 days	Any contractor	No limit	14
	17	Dependent personal services[7,15]	183 days	Any foreign resident	No limit	15
	19	Studying and training:[4]				
		Remittances or allowances	5 years	Any foreign resident	No limit	19

Table 2. *(Continued)*

Country (1)	Code[1] (2)	Category of Personal Services: Purpose (3)	Maximum Presence in U.S. (4)	Required Employer or Payer (5)	Maximum Amount of Compensation (6)	Treaty Article Citation (7)
Korea, Rep. of	15	Scholarship or fellowship grant	5 years	Any U.S. or foreign resident[5]	No limit	21(1)
	16	Independent personal services[22]	182 days	Any contractor	$3,000 p.a.	18
	17	Dependent personal services[15]	182 days	Korean resident[16]	$3,000 p.a.	19
	18	Teaching[4]	2 years	U.S. educational institution	No limit	20
	19	Studying and training:				
		Remittances or allowances	5 years	Any foreign resident	No limit	21(1)
		Compensation during training	5 years	Any foreign or U.S. resident	$2,000 p.a.	21(1)
		Compensation while gaining experience[2]	1 year	Korean resident	$5,000	21(2)
		Compensation under U.S. Government program	1 year	U.S. Government or its contractor	$10,000	21(3)
Latvia	15	Scholarship or fellowship grants[4]	5 years	Any U.S. or foreign resident[5]	No limit	20(1)
	16	Independent personal services[22]	183 days	Any contractor	No limit	14
	20	Public entertainment	No limit	Any contractor	$20,000[9]	17
	17	Dependent personal services[7,15]	183 days	Any foreign resident	No limit	15
	20	Public entertainment	No limit	Any U.S. or foreign resident	$20,000[9]	17
	19	Studying and training:				
		Remittances or allowances	5 years	Any foreign resident	No limit	20(1)
		Compensation during training	12 consec. mos.	Latvian resident	$8,000	20(2)
			5 years	Other foreign or U.S. resident	$5,000 p.a.	20(1)
		Compensation while gaining experience[2]	12 consec. mos.	Latvian resident	$8,000	20(2)
		Compensation under U.S. Gov't. program	1 year	U.S. Government or its contractor	$10,000	20(3)
Lithuania	15	Scholarship or fellowship grants[4]	5 years	Any U.S. or foreign resident[5]	No limit	20(1)
	16	Independent personal services[22]	183 days	Any contractor	No limit	14
	20	Public entertainment	No limit	Any contractor	$20,000[9]	17
	17	Dependent personal services[7,15]	183 days	Any foreign resident	No limit	15
	20	Public entertainment	No limit	Any U.S. or foreign resident	$20,000[9]	17
	19	Studying and training:				
		Remittances or allowances	5 years	Any foreign resident	No limit	20(1)
		Compensation during training	12 consec. mos.	Lithuanian resident	$8,000	20(2)
			5 years	Other foreign or U.S. resident	$5,000 p.a.	20(1)
		Compensation while gaining experience[2]	12 consec. mos.	Lithuanian resident	$8,000	20(2)
		Compensation under U.S. Gov't. program	1 year	U.S. Government or its contractor	$10,000	20(3)
Luxembourg	15	Scholarship or fellowship grant	No limit	Any foreign resident[5]	No limit	XIV(1)
	16	Independent personal services	180 days	Luxembourg resident[43]	No limit	XII
			180 days	Any U.S. or foreign resident	$3,000	XII
	17	Dependent personal services[7]	180 days	Luxembourg resident[43]	No limit	XII
			180 days	Any U.S. or foreign resident	$3,000	XII
	18	Teaching[8]	2 years	U.S. educational institution	No limit	XIII
	19	Studying and training:				
		Remittances or allowances	No limit	Any foreign resident	No limit	XIV(1)
		Compensation during training	1 year	Any foreign resident	No limit	XIV(1)
		Compensation while gaining experience[2]	1 year	Any foreign resident	$5,000	XIV(2)
		Compensation under U.S. Government program	1 year	U.S. Government, its contractor, or a foreign resident	$10,000	XIV(3)
Luxembourg (New Treaty)	16	Independent personal services[22]	No limit	Any contractor	No limit	15
	20	Public entertainment	No limit	Any contractor	$10,000[25]	18
	17	Dependent personal services[15,24]	183 days	Any foreign resident	No limit	16
	20	Public entertainment	No limit	Any foreign resident	$10,000[25]	18
	18	Teaching or research[8]	2 years	Any U.S. or foreign resident	No limit	21(2)
	19	Studying and training:[10]				
		Remittances or allowances	2 years[11]	Any U.S. or foreign resident	No limit	21(1)

Table 2. *(Continued)*

Country (1)	Code[1] (2)	Category of Personal Services: Purpose (3)	Maximum Presence in U.S. (4)	Required Employer or Payer (5)	Maximum Amount of Compensation (6)	Treaty Article Citation (7)
Mexico	16	Independent personal services[22]	183 days	Any contractor	No limit	14
	20	Public entertainment	No limit	Any contractor	$3,000 p.a.[30]	18
	17	Dependent personal services[7,15]	183 days	Any foreign resident	No limit	15
	20	Public entertainment	No limit	Any U.S. or foreign resident	$3,000 p.a.[30]	18
	19	Studying and training:				
		Remittances or allowances	No limit	Any foreign resident	No limit	21
Morocco	15	Scholarship or fellowship grant	5 years	Any U.S. or foreign resident[5]	No limit	18
	16	Independent personal services[22]	182 days	Any contractor[12]	$5,000	14
	17	Dependent personal services[15]	182 days	Moroccan resident[12, 16]	No limit	15
	19	Studying and training:				
		Remittances or allowances	5 years	Any foreign resident	No limit	18
		Compensation during training	5 years	U.S. or any foreign resident	$2,000 p.a.	18
Netherlands	15	Scholarship or fellowship grant[33]	3 years	Any U.S. or foreign resident[5]	No limit	22(2)
	16	Independent personal services[22]	No limit	Any contractor	No limit	15
	20	Public entertainment	No limit	Any contractor	$10,000 p.a.[25]	18
	17	Dependent personal services[7,15]	183 days	Any foreign resident	No limit	16
	20	Public entertainment	183 days	Any foreign resident	$10,000 p.a.[25]	18
	18	Teaching[4,34]	2 years	U.S. educational institution	No limit	21(1)
	19	Studying and training:[33]				
		Remittances or allowances	No limit	Any foreign resident	No limit	22(1)
		Compensation while gaining experience	No limit	Any U.S. or foreign resident	$2,000 p.a.	22(1)
		Compensation while recipient of scholarship or fellowship grant	3 years	Any U.S. or foreign resident	$2,000 p.a.[36]	22(2)
New Zealand	16	Independent personal services[22]	183 days	Any contractor	No limit	14
	20	Public entertainment	183 days	Any contractor	$10,000[25]	17
	17	Dependent personal services[15]	183 days	Any foreign resident	No limit	15
	20	Public entertainment[15]	183 days	Any foreign resident	$10,000[25]	17
	19	Studying and training:[10]				
		Remittances or allowances	No limit	Any foreign resident	No limit	20
Norway	15	Scholarship or fellowship grant	5 years	Any U.S. or foreign resident[5]	No limit	16(1)
	16	Independent personal services[22]	182 days	Any contractor	No limit	13
	20	Public entertainment	90 days	Any contractor	$10,000 p.a.	13
	17	Dependent personal services	182 days	Norwegian resident[16]	No limit	14
	18	Teaching[4]	2 years	U.S. educational institution	No limit	15
	19	Studying and training:				
		Remittances or allowances	5 years	Any foreign resident	No limit	16(1)
		Compensation during training	5 years	U.S. or any foreign resident	$2,000 p.a.	16(1)
		Compensation while gaining experience[2]	12 consec. mo.	Norwegian resident	$5,000	16(2)
		Compensation under U.S. Government program	1 year	U.S. Government or its contractor	$10,000	16(3)
Pakistan	15	Scholarship or fellowship grant	No limit	Pakistani nonprofit organization	No limit	XIII(1)
	16	Independent personal services[14]	183 days	Pakistani resident contractor	No limit	XI
	17	Dependent personal services[14]	183 days	Pakistani resident	No limit	XI
	18	Teaching	2 years	U.S. educational institution	No limit	XII
	19	Studying and training:				
		Remittances or allowances	No limit	Any foreign resident	No limit	XIII(1)
		Compensation during training	No limit	U.S. or any foreign resident	$5,000 p.a.	XIII(1)
		Compensation while gaining experience[2]	1 year	Pakistani resident	$6,000	XIII(2)
		Compensation while under U.S. Government program	No limit	U.S. Government, its contractor, or any foreign resident employer	$10,000	XIII(3)

Table 2. *(Continued)*

Country (1)	Code[1] (2)	Category of Personal Services: Purpose (3)	Maximum Presence in U.S. (4)	Required Employer or Payer (5)	Maximum Amount of Compensation (6)	Treaty Article Citation (7)
Philippines	15	Scholarship or fellowship grant	5 years	Any U.S. or foreign resident[5]	No limit	22(1)
	16	Independent personal services[22]	89 days	Any foreign contractor	No limit	15
			89 days	Any U.S. resident	$10,000 p.a.	15
	20	Public entertainment	No limit	Any contractor	$100 per day or $3,000 p.a.	17
	17	Dependent personal services[15]	89 days	Any Philippines resident[16]	No limit	16
	20	Public entertainment	No limit	Any U.S. or foreign resident	$100 per day or $3,000 p.a.	17
	18	Teaching[4,38]	2 years	U.S. educational institution	No limit	21
	19	Studying and training:				
		Remittances or allowances	5 years	Any foreign resident	No limit	22(1)
		Compensation during study	5 years	Any U.S. or foreign resident	$3,000 p.a.	22(1)
		Compensation while gaining experience[2]	12 consec. mo.	Philippines resident	$7,500 p.a.	22(2)
		Compensation while under U.S. Government program	1 year	U.S. Government or its contractor	$10,000 p.a.	22(3)
Poland	15	Scholarship or fellowship grant	5 years	Any U.S. or foreign resident[5]	No limit	18(1)
	16	Independent personal services	182 days	Any contractor	No limit	15
	17	Dependent personal services[15]	182 days	Any foreign resident	No limit	16
	18	Teaching[4]	2 years	U.S. educational institution	No limit	17
	19	Studying and training:				
		Remittances or allowances	5 years	Any foreign resident	No limit	18(1)
		Compensation during training	5 years	U.S. or any foreign resident	$2,000 p.a.	18(1)
		Compensation while gaining experience[2]	1 year	Polish resident	$5,000	18(2)
		Compensation while under U.S. Government program	1 year	U.S. Government or its contractor	$10,000	18(3)
Portugal	15	Scholarship or fellowship grant	5 years	Any U.S. or foreign resident[5]	No limit	23(1)
	16	Independent personal services[22]	182 days	Any contractor	No limit	15
	20	Public entertainment	No limit	Any contractor	$10,000 p.a.[30]	19
	17	Dependent personal services[7,15]	183 days	Any foreign resident	No limit	16
	20	Public entertainment	No limit	Any U.S. or foreign resident	$10,000 p.a.[30]	19
	18	Teaching[4,41]	2 years	U.S. educational institution	No limit	22
	19	Studying and training:[4]				
		Remittances or allowances	5 years	Any foreign resident	No limit	23(1)
		Compensation during study or training	12 consec. mos.	Portuguese resident	$8,000	23(2)
			5 years	Other foreign or U.S. resident	$5,000 p.a.	23(1)
		Compensation while gaining experience	12 consec. mos.	Portuguese resident[2]	$8,000	23(2)
Romania	15	Scholarship or fellowship grant	5 years	Any U.S. or foreign resident[5]	No limit	20(1)
	16	Independent personal services[49]	182 days	Any contractor	No limit	14
	20	Public entertainment	90 days	Any contractor	$3,000	14
	17	Dependent personal services[15]	182 days	Romanian resident	No limit	15
	20	Public entertainment	89 days	Romanian resident	$2,999.99	15
	18	Teaching[4]	2 years	U.S. educational institution	No limit	19
	19	Studying and training:				
		Remittances or allowances	5 years	Any foreign resident	No limit	20(1)
		Compensation during training	5 years	U.S. or any foreign resident	$2,000 p.a.	20(1)
		Compensation while gaining experience[2]	1 year	Romanian resident	$5,000	20(2)
		Compensation while under U.S. Government program	1 year	U.S. Government or its contractor	$10,000	20(3)
Russia	15	Scholarship or fellowship grant[44]	5 years[31]	Any U.S. or foreign resident[5]	No limit	18
	16	Independent personal services[22]	183 days	Any contractor	No limit	13
	17	Dependent personal services[7,15,32]	183 days	Any foreign resident	No limit	14
	19	Studying and training:[4]				
		Remittances	5 years[31]	Any foreign resident	No limit	18

Table 2. *(Continued)*

Country (1)	Code[1] (2)	Category of Personal Services: Purpose (3)	Maximum Presence in U.S. (4)	Required Employer or Payer (5)	Maximum Amount of Compensation (6)	Treaty Article Citation (7)
Slovak Republic	15	Scholarship or fellowship grant	5 years	Any U.S. or foreign resident[5]	No limit	21(1)
	16	Independent personal services[22]	183 days	Any contractor	No limit	14
	20	Public entertainment	183 days	Any contractor	$20,000 p.a.[30]	18
	17	Dependent personal services[7,15]	183 days	Any foreign resident	No limit	15
	20	Public entertainment	183 days	Any foreign resident	$20,000 p.a.[30]	18
	18	Teaching[4,35]	2 years	Any U.S. educational or research institution	No limit	21(5)
	19	Studying and training:				
		Remittances or allowances	5 years	Any foreign resident	No limit	21(1)
		Compensation during training	5 years	Any U.S. or foreign resident	$5,000 p.a.	21(1)
		Compensation while gaining experience[2]	12 consec. mos.	Slovak resident	$8,000	21(2)
		Compensation while under U.S. Government program	1 year	U.S. Government	$10,000	21(3)
South Africa	16	Independent personal services[22]	183 days	Any contractor	No limit	14
	20	Public entertainment	No limit	Any contractor	$7,500[30]	17
	17	Dependent personal services[7,15]	183 days	Any foreign resident	No limit	15
	20	Public entertainment	No limit	Any U.S. or foreign resident	$7,500[30]	17
	19	Studying and training:[10]				
		Remittances or allowances	1 year[11]	Any foreign resident	No limit	20
Spain	15	Scholarship or fellowship grant	5 years	Any U.S. or foreign resident[5]	No limit	22(1)
	16	Independent personal services[22]	No limit	Any contractor	No limit	15
	20	Public entertainment	No limit	Any contractor	$10,000 p.a.[30]	19
	17	Dependent personal services[15]	183 days	Any foreign resident	No limit	16
	20	Public entertainment	No limit	Any U.S. or foreign resident	$10,000 p.a.[30]	19
	19	Studying and training:[4]				
		Remittances or allowances	5 years	Any foreign resident	No limit	22(1)
		Compensation during training	5 years	Any U.S. or foreign resident	$5,000 p.a.	22(1)
		Compensation while gaining experience[2]	12 consec. mo.	Spanish resident	$8,000	22(2)
Sweden	16	Independent personal services[22]	No limit	Any contractor	No limit	14
	20	Public entertainment	No limit	Any contractor	$6,000[42]	18
	17	Dependent personal services[7,15]	183 days	Any foreign resident	No limit	15
	20	Public entertainment	No limit	Any U.S. or foreign resident	$6,000[42]	18
	19	Studying and training:				
		Remittances or allowances[10]	No limit	Any foreign resident	No limit	21
Switzerland	16	Independent personal services[22]	No limit	Any contractor	No limit	14
	20	Public entertainment	No limit	Any contractor	$10,000[25]	17
	17	Dependent personal services[7,15]	183 days	Any foreign resident	No limit	15
	20	Public entertainment	No limit	Any U.S. or foreign resident	$10,000[25]	17
	19	Studying and training:[10]				
		Remittances or allowances	No limit	Any foreign resident	No limit	20
Thailand	15	Scholarship or fellowship grant	5 years	Any U.S. or foreign resident[5]	No limit	22(1)
	16	Independent personal services[22]	89 days	Any U.S. resident	$10,000	15
			89 days	Any foreign contractor	No limit[45]	15
	20	Public entertainment	No limit	Any contractor	$100 per day or $3,000 p.a.[9]	19
	17	Dependent personal services[15,23]	183 days	Any foreign resident	No limit	16
	20	Public entertainment	No limit	Any U.S. or foreign resident	$100 per day or $3,000 p.a.[9]	19
	18	Teaching or research[4,38]	2 years	Any U.S. or foreign resident	No limit	23
	19	Studying and training:				
		Remittances or allowances	5 years	Any foreign resident	No limit	22(1)
		Compensation during training	5 years	Any U.S. or foreign resident	$3,000 p.a.	22(1)
		Compensation while gaining experience	12 consec. mos.	Thai resident[2]	$7,500	22(2)
		Compensation under U.S. Government program	1 year	U.S. Government	$10,000	22(3)

Table 2. *(Continued)*

Country (1)	Code[1] (2)	Category of Personal Services: Purpose (3)	Maximum Presence in U.S. (4)	Required Employer or Payer (5)	Maximum Amount of Compensation (6)	Treaty Article Citation (7)
Trinidad and Tobago	15	Scholarship or fellowship grant	5 years	Any U.S. or foreign resident[5]	No limit	19(1)
	16	Independent personal services[13]	183 days	Any foreign resident contractor	No limit	17
			183 days	Any U.S. contractor	$3,000[6]	17
	17	Dependent personal services[13]	183 days	Any foreign resident	No limit	17
			183 days	Any U.S. resident	$3,000[6]	17
	18	Teaching[4]	2 years	U.S. educational institution or U.S. Government	No limit	18
	19	Studying and training:				
		Remittances or allowances	5 years	Any foreign resident	No limit	19(1)
		Compensation during training	5 years	U.S. or any foreign resident	$2,000 p.a.[6]	19(1)
		Compensation during professional training	5 years	U.S. or any foreign resident	$5,000 p.a.[6]	19(1)
		Compensation while gaining experience[2]	1 year	Trinidad—Tobago resident	$5,000[6]	19(2)
		Compensation under U.S. Government program	1 year	U.S. Government or its contractor	$10,000[6]	19(3)
Tunisia	15	Scholarship or fellowship grant[10]	5 years	Any U.S. or foreign resident[5]	No limit	20
	16	Independent personal services[22]	183 days	U.S. resident contractor	$7,500 p.a.	14
	20	Public entertainment	No limit	Any contractor	$7,500 p.a.[25]	17
	17	Dependent personal services[15]	183 days	Any foreign resident	No limit	15
	20	Public entertainment	No limit	Any U.S. or foreign resident	$7,500 p.a.[25]	17
	19	Studying and training:[10]				
		Remittances or allowances	5 years	Any foreign resident	No limit	20
		Compensation during training	5 years	Any U.S. or foreign resident	$4,000 p.a.	20
Turkey	16	Independent personal services[22]	183 days	Any contractor	No limit	14
	20	Public entertainment[46]	No limit	Any contractor	$3,000[49]	17
	17	Dependent personal services[15,24]	183 days	Any foreign resident	No limit	15
	20	Public entertainment[46]	No limit	Any U.S. or foreign resident	$3,000[49]	17
	18	Teaching or research	2 years	Any foreign resident	No limit	20(2)
	19	Studying and training:[10]				
		Remittances or allowances	No limit	Any foreign resident	No limit	20(1)
Ukraine (New Treaty)	15	Scholarship or fellowship grant[44]	5 years[31]	Any U.S. or foreign resident[5]	No limit	20
	16	Independent personal services[22,50]	No limit	Any contractor	No limit	14
	17	Dependent personal service[15,23,50]	183 days	Any foreign resident	No limit	15
	19	Studying and training:				
		Remittances or allowances[10]	5 years[31]	Any foreign resident	No limit	20
United Kingdom	16	Independent personal services[22]	183 days	Any contractor	No limit[12]	14
	17	Dependent personal services[15]	183 days	Any foreign resident	No limit[12]	15
	18	Teaching[4]	2 years	U.S. educational institution	No limit	20
	19	Studying and training:				
		Remittances or allowances[10]	No limit	Any foreign resident	No limit	21
Venezuela	15	Scholarship or fellowship grants[4]	5 years[47]	Any U.S. or foreign resident[5]	No limit	21(1)
	16	Independent personal services[7,22]	No limit	Any contractor	No limit	14
	20	Public entertainment	No limit	Any contractor	$6,000[30]	18
	17	Dependent personal services[7,15]	183 days	Any foreign resident	No limit	15
	20	Public entertainment	No limit	Any U.S. or foreign resident	$6,000[30]	18
	18	Teaching[4]	2 years[48]	Any U.S. or foreign resident	No limit	21(3)
	19	Studying and training:[4]				
		Remittances or allowances	5 years[47]	Any foreign resident	No limit	21(1)
		Compensation during training	12 mos.	Venezuelan resident	$8,000	21(2)
			5 years[47]	Other foreign or U.S. resident	$5,000 p.a.	21(1)
		Compensation while gaining experience[2]	12 mos.	Venezuelan resident	$8,000	21(2)

[1] Refers to income code numbers under which the income is reported on Forms 1042-S. Personal services must be performed by a nonresident alien individual who is a resident of the specified treaty country.

[2] Applies only if training or experience is received from a person other than alien's employer.

[3] Annual compensation for services wherever performed.

[4] Does not apply to compensation for research work primarily for private benefit.

[5] Grant must be from a nonprofit organization. In many cases, the exemption also applies to amounts from either the U.S. or foreign government. For Indonesia and the Netherlands, the exemption also applies if the amount is awarded under a technical assistance program entered into by the United States or the foreign government, or its political subdivisions or local authorities.

[6] Reimbursed expenses are not taken into account in figuring any maximum compensation to which the exemption applies. For Japan and Trinidad and Tobago, only reimbursed travel expenses are disregarded in figuring the maximum compensation.

[7] Does not apply to fees of a foreign director of a U.S. corporation.

[8] Does not apply to compensation for research work for other than the U.S. educational institution involved.

[9] Exemption does not apply if gross receipts exceed this amount. Income is fully exempt if visit to the United States is substantially supported by public funds of the treaty country or its political subdivisions or local authorities.

[10] Applies only to full-time student or trainee.

[11] The time limit pertains only to an apprentice or business trainee.

[12] Does not apply to compensation paid to public entertainers (actors, artists, musicians, athletes, etc.). For Canadian or U.K. resident public entertainers, the exemption does not apply if the gross receipts (including reimbursements) are more than $15,000 in any year.

[13] Does not apply to compensation paid to public entertainers that is more than $100 a day.

[14] Exemption applies only if the compensation is subject to tax in the country of residence.

[15] The exemption does not apply if the employee's compensation is borne by a permanent establishment (or in some cases a fixed base) that the employer has in the United States.

[16] The exemption also applies if the employer is a permanent establishment in the treaty country but is not a resident of the treaty country.

[17] This exemption does not apply in certain cases if the employee is a substantial owner of that employer and the employer is engaged in certain defined activities.

[18] The exemption is also extended to journalists and correspondents who are temporarily in the U.S. for periods not longer than 2 years and who receive compensation from abroad.

[19] Also exempt are amounts of up to $10,000 received from U.S. sources to provide ordinary living expenses. For students, the amount will be less than $10,000, determined on a case by case basis.

[20] A student or trainee may choose to be treated as a U.S. resident for tax purposes. If the choice is made, it may not be changed without the consent of the U.S. competent authority.

[21] Amounts received in excess of a reasonable fixed amount payable to all directors for attending meetings in the United States are taxable.

[22] Exemption does not apply to the extent income is attributable to the recipient's fixed U.S. base. For residents of Japan, this fixed base must be maintained in the U.S. for more than 183 days during the tax year for the exemption not to apply; for residents of Belgium, Iceland, Korea, and Norway, the fixed base must be maintained for more than 182 days; for residents of Morocco, the fixed base must be maintained for more than 89 days.

[23] Fees paid to a resident of the treaty country for services as a director of a U.S. corporation are subject to U.S. tax, unless the services are performed in the country of residence.

[24] Fees paid to a resident of the treaty country for services performed in the United States as a director of a U.S. corporation are subject to U.S. tax.

[25] Exemption does not apply if gross receipts (including reimbursements) exceed this amount.

[26] Exemption does not apply if net income (or gross income for Israel) exceeds this amount.

[27] Exemption does not apply to payments borne by a permanent establishment in the United States or paid by a U.S. citizen or resident or the federal, state, or local government.

[28] Exemption does not apply if compensation exceeds this amount.

[29] The exemption applies only to income from activities performed under special cultural exchange programs agreed to by the U.S. and Chinese governments.

[30] Exemption does not apply if gross receipts (or compensation for Portugal), including reimbursements, exceed this amount. Income is fully exempt if visit to the United States is substantially supported by public funds of the treaty country or its political subdivisions or local authorities.

[31] The 5-year limit pertains only to training or research.

[32] Compensation from employment directly connected with a place of business that is not a permanent establishment is exempt if the alien is present in the United States for a period not exceeding 12 consecutive months. Compensation for technical services directly connected with the application of a right or property giving rise to a royalty is exempt if the services are provided as part of a contract granting the use of the right or property.

[33] Exemption does not apply if, during the immediately preceding period, the individual claimed the benefits of Article 21.

[34] Exemption does not apply if, during the immediately preceding period, the individual claimed the benefits of Article 22.

[35] Exemption does not apply if the individual either (a) claimed the benefit of Article 21(5) during a previous visit, or (b) during the immediately preceding period, claimed the benefit of Article 21(1), (2), or (3).

[36] Exemption applies only to compensation for personal services performed in connection with, or incidental to, the individual's study, research, or training.

[37] Exemption does not apply if, during the immediately preceding period, the individual claimed the benefits of Article 24(1).

[38] Exemption does not apply if, during the immediately preceding period, the individual claimed the benefits of Article 22(1).

[39] Exemption does not apply if the individual previously claimed the benefit of this Article.

[40] The combined period of benefits under Articles 20 and 21(1) cannot exceed 5 years.

[41] Exemption does not apply if the individual either (a) previously claimed the benefit of this Article, or (b) during the immediately preceding period, claimed the benefit of Article 23. The benefits under Articles 22 and 23 cannot be claimed at the same time.

[42] Exemption does not apply if gross receipts (including reimbursements) exceed this amount during any 12-month period.

[43] The exemption also applies if the income is borne by an employer that is a permanent establishment of a U.S. enterprise in Luxembourg.

[44] Applies to grants, allowances, and other similar payments received for studying or doing research.

[45] A $10,000 limit applies if the expense is borne by a permanent establishment or a fixed base in the United States.

[46] This provision does not apply if these activities are substantially supported by a nonprofit organization or by public funds of the treaty country or its political subdivisions or local authorities.

[47] Applies to any additional period that a full-time student needs to complete the educational requirements as a candidate for a postgraduate or professional degree from a recognized educational institution.

[48] The combined benefit for teaching cannot exceed 5 years.

[49] Exemption does not apply if the recipient maintains a permanent establishment in the U.S. with which the income is effectively connected.

[50] The exemption does not apply to income received for performing services in the United States as an entertainer or a sportsman. However, this income is exempt for U.S. income tax if the visit is (a) substantially supported by public funds of Ukraine, its political subdivisions, or local authorities, or (b) made under a specific arrangement agreed to by the governments of the treaty countries.

Country	Official Text Symbol[1]	General Effective Date	Citation	Applicable Treasury Explanations or Treasury Decision (T.D.)
Australia	TIAS 10773	Dec. 1, 1983	1986-2 C.B. 220	1986-2 C.B. 246
Austria	TIAS	Jan. 1, 1999		
Barbados	TIAS 11090	Jan. 1, 1984	1991-2 C.B. 436	1991-2 C.B. 466
Protocol	TIAS	Jan. 1, 1994		
Belgium	TIAS 7463	Jan. 1, 1971	1973-1 C.B. 619	
Protocol	TIAS 11254	Jan. 1, 1988		
Canada[2]	TIAS 11087	Jan. 1, 1985	1986-2 C.B. 258	1987-2 C.B. 298
Protocol	TIAS	Jan. 1, 1996		
China, People's Republic of	TIAS 12065	Jan. 1, 1987	1988-1 C.B. 414	1988-1 C.B. 447
Commonwealth of Independent States[3]	TIAS 8225	Jan. 1, 1976	1976-2 C.B. 463	1976-2 C.B. 475
Cyprus	TIAS 10965	Jan. 1, 1986	1989-2 C.B. 280	1989-2 C.B. 314
Czech Republic	TIAS	Jan. 1, 1993		
Denmark	TIAS	Jan. 1, 2001		
Egypt	TIAS 10149	Jan. 1, 1982	1982-1 C.B. 219	1982-1 C.B. 243
Estonia	TIAS	Jan. 1, 2000		
Finland	TIAS 12101	Jan. 1, 1991		
France	TIAS	Jan. 1, 1996		
Germany	TIAS	Jan. 1, 1990[4]		
Greece	TIAS 2902	Jan. 1, 1953	1958-2 C.B. 1054	T.D. 6109, 1954-2 C.B. 638
Hungary	TIAS 9560	Jan. 1, 1980	1980-1 C.B. 333	1980-1 C.B. 354
Iceland	TIAS 8151	Jan. 1, 1976	1976-1 C.B. 442	1976-1 C.B. 456
India	TIAS	Jan. 1, 1991		
Indonesia	TIAS 11593	Jan. 1, 1990		
Ireland	TIAS	Jan. 1, 1998		
Israel	TIAS	Jan. 1, 1995		
Italy	TIAS 11064	Jan. 1, 1985	1992-1 C.B. 442	1992-1 C.B. 473
Jamaica	TIAS 10207	Jan. 1, 1982	1982-1 C.B. 257	1982-1 C.B. 291
Japan	TIAS 7365	Jan. 1, 1973	1973-1 C.B. 630	1973-1 C.B. 653
Kazakstan	TIAS	Jan. 1, 1996		
Korea, Republic of	TIAS 9506	Jan. 1, 1980	1979-2 C.B. 435	1979-2 C.B. 458
Latvia	TIAS	Jan. 1, 2000		
Lithuania	TIAS	Jan. 1, 2000		
Luxembourg	TIAS	Jan. 1, 2001		
Mexico	TIAS	Jan. 1, 1994	1994-2 C.B. 424	1994-2 C.B. 489
Protocol	TIAS	Oct. 26, 1995		
Morocco	TIAS 10195	Jan. 1, 1981	1982-2 C.B. 405	1982-2 C.B. 427
Netherlands	TIAS	Jan. 1, 1994		
New Zealand	TIAS 10772	Nov. 2, 1983	1990-2 C.B. 274	1990-2 C.B. 303
Norway	TIAS 7474	Jan. 1, 1971	1973-1 C.B. 669	1973-1 C.B. 693
Protocol	TIAS 10205	Jan. 1, 1982	1982-2 C.B. 440	1982-2 C.B. 454
Pakistan	TIAS 4232	Jan. 1, 1959	1960-2 C.B. 646	T.D. 6431, 1960-1 C.B. 755
Philippines	TIAS 10417	Jan. 1, 1983	1984-2 C.B. 384	1984-2 C.B. 412
Poland	TIAS 8486	Jan. 1, 1974	1977-1 C.B. 416	1977-1 C.B. 427
Portugal	TIAS	Jan. 1, 1996		
Romania	TIAS 8228	Jan. 1, 1974	1976-2 C.B. 492	1976-2 C.B. 504
Russia	TIAS	Jan. 1, 1994		
Slovak Republic	TIAS	Jan. 1, 1993		
South Africa	TIAS	Jan. 1, 1998		
Spain	TIAS	Jan. 1, 1991		
Sweden	TIAS	Jan. 1, 1996		
Switzerland	TIAS	Jan. 1, 1998		
Thailand	TIAS	Jan. 1, 1998		
Trinidad and Tobago	TIAS 7047	Jan. 1, 1970	1971-2 C.B. 479	
Tunisia	TIAS	Jan. 1, 1990		
Turkey	TIAS	Jan. 1, 1998		
Ukraine	TIAS	Jan. 1, 2001		
United Kingdom	TIAS 9682	Jan. 1, 1975	1980-1 C.B. 394	1980-1 C.B. 455
Venezuela	TIAS	Jan. 1, 2000		

[1] (TIAS)—Treaties and Other International Act Series.

[2] Information on the treaty can be found in Publication 597, *Information on the United States—Canada Income Tax Treaty*.

[3] The U.S.—U.S.S.R. income tax treaty applies to the countries of Armenia, Azerbaijan, Belarus, Georgia, Kyrgyzstan, Moldova, Tajikistan, Turkmenistan, and Uzbekistan.

[4] The general effective date for the area that was the German Democratic Republic is January 1, 1991.

IDENTIFICATION NUMBERS

Most nonresident students and scholars cannot claim family members as dependents. Any family member who **can** be claimed as a dependent must have a Taxpayer Identification Number (TIN). If the dependent has been issued a Social Security Number (SSN), that is the TIN. But most family members do not have work authorization, so the Social Security Administration will not issue them Social Security Numbers.

A Form W-7 must be filed with the IRS for each person who will be claimed as a spouse or a dependent. About 6 to 8 weeks after the form is filed, the IRS will issue an Individual Tax Identification Number (ITIN) for that dependent. The form should be filed as soon as the student or scholar expects to claim the family member as a dependent. The deduction for the spouse or the dependent **cannot** be claimed until the ITIN is received. At the time that this publication went to print, a new revision of the Form W-7 was in progress. For a copy of the latest revision of the form, visit our website at *http://www.irs.gov.*

All boxes on Form W-7 must be filled in, including writing "N/A" when not applicable. The form must contain both the mailing address and the address of tax residence (in the foreign country).

When Form W-7 is filed, original documents (such as the dependent's passport or other proof of claim of foreign status) must be presented. This can be done in person at an IRS office, or with an **acceptance agent**. The foreign student office on the campus should be able to tell you whether the college is an acceptance agent. Some U.S. consulate offices also provide assistance with Form W-7.

Filing Status and Spousal Exemption

All unmarried nonresidents must use the "single" filing status. Married nonresidents must use one of the married filing statuses even if their spouse is not present in the U.S. Nonresidents **cannot** use the Head of Household status.

The filing status determines what tax rate schedule will be used, so you should be careful when marking the filing status on the return.

Nonresidents from Canada, Mexico, Japan, Korea, or India may be able to claim an exemption for their spouse. (This is not the same as claiming their spouse as a dependent. The term "dependent" is reserved for family members other than the spouse.) The following rules apply:

Canada and Mexico: Residents of Canada or Mexico can claim a personal exemption for a spouse if the spouse had no gross income for U.S. tax purposes and was not a dependent on another U.S. return.

Japan and South Korea: Residents of Japan and South Korea may be able to claim a personal exemption for a spouse. The spouse must live with the taxpayer. If the student or scholar also has income from outside the U.S., the exemption will have to be prorated. See IRS Publication 519 for more information.

India: Some nonresidents from India are eligible to claim a personal exemption for a spouse. The deduction applies only to students and business apprentices. A student can claim an exemption for a spouse if the spouse had no gross income during the year and cannot be claimed on someone else's U.S. return. When completing the form, the spouse's information goes on line 7c.

Example 1

Zenobia, a married scholar from Nigeria, arrived in the U.S. on a J-1 visa in 2002. Her husband and child live with her in the U.S. Her husband, Kentaznib, has a J-2 visa and works for a local computer company. Zenobia must file a tax return for herself and mark the "married" box; but her deductions and taxes must be calculated at the "married filing separate" rate. Kentaznib must file his own return using the same filing status. Neither of them can claim the child, or any child-related tax credits.

Example 2

Ming, a married student from Japan, came to the U.S. in 2001 as an F-1 student. Her husband came with her. Her only income was from her on-campus job. Her husband had no income. As a nonresident, she cannot file a joint return with him. She can claim him on her return. He will need to have a tax identification number (either an SSN or an ITIN).

DEPENDENTS

Most nonresidents cannot take a deduction for their dependents. Even if the dependents are U.S. citizens, usually they cannot be claimed on a nonresident return.

Exceptions apply to persons from Canada, Mexico, Japan, Korea, and India, as follows:

> **Canada and Mexico:** Dependents can be deducted if they meet the five general tests for dependency listed in Publication 678, *VITA Assistor's Guide*, and Publication 17, *Your Federal Income Tax Guide*.
>
> **Japan and Korea:** Dependents must live with the nonresident in the U.S. at least part of the year. The dependent deduction will need to be prorated if the nonresident has both U.S.-source income and foreign income.
>
> **India:** Dependents can be claimed if they were not admitted to the U.S. on an F-2, J-2, or M-2 visa. They must also meet the five tests for dependency listed in Publication 678, *VITA Assistor's Guide*, and Publication 17, *Your Federal Income Tax Guide*.

Most international students and scholars do not earn large amounts in the U.S. But it should be noted that the phase-out for exemptions applies on Form 1040NR also. A student or scholar would have to exceed $104,625 of income before these limitations begin to apply.

Example 3

Dehni and Aschuma are married international students at the local university. They are both on F-1 visas from India. They have been in the U.S. since 1999. In 2002 they had a baby girl. Dehni earned $4,300 in 2002 and Aschuma earned $5,027. Normally, the person who provided most of a child's support can claim the exemption. But Dehni and Aschuma each earned less than the amount of their deductions (which are covered in a later chapter), so they owe no federal income tax. Thus neither of them needs to claim the child. Each of them can file Form 1040NR-EZ and report his or her earnings.

Example 4

Jesus and Maria are married international students from Mexico. They arrived here in December 2001 and Maria had a baby boy (Jose) in February 2002. Maria did not work in 2002. She was busy with her full-time classes and taking care of Jose. Jesus' mother came to help them in late December 2001, and was in the U.S. all of 2002. Jesus maintained his full-time class schedule in pre-med and worked to support his family. He worked at the health center on campus and earned $7,800. He should file a Form 1040NR and claim an exemption for his wife and baby. He may also be entitled to claim his mother, but due to his low income he will not benefit from doing so.

Exercise 1:

Jenny is from Australia. She arrived in the U.S. in 2002 with her husband and son. She had an F-1 visa, and her husband and son were on F-2 visas. She earned $3,100 from an on-campus job.

What is Jenny's filing status? _____

Can she claim her husband and son? _____

Can she use Form 1040NR-EZ? _____

Exercise 2:

Devesh is from India. He arrived on an F-1 visa in 1999. In 2001, his wife and two children joined him in the U.S. and obtained identification numbers. In 2002 his wife had a third child while in the U.S. Devesh earned $7,850 from on-campus work in 2002. He provided all support for his family. His wife is on an F-2 visa and is not permitted to work.

What is Devesh's filing status? _____

Can he take a deduction for his wife? _____

Can he take a deduction for his two children born in India?

_____

Can he take a deduction for his child born in 2002? _____

Child and Dependent Care Credit

Generally, nonresident aliens do **not** qualify for this credit. To qualify for the credit, a nonresident alien must do **all four** of the following:

1. pay someone to watch a dependent under age 13 (or a disabled spouse or dependent), **and**
2. do that for care provided during the hours when the student or scholar was working (or looking for work) rather than attending classes or studying, **and**
3. if married, file a joint return with a spouse who is a U.S. citizen or resident alien, under an election for the nonresident spouse to be treated as a resident, **and**
4. not claim expense for the credit in an amount exceeding earned income.

For more information, see IRS Publication 519.

Child Tax Credit

Few nonresident aliens can claim this credit either. To claim it, a nonresident alien must have a child who:

1. is a U.S. citizen, national, or resident alien, **and**
2. can be claimed as a dependent on the nonresident's tax return, **and**
3. is a son, daughter, adopted child, grandchild, stepchild, or foster child, **and**
4. is under age 17 at the end of the tax year.

Earned Income Tax Credit

A student or scholar who is a nonresident for any part of the tax year **generally cannot** get the Earned Income Tax Credit (EITC). However, a student or scholar who was married and chose to file a joint return with a U.S. citizen or resident spouse may be eligible for the credit. See Publication 596 for more information.

Spouse and Dependent Filing Requirements

Immigration regulations do not allow spouses and dependents on F-2 visas to work. The amount of U.S.-source income those persons are allowed to have is extremely limited. Spouses and dependents in the U.S. under F-2 visas are generally not required to file Form 1040NR or 1040NR-EZ. However, they do need to file Form 8843.

Spouses and some dependents on J-2 visas can be authorized to work. They need to file Form 8843, and either Form 1040NR or Form 1040NR-EZ. Their visa status does not exempt them from paying Social Security tax nor can they file claims to get Social Security tax refunded to them.

Exercise 1

Jenny's filing status is married filing separate. She cannot claim her husband and son on her return.

She can file Form 1040NR-EZ

Exercise 2

Devesh's filing status is married filing separate.

He can take a deduction for his wife.

He cannot take deductions for his two children born in India.

He can take a deduction for his child born in the U.S.

STUDENT NOTES

TAXATION OF NONRESIDENTS

Many international students and scholars believe that since they are not U.S. citizens, they are not subject to U.S. taxes. That is false. Indeed, international students and scholars are normally entitled to fewer exemptions from U.S. tax than are U.S. students. International students and scholars can claim a personal exemption, but they cannot normally use the standard deduction or take exemptions for dependents.

This lesson deals with taxation of **nonresident** aliens only. If an international student or scholar is a **resident** alien, and your site does not prepare returns for resident aliens, you should direct the student or scholar to a conventional VITA site.

In Lesson 2 you learned who must file a U.S. income tax return and what form to use. We will now explore the types of income that students normally receive; which are taxable; and how they are taxed.

You must first determine the source of each kind of income. That is necessary because **the U.S. does not tax nonresident aliens' foreign-source income**. Table 1 summarizes how to determine the source of each kind of income.

Table 1: Types and Sources of Income

Income type	*Source is determined by*
Dividends	Where payer is incorporated
Interest	Payer's place of residence
Pension payments attributable to:	
Contributions (employer or employee, pretax)	Where the services were performed
Earnings of domestic (U.S.) trusts	The U.S. is the source
Rents	Where property is located
Royalties from natural resources	Where property is located
Royalties from patents, copyrights, etc.	Where property is used
Salaries, wages, and other compensation for personal services	Where services are performed
Sale of inventory that was purchased	Where the inventory is sold (where title passes)
Sale of personal property (except inventory)	Tax home of seller
Sale of real property	Where the property is located
Scholarships and fellowships	Residence of grantor
Social Security benefits	Residence of payer

Is the Income "Effectively Connected" With U.S.?

As noted above, the U.S. does not tax **foreign-source** income received by **nonresident** aliens. If income does have a U.S. source, the U.S. taxes it-but at different rates depending on whether it is "effectively connected" with a U.S. trade or business. A nonresident alien who is a student or scholar is considered to be engaged in a U.S. trade or business; studying, teaching, or doing research. Thus, income from such activities is "effectively connected" with a U.S. trade or business—along with income from other employment that has been authorized by the BCIS. Income that is effectively connected must be reported on either Form 1040NR or 1040NR-EZ, and is taxed at the same rates as apply to U.S. citizens and resident aliens.

Income that is **not** effectively connected is treated quite differently. It must be reported on Form 1040NR (it cannot be reported on Form 1040NR-EZ); no deductions can be taken against it; and it is taxed at a flat rate—either 30% or a lower treaty rate.

Most investment income is treated as not effectively connected with a U.S. trade or business. This includes dividends, capital gains, rental income, and interest-with one exception; **bank interest**. Interest received on deposits held in the "banking business" is excluded from nonresident aliens' income; they need not even report it. (The "banking business" includes commercial banks, mutual savings banks, cooperative banks, credit unions, domestic building and loan associations, and other savings institutions chartered and supervised as savings and loans or similar associations under federal or state law.)

Note: The exemption of bank interest applies only if it is not connected with a U.S. trade or business. Thus the exemption may be lost if a nonresident holds large sums in a bank for the purpose of earning money.

Example 1

Jose is a junior at a state university. He is in F-1 immigration status. When he came to the U.S. to study, his parents gave him $20,000 for expenses. He lent $5,000 to his cousin, a U.S. resident. His cousin paid him $1,050 in 2003 ($1,000 of principal repayment and $50 interest). He deposited the remaining $15,000 in the college credit union and earned $600 interest. The $50 from his cousin is not from the banking business, nor is it connected to his trade or business (studying). Therefore it must be reported on Form 1040NR, page 4. The $600 interest from the credit union is excluded from income.

Wages are generally subject to tax withholding by the employer. Upon being hired, an employee files Form W-4 to advise the employer of the employee's status for withholding. Due to the restrictions on deductions that can be claimed by nonresidents, a nonresident should check the "single" box on Form W-4 even if married; and should claim only one withholding allowance—unless the nonresident is from Canada, Mexico, Japan, the Republic of Korea (South Korea), or a student from India. Each nonresident should also use Form W-4 to request the following amounts of additional withholding. These additional amounts are required by law to be withheld from the pay of nonresident aliens to adjust their withholding for their tax liability:

Payroll period	*Additional withholding*
Weekly	$7.60
Biweekly	15.30
Semimonthly	16.60
Monthly	33.10

Example 2

Sean, an international student from the U.K., is temporarily present in the U.S. as a student in F-1 status. His wife and daughter accompanied him to the U.S. He will be paid every two weeks. He should mark Form W-4 as single with one withholding allowance, and request that an additional $15.30 per pay period be withheld.

Some tax treaties provide for a limited exemption from tax for wages earned while temporarily studying in the U.S. To avoid withholding on wages eligible for such an exemption, a student to whom one of those treaties applies should fill out IRS Form 8233, Exemption From Withholding on Compensation for Independent Personal Services of Nonresident Alien Individual, and give it to the employer in duplicate. A new Form 8233 must be given to the employer each year. Pay earned, but not subject to withholding because of a treaty, is reported on Form 1042-S, which the employer is required to provide by March 15 each year. If a student either fails to give Form 8233 to the employer, or earns more than the treaty exemption amount, federal tax will be withheld and amounts earned will be reported on Form W-2.

Example 3

Assume the same facts as in Example 2. Sean is from Belgium and is entitled to a $2,000 treaty exemption for wages. He didn't know about Form 8233 and never filed it. He earned $4,600 during 2003, all of which was reported on Form W-2. Sean will enter $2,600 ($4,600 minus the $2,000 treaty exemption) on Form 1040NR, line 8, or Form 1040NR-EZ, line 3.

The following worksheet can help you determine the correct amount of wages to report on Form 1040NR or Form 1040NREZ. Some of the lines may not apply to the student or scholar you are assisting. If the student or scholar has more than one W-2 add the box one amounts together before completing this worksheet.

Wages from Box 1 Form W-2	_____
Code 18 Income from Form 1042-S	+ _____
Code 19 Income from Form 1042-S	+ _____
Code 18 Treaty Benefit	– _____
Code 19 Treaty Benefit	– _____
WAGES TO BE ENTERED ON RETURN	_____

Interest Income

As mentioned earlier, interest paid to a nonresident alien, by an entity in the banking business, is not taxable. Many banks erroneously report this income on a Form 1099-INT because they have not been informed that the student or scholar is a nonresident alien. For purposes of Form 1042-S, generally no reporting is required on deposits if the interest is not effectively connected with the conduct of a trade or business in the U.S.

Dividend Income

If a nonresident alien student or scholar invests in the stock market and receives dividend income, it is not considered effectively connected with the person's trade or business. This income must be reported on Form 1040NR, page 4.

Refund of State and Local Income Taxes

If a student or scholar took an itemized deduction on the 2002 federal tax return for state or local income tax that had been withheld in 2002, and got a refund of any of that withholding in 2003, the refund may need to be reported on Form 1040NR or 1040NR-EZ for 2003. The student or scholar should receive Form 1099-G from the taxing authority that issued the refund, saying how much refund was issued. If the amount that was refunded helped the student or scholar reduce their federal income tax in 2002, the refund should be included in income for 2003.

Example 4

Mariko has been in the U.S. since 2000, and filed both federal and state income tax returns in 2002. He had $75 withheld by the state, which he claimed as an itemized deduction on his Form 1040NR. The $75 deduction helped reduce his 2002 federal taxes. He owed no state taxes, so the entire $75 was refunded to him in 2003. Mariko must report the state refund as income on his Form 1040NR for 2003.

Scholarships and Fellowships

Income in the form of a scholarship or fellowship is treated in one of three ways:

1. **excludable** under the Internal Revenue Code (this is called the Section 117 exclusion);
2. **exempt** by treaty, or
3. **taxable**.

Under section 117 of the Internal Revenue Code, a student who is a candidate for a degree may be able to exclude from income some or all amounts received under a "qualified" scholarship. (The same is true of students who are U.S. citizens.) A qualified scholarship is any amount received as a scholarship or fellowship grant, and used for tuition, fees, books, supplies, and equipment that the student is required to buy. Amounts received but used for other purposes, such as room and board or travel, are not excludable. Section 117 does not apply if the student must perform services to receive the money (i.e. teaching assistant).

Some treaties also exempt amounts received as scholarship or fellowship grants. To prevent withholding on the amount of scholarship money that is exempt by treaty, the student must file Form W-8BEN, Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding; with the educational institution or other provider of the scholarship.

Scholarship and Fellowship Grant Reporting by Payers

Schools are not required to report the nontaxable portion of scholarships and fellowships on Form 1042-S. If the grant was reported on Form 1042-S, enter the amount reported in box 2 on the scholarship line of Form 1040NR or 1040NR-EZ. If the student did not receive either Form 1042-S or Form W-2 reporting the scholarship, then a statement from the college on its letterhead, showing the details of the grant, must be attached to the tax return.

Example 5

Daniela, an international student from Brazil, received a $6,000 scholarship from Mountain State University. She used $4,700 of it for tuition, fees, and books. The other $1,300 was used for living expenses. The university will issue Form 1042-S for $1,300; Daniela must report $1,300 on either Form 1040NR, line 12 or Form 1040NR-EZ, line 5.

Capital Gain or Loss

This is discussed below, under "Income Not Effectively Connected With a U.S. Trade or Business."

Other Income

Any other income received by a nonresident alien student or scholar is generally classified as "not effectively connected with a U.S. trade or business" and reported on Form 1040NR, page 4.

Dividend Income

If a nonresident alien student or scholar invests in the stock market and receives dividend income, the earnings are not considered to be effectively connected with the student's trade or business. Therefore, it should be reported on Form 1040NR, page 4. The brokerage firm **should** have reported that income to the taxpayer on Form 1042-S, and have withheld a percentage of it (varying with the taxpayer's country) for income tax. But if the student or scholar did not tell the brokerage firm that (s)he is a nonresident alien, it may have been reported on a Form 1099-DIV. If it was, probably nothing will have been withheld from it.

Interest Income

Interest received on deposits held by persons in the banking business is **excluded** from nonresident aliens' income. (The banking business includes commercial banks, mutual savings banks, cooperative banks, credit unions, domestic building and loan associations, and other savings institutions chartered and supervised as savings and loans or similar associations under federal or state law.)

If a nonresident alien received interest from another source, it must be reported on Form 1040NR, page 4.

Gambling Income

Some international students and scholars receive income from gambling. This income is not effectively connected with the reason for their visit to the U.S. and must be reported on Form 1040NR, line 79. On the dotted lines after the arrow, the type of income must be specified. The racetrack or casino should report it to the taxpayer on Form 1042-S; but as with dividends, such income may erroneously be reported on Form W-2G.

Capital Gains and Loss

Nonresident alien students and scholars are subject to 30% taxation of their U.S. capital gains, unless a tax treaty allows a lower rate. This should be reported on part 4 of the 1040NR.

Example 6

Nabil, a resident of Iran, entered the U.S. in 2000 on an F-1 visa to study engineering. He invested the money that he brought with him in the stock market. In 2003 he sold some stock to pay tuition and fees. The sale of that stock is reportable on Form 1040NR, page 4, line 82. Any gain is taxable at 30%; any loss is not deductible.

Adjusted Gross Income

Nonresident alien students and scholars are allowed some adjustments to their "effectively connected" income. One such adjustment is deduction of student loan interest.

Example 7

Dino came to the U.S. in 2000 for postgraduate study. He borrowed $1,500 from the college credit union for his last semester's fees and books. Dino graduated in December 2002, but remained in the U.S. for one year of practical training. He began repaying the loan on July 1, 2003 and paid $45 in interest during 2003. He can deduct that on Form 1040NR, line 26 or Form 1040NR-EZ, line 8.

Itemized Deductions

Nonresident aliens (except students from India) are not permitted to take the standard deduction. Therefore, they must itemize deductions. They are further limited in the type of expenses they can deduct even as itemizers. They can't claim a deduction for medical costs; mortgage interest; or investment interest. Below is a summary of the types of expenses they **can** itemize.

State and Local Taxes

State and local income taxes are fully deductible in the year paid, no matter to which state they were paid. They will normally be listed on the student's or scholar's Form W-2 or 1042S. A student or scholar may also have a cancelled check or receipt for additional state or local income taxes paid during the tax year.

Charitable Contributions

Nonresidents can deduct charitable contributions to U.S. charities and nonprofit organizations. Those generally include religious, charitable, educational, scientific, and literary organizations; and organizations that work to prevent cruelty to children or animals.

Contributions made directly to a foreign organization are not deductible. But contributions made to a U.S. organization that transfers funds to a foreign organization may be deductible. To be deductible, the U.S. organization must control use of the funds.

If a contribution exceeds $250, the student or scholar must have a receipt for it. Also, if the student or scholar benefited from making the contribution, the deduction will be limited.

Casualty or Theft Loss

Nonresident students and scholars can deduct losses from fire, storm, shipwreck, or other casualty, or theft of property, if the property was located in the U.S. at the time of the loss.

The loss is limited to the lower of (1) the decline in the fair market value of the property or (2) the cost of the property. The loss must be reduced by any insurance or other compensation received. If the property was covered by insurance, a loss cannot be claimed unless a timely insurance claim was filed.

The first $100 of a loss is not deductible. A nonresident's loss is further limited to 10% of his or her income. These limitations are reflected in Form 4868, Casualty and Thefts.

Job Expenses

Students and scholars can deduct their job expenses such as:

- unreimbursed travel costs required for the job;
- union dues;
- safety equipment;
- small tools;
- dues to professional organizations; and
- subscriptions to trade journals.

These deductions are subject to a limit: only the amount over 2% of adjusted gross income can be deducted.

Educational Costs as Itemized Deductions

Most students **cannot** deduct the cost of their education from taxable income. Educational costs are deductible only by a person who has already worked in the field being studied, and only if the current studies will not prepare the person for a new line of work. For more information see Publication 508, Educational Expenses.

If a student's course of study is less than a year, and his or her educational expenses are deductible, the student can treat the education as a business trip and deduct costs of transportation, meals, and lodging.

Most students will receive a Form 1098T from their school. The purpose of this form is to substantiate that the recipient was a student during the year. Further, the form can be used to provide information for possible education credits. Non-resident aliens are not entitled to any of the educational credits and do not need to do anything with Form 1098T.

Example 8

Richard comes to the U.S. as a student on a J-1 visa to attend a 3-month course on advanced radiology techniques in cardiac care. While in the U.S., he will work part-time in a hospital since he is already a licensed, practicing cardiac radiologist. The hospital will pay him $5,000 per month. Richard paid $1,890 to fly here from England. He rented an apartment for $800 per month. He spends about $20 a day for food. His course cost $1,600. His books cost $250, and he had to pay a university fee of $40.

Richard will report wages of $15,000 on his Form 1040NR. He can deduct all his travel, lodging, food, tuition, books, and fees as itemized employee business expenses.

Preparing the 1040NR-EZ

The following information is provided to help you understand how to complete Form 1040NR-EZ. The information is presented in the order it appears on the return.

Information Section

It is advisable to have the student or scholar complete the top section of the form, although you can provide guidance. Remind the filer about the importance of listing his or her name in the exact order it appears on the Social Security card or ITIN letter. A filer must have either an SSN or an ITIN to file this form. A student or scholar who does not have one of those numbers must apply for one. The tax return cannot be filed without one of those numbers—even if getting one delays filing until after the deadline.

Filing Status

As discussed earlier, generally the only two filing statuses available to nonresident aliens are single and married filing separately. If the student is married, the “married nonresident alien” box must be marked—even if the spouse is not in this country.

WAGES

The amount to list on the wage line should be computed as follows:

	Amount in box 1 of Form W-2
plus:	Code 18 income in box 2 of Form 1042-S
plus:	Code 19 income in box 2 of Form 1042-S
minus:	Treaty benefit
equals:	Amount to list on wage line of tax return

Example 9

Choi, a student from China, received a Form 1042-S showing code 19 income of $5,000. Choi also received a W-2 with $3,900 in box 1. Choi would report $3,900 on the wage line, calculated as follows.

Form W-2, box 1	**3,900**
Plus: Code 19 Income	**5,000**
Less: Treaty Benefit	**5,000**
EQUALS: Amount to be listed on return	**3,900**

Example 10

Christiane, from Germany, worked part of the year at the local university in California. She gave the university the Form 8233 and they properly applied her treaty benefit. In August she moved to Illinois and began the fall semester at the local university. She also gave this university a Form 8233. The Illinois university was not aware that Christiane had already exempted part of her income in California. At the end of the year, Christiane's taxable wages are calculated as follows:

W-2 California university	**$ 380**
1042-S Code 19 California university	**5,000**
W-2 Illinois university	**1,685**
1042-S Code 19 Illinois university	**5,000**
Total wages	**12,065**
Allowable treaty benefit	**5,000**
Taxable wages	**$ 7,065**

Most likely, Christiane will have a significant balance due on her tax return. The only income from which money was withheld was the $2,065 reported on her Forms W-2. If she had filed the correct paperwork at both universities, she would have had tax withheld on $7,065.

Taxable Refunds of State and Local Taxes

Students, except from India, may have received taxable refunds of state and/or local taxes. Remember that nonresident students, except from India, must itemize their deductions. This can include state and local income taxes paid.

They deduct the full amount of the taxes in the year in which they are paid or withheld. If they get a refund of part of those taxes they may need to include the refund in their return filed the next year. Students from India are allowed a standard deduction, therefore, do not include the amount of their state or local tax refund in taxable income.

Example 11

Arthur from England had $348 of state income tax withheld in 2002. His total income was $5,800 in 2002. The deduction of his state income taxes helped reduce his taxable income, as illustrated below.

Wages	**$5,800**
Personal exemption	**3,000**
State income tax	**348**
Taxable income	**$2,652**

He received a $22 state income tax refund in 2003 on his 2002 state return. That $22 must be listed as income on his 2003 federal return.

Example 12

Sari from India had $269 of state income tax withheld in 2002. On her federal return for 2002 she claimed the standard deduction; thus she did not get to deduct her state income tax.

In 2003 she received a $56 state income tax refund from her 2002 state return. She does not have to include this refund on her federal return for 2003, because she claimed a standard deduction in 2002 and did not receive a deduction for the state income tax.

Example 13

Alexander from Russia earned $2,643 in 2002. He had $189 withheld for state income taxes. Even though he listed the taxes as a deduction on his federal return for 2002, they did not help lower his taxable income for 2002. The personal exemption of $3,000 was more than enough to lower his taxable income to zero. Alexander received a state refund of $34 in 2003. He would not include this on his 2003 federal return because he did not receive any tax benefit from his state income tax deduction.

Scholarship and Fellowship Grants

Nonresident alien students must report all scholarships they receive for room and board and living expenses that are not exempted by their treaty. Scholarships that cover only tuition, books, and fees are not reported. Scholarships from outside the U.S. are not reported either.

If the student uses part of a reportable scholarship to pay for tuition, books, fees or supplies, (s)he can deduct those expenses on Form 1040NR-EZ, line 9.

Example 14

Emmanuel from New Zealand received the following scholarships:

Tuition waiver	**$3,600**
Science Scholar Scholarship	**2,000**
Abbott Scholarship	**1,000**
Merrill Scholarship	**1,000**

Emmanuel is not required to report the tuition waiver on his tax return. He must report the other $4,000 of scholarships. He spent $750 on books and $250 on required fees other than health insurance. (The fee for health insurance is not a deductible fee even if the school requires it.) He can take a deduction of $1,000 on line 9. He will have to attach a written statement showing how he arrived at this amount.

Student Loan Interest Deduction

Many foreign students and scholars incur interest charges while temporarily in the U.S. However, very few of their interest charges are tax-deductible. The only type of interest they can deduct is qualified student loan interest. All of the following conditions must be met for interest to be qualified student loan interest:

1. the interest must have been paid during the tax year;
2. the interest repayment must have been required to be paid;
3. filing status must be single;
4. the loan must have been issued to pay for educational expenses; and
5. the recipient of the loan must be at least a half-time student.

Itemized Deductions

The only allowable itemized deduction on Form 1040NR-EZ is the state and local income tax deduction. If a student or scholar has any other deductions, and they would help lower taxable income, Form 1040NR should be filed instead of 1040NR-EZ. Students from India can take the standard deduction on either form. For 2003, the standard deduction for single students is $4,750. The deduction for married students is $4,750.

Personal Exemptions

All taxpayers who complete Form 1040NR-EZ are entitled to claim a personal exemption for themselves unless they are being claimed as a dependent on another U.S. income tax return. Students and scholars who are eligible to claim family members must file Form 1040NR. The personal exemption for tax year 2003 is $3,050.

Tax

If a positive number is on line 14, the student or scholar has some income subject to tax. Since all of the income on Form 1040NR-EZ is considered “effectively connected” income, you can use the standard tax tables to determine the correct amount of tax. Be sure to use only the “married filing separate” column for married students.

Social Security and Medicare Tax on Tip Income

Students and scholars are exempt from the Social Security and Medicare tax as long as they are nonresidents. Therefore they will not have an entry on Form 1040NR-EZ, line 16. But a nonresident with a J-2 visa is liable for these taxes, and must complete line 16 if (s)he worked for tips and has not paid the full amount of the Social Security and Medicare taxes. This is an advanced issue, so you may prefer to let a tax professional handle it. See lesson 8 if the student or scholar has had Social Security or Medicare tax withheld.

Federal Income Tax Withheld

A student or scholar may have federal income tax withholding listed in one of two places: Form W-2, box 2 and Form 1042-S, column g. If a student or scholar has income from more than one payor, add all the federal withholding amounts together.

Estimated Tax and Overpayment from Prior Year

For most students and scholars, this line will be blank. Very few nonresidents make estimated tax payments, especially if their only income is from wages and scholarships (all that is allowed on Form 1040NR-EZ). Also, very few of them elect to have their refunds applied to next year's taxes. If a student or scholar had either of those types of payments, list the amount on line 19.

FORM 8843

Any alien who excludes days of presence from the "substantial presence" test must file Form 8843. This applies to many of the international students and scholars you will be assisting.

Even a student or scholar who had no income must still file Form 8843. Form 8843 must be filed for every family member who is in the U.S. on an F-2 or J-2 visa. There is no monetary penalty for failure to file, but days of presence can't be excluded from the substantial presence test unless Form 8843 is filed.

Generally, students complete Parts 1 and 3 of Form 8843, and scholars complete Parts 1 and 2. The VITA program does not deal with Parts 4 or 5 of the form. Professional athletes and people with medical conditions should be referred to paid preparers.

Form 8843 asks for information on why the student or scholar is in this country. Information on the student's educational institution is also requested. Most of the information needed is self-explanatory. Some tips on completing the form are given below.

- When listing the name on the top portion of the form, be careful to list the family name and personal name in the correct places. Appendix B can help you understand how naming customs vary by country.
- The space for taxpayer identification number should be filled in if the alien has either a Social Security number or an individual tax identification number (ITIN). If the alien has neither kind of number, this area can be left blank.
- The address area should be completed only if the alien is filing this form by itself. If the alien is filing the form along with a tax return, the address section need not be completed.
- Questions 1a and 1b often confuse students and scholars. Students may enter the U.S. in F-2 status then change to F-1 immigration status. But unless they leave the U.S., they will not actually have F-1 visas. What questions 1a and 1b really ask is what immigration status they are in. Also, there is not complete agreement on what number to use as the "visa number." Generally, the control number is now considered the VISA number.
- Question 2 asks for country of citizenship. Some countries allow dual citizenship, so the student or scholar may be a citizen of more than one country. The country listed on this line should be the foreign country with which the filer has the closest connection.

- Question 3 asks for the country that issued the passport and the passport number. Some passports are in foreign languages. Ask the student or scholar to help you interpret the passport.
- Questions 4a and 4b ask the number of days that the student or scholar spent in the U.S. Some students and scholars may ask you if they actually have to count the days. The answer is yes. In many cases, the answer to question 4a for the current year will also be the answer to 4b.
- Questions 5 and 6 are for scholars, teachers, and trainees. These questions ask about the academic institution these persons "attended" and about the director of their academic program. They often think this means where they went to school and attended classes. Since most of them did not attend any classes during the year, they leave the question blank. Another way to word the question would be: "At what academic institution were you employed or trained during the year?" If they were at more than one place, report the most recent place.
- Question 7 asks for the visa type held during the year. Again, this may confuse scholars because their immigration status may have changed during the year although they do not have a new visa. If the status changes during the year, you need to attach an explanation. The explanation can be handwritten on plain paper.
- Question 8 is self-explanatory.

Exercise 1:

Using the blank form on the next page, prepare a Form 8843 for Dr. Wolfgang Marzolf from Germany. He will be filing a Form 1040NR also. His address in his home country, where he is a citizen, is 34 Spiegelstrasse, 21144 Hamburg, Germany. He entered in J-1 status as a guest professor at the University of Higher Learning, 426 Main Street, Anytown, IL 60000. He works under the direction of Dr. Friederich Heilreich at the same address. Dr. Heilreich's phone number is (999) 555-5555. Dr. Marzolf has a Social Security number (350-55-5555) and did not change immigration status during the year. His visa number is 2001345678. His German passport number is 97415826. He arrived on August 16, 2002 and has not left the U.S. or changed immigration status since then. He had never been to the U.S. before. His visa was issued on August 1, 2002.

Form **8843**

Department of the Treasury
Internal Revenue Service

Statement for Exempt Individuals and Individuals With a Medical Condition

For use by alien individuals only.

For the year January 1—December 31, 2003, or other tax year beginning , 2003, and ending , 20 .

OMB No. 1545-1411

2003

Attachment Sequence No. **102**

Your first name and initial	Last name	Your U.S. taxpayer identification number, if any

Fill in your addresses only if you are filing this form by itself and not with your tax return	Address in country of residence	Address in the United States

Draft as of 3/20/2003

Part I General Information

1a Type of U.S. visa (e.g., F, J, M, Q, etc.) and date you entered the United States ▶

b Current nonimmigrant status and date of change (see instructions) ▶

2 Of what country were you a citizen during the tax year?

3a What country issued you a passport?

b Enter your passport number ▶

4a Enter the actual number of days you were present in the United States during:
2003 _____ 2002 _____ 2001 _____ .

b Enter the number of days in 2003 you claim you can exclude for purposes of the substantial presence test ▶

Part II Teachers and Trainees

5 Enter the name, address, and telephone number of the academic institution you attended during 2003 ▶

6 Enter the name, address, and telephone number of the director of the academic or other specialized program you participated in during 2003 ▶

7 Enter the type of U.S. visa (J or Q) you held during: ▶ 1997 _____ 1998 _____ 1999 _____ 2000 _____ 2001 _____ 2002 _____ . If the type of visa you held during any of these years changed, attach a statement showing the new visa type and the date it was acquired.

8 Were you present in the United States as a teacher, trainee, or student for any part of 2 of the 6 prior calendar years (1997 through 2002)? . . . . . ☐ **Yes** ☐ **No**

If you checked the "Yes" box on line 8, you cannot exclude days of presence as a teacher or trainee unless you meet the **Exception** explained on page 3.

Part III Students

9 Enter the name, address, and telephone number of the academic institution you attended during 2003 ▶

10 Enter the name, address, and telephone number of the director of the academic or other specialized program you participated in during 2003 ▶

11 Enter the type of U.S. visa (F, J, M, or Q) you held during: ▶ 1997 _____ 1998 _____ 1999 _____ 2000 _____ 2001 _____ 2002 _____ . If the type of visa you held during any of these years changed, attach a statement showing the new visa type and the date it was acquired.

12 Were you present in the United States as a teacher, trainee, or student for any part of more than 5 calendar years? . . . . . ☐ **Yes** ☐ **No**

If you checked the "Yes" box on line 12, you must provide sufficient facts on an attached statement to establish that you do not intend to reside permanently in the United States.

13 During 2003, did you apply for, or take other affirmative steps to apply for, lawful permanent resident status in the United States or have an application pending to change your status to that of a lawful permanent resident of the United States? . . . . . ☐ **Yes** ☐ **No**

14 If you checked the "Yes" box on line 13, explain ▶

For Paperwork Reduction Act Notice, see page 4. Cat. No. 17227H Form **8843** (2003)

- Question 9 asks students to enter the identifying information for their academic institution. A student who attended more than one institution during the year should give the information on the one being attended at the end of the year.
- Question 10 asks students about the director of the academic program they are enrolled in. This should be someone the IRS can contact, if necessary, to verify that the student was present at the school. Students can list the foreign student advisor if necessary.
- Question 11 asks the type of visa held during each of the last 6 years. If the visa type has changed, a note explaining the change must be attached to the form.
- Question 12 is self-explanatory.
- Questions 13 and 14 ask whether the student has taken any steps to become a permanent resident of the U.S. This information is needed to determine whether the student is still entitled to treaty benefits.

Exercise 2:

Daniel Beregovoy, a citizen of Switzerland, has come to the U.S. on an F-1 visa to attend State College, 80 East Broadway, Springfield, MO 64033. His academic director is Dr. Small. Dr. Small uses the same address as the college. His phone number is (999) 444-4444. Daniel's home address is 73 Rue de le Boulanger, Genéve, CH (Switzerland). His address in the U.S. is 324 East Broadway, Springfield, MO 64033. He had never been to the U.S. before arriving here on July 13, 2002. His Social Security number is 344-44-4444, and he had no income during 2003. His visa number is 17318842. His passport number is 2674130984.

Form **8843**

Department of the Treasury
Internal Revenue Service

Statement for Exempt Individuals and Individuals With a Medical Condition

For use by alien individuals only.

For the year January 1—December 31, 2003, or other tax year beginning , 2003, and ending , 20 .

OMB No. 1545-1411

2003

Attachment Sequence No. **102**

Your first name and initial	Last name	Your U.S. taxpayer identification number, if any

Fill in your addresses only if you are filing this form by itself and not with your tax return	Address in country of residence	Address in the United States

Draft as of 3/20/2003

Part I General Information

1a Type of U.S. visa (e.g., F, J, M, Q, etc.) and date you entered the United States ▶

b Current nonimmigrant status and date of change (see instructions) ▶

2 Of what country were you a citizen during the tax year?

3a What country issued you a passport?

b Enter your passport number ▶

4a Enter the actual number of days you were present in the United States during:
2003 _____ 2002 _____ 2001 _____ .

b Enter the number of days in 2003 you claim you can exclude for purposes of the substantial presence test ▶

Part II Teachers and Trainees

5 Enter the name, address, and telephone number of the academic institution you attended during 2003 ▶

6 Enter the name, address, and telephone number of the director of the academic or other specialized program you participated in during 2003 ▶

7 Enter the type of U.S. visa (J or Q) you held during: ▶ 1997 _____ 1998 _____ 1999 _____ 2000 _____ 2001 _____ 2002 _____ . If the type of visa you held during any of these years changed, attach a statement showing the new visa type and the date it was acquired.

8 Were you present in the United States as a teacher, trainee, or student for any part of 2 of the 6 prior calendar years (1997 through 2002)? . . . . . ☐ **Yes** ☐ **No**

If you checked the "Yes" box on line 8, you cannot exclude days of presence as a teacher or trainee unless you meet the **Exception** explained on page 3.

Part III Students

9 Enter the name, address, and telephone number of the academic institution you attended during 2003 ▶

10 Enter the name, address, and telephone number of the director of the academic or other specialized program you participated in during 2003 ▶

11 Enter the type of U.S. visa (F, J, M, or Q) you held during: ▶ 1997 _____ 1998 _____ 1999 _____ 2000 _____ 2001 _____ 2002 _____ . If the type of visa you held during any of these years changed, attach a statement showing the new visa type and the date it was acquired.

12 Were you present in the United States as a teacher, trainee, or student for any part of more than 5 calendar years? . . . . . ☐ **Yes** ☐ **No**

If you checked the "Yes" box on line 12, you must provide sufficient facts on an attached statement to establish that you do not intend to reside permanently in the United States.

13 During 2003, did you apply for, or take other affirmative steps to apply for, lawful permanent resident status in the United States or have an application pending to change your status to that of a lawful permanent resident of the United States? . . . . . ☐ **Yes** ☐ **No**

14 If you checked the "Yes" box on line 13, explain ▶

For Paperwork Reduction Act Notice, see page 4. Cat. No. 17227H Form **8843** (2003)

Canadian Students and Form 8843

Canadian students need to complete Form 8843 as long as they are exempt individuals. If a Canadian resident does not have a visa, you should use the information from either Form I-20 or IAP-66 to complete Form 8843.

Answer to Exercise 1

Form **8843**

Department of the Treasury
Internal Revenue Service

Statement for Exempt Individuals and Individuals With a Medical Condition

For use by alien individuals only.

For the year January 1—December 31, 2003, or other tax year beginning , 2003, and ending , 20 .

OMB No. 1545-1411

2003

Attachment Sequence No. **102**

Your first name and initial	Last name	Your U.S. taxpayer identification number, if any
WOLFGANG	MARZOLF	XXX-XX-XXXX

Fill in your addresses only if you are filing this form by itself and not with your tax return	Address in country of residence	Address in the United States

Part I General Information

1a Type of U.S. visa (e.g., F, J, M, Q, etc.) and date you entered the United States ▶ J-1 AUGUST 1, 2002

b Current nonimmigrant status and date of change (see instructions) ▶ J-1

2 Of what country were you a citizen during the tax year? GERMANY

3a What country issued you a passport? GERMANY

b Enter your passport number ▶ 97415826

4a Enter the actual number of days you were present in the United States during:
2003 365 2002 137 2001 _____ .

b Enter the number of days in 2003 you claim you can exclude for purposes of the substantial presence test ▶ 365

Part II Teachers and Trainees

5 Enter the name, address, and telephone number of the academic institution you attended during 2003 ▶
UNIVERSITY OF HIGHER LEARNING, 426 MAIN STREET, ANYTOWN, IL 60000

6 Enter the name, address, and telephone number of the director of the academic or other specialized program you participated in during 2003 ▶ DR FRIEDERICH HEILREICH, UNIVERSITY OF HIGHER LEARNING, 426 MAIN STREET, ANYTOWN, IL 600000 (999)555-5555

7 Enter the type of U.S. visa (J or Q) you held during: ▶ 1997 _____ 1998 _____ 1999 _____ 2000 _____ 2001 _____ 2002 J-1 . If the type of visa you held during any of these years changed, attach a statement showing the new visa type and the date it was acquired.

8 Were you present in the United States as a teacher, trainee, or student for any part of 2 of the 6 prior calendar years (1997 through 2002)? . . . . . ☐ **Yes** ☒ **No**
If you checked the "Yes" box on line 8, you cannot exclude days of presence as a teacher or trainee unless you meet the **Exception** explained on page 3.

Part III Students

9 Enter the name, address, and telephone number of the academic institution you attended during 2003 ▶

10 Enter the name, address, and telephone number of the director of the academic or other specialized program you participated in during 2003 ▶

11 Enter the type of U.S. visa (F, J, M, or Q) you held during: ▶ 1997 _____ 1998 _____ 1999 _____ 2000 _____ 2001 _____ 2002 _____ . If the type of visa you held during any of these years changed, attach a statement showing the new visa type and the date it was acquired.

12 Were you present in the United States as a teacher, trainee, or student for any part of more than 5 calendar years? . . . . . ☐ **Yes** ☐ **No**
If you checked the "Yes" box on line 12, you must provide sufficient facts on an attached statement to establish that you do not intend to reside permanently in the United States.

13 During 2003, did you apply for, or take other affirmative steps to apply for, lawful permanent resident status in the United States or have an application pending to change your status to that of a lawful permanent resident of the United States? . . . . . ☐ **Yes** ☐ **No**

14 If you checked the "Yes" box on line 13, explain ▶

For Paperwork Reduction Act Notice, see page 4. Cat. No. 17227H Form **8843** (2003)

Draft as of 3/20/2003

Form **8843**

Department of the Treasury
Internal Revenue Service

Statement for Exempt Individuals and Individuals With a Medical Condition

For use by alien individuals only.

For the year January 1—December 31, 2003, or other tax year beginning , 2003, and ending , 20 .

OMB No. 1545-1411

2003

Attachment Sequence No. **102**

Your first name and initial	Last name	Your U.S. taxpayer identification number, if any
DANIEL	BEREGOVOY	XXX-XX-XXXX

Fill in your addresses only if you are filing this form by itself and not with your tax return

Address in country of residence	Address in the United States
73 RUE DE LE BOULANGER,GENEVA	324 EAST BROADWAY, SPRINGFIELD M

Draft as of 3/20/2003

Part I General Information

1a Type of U.S. visa (e.g., F, J, M, Q, etc.) and date you entered the United States ▶ F-1 17318842

b Current nonimmigrant status and date of change (see instructions) ▶ F-1

2 Of what country were you a citizen during the tax year? SWITZERLAND

3a What country issued you a passport? SWITZERLAND

b Enter your passport number ▶ 2674130984

4a Enter the actual number of days you were present in the United States during:
2003 365 2002 171 2001 0 .

b Enter the number of days in 2003 you claim you can exclude for purposes of the substantial presence test ▶ 365

Part II Teachers and Trainees

5 Enter the name, address, and telephone number of the academic institution you attended during 2003 ▶

6 Enter the name, address, and telephone number of the director of the academic or other specialized program you participated in during 2003 ▶

7 Enter the type of U.S. visa (J or Q) you held during: ▶ 1997 _____ 1998 _____ 1999 _____ 2000 _____ 2001 _____ 2002 _____ . If the type of visa you held during any of these years changed, attach a statement showing the new visa type and the date it was acquired.

8 Were you present in the United States as a teacher, trainee, or student for any part of 2 of the 6 prior calendar years (1997 through 2002)? . . . . . ☐ **Yes** ☐ **No**

If you checked the "Yes" box on line 8, you cannot exclude days of presence as a teacher or trainee unless you meet the **Exception** explained on page 3.

Part III Students

9 Enter the name, address, and telephone number of the academic institution you attended during 2003 ▶
STATE COLLEGE, 80 EAST BROADWAY, SPRINGFIELD, MO 64033 (999) 444-4444

10 Enter the name, address, and telephone number of the director of the academic or other specialized program you participated in during 2003 ▶ DR. SMALL, STATE COLLEGE, 80 EAST BROADWAY, SPRINGFIELD, MO 64033 (999) 444-4444

11 Enter the type of U.S. visa (F, J, M, or Q) you held during: ▶ 1997 _____ 1998 _____ 1999 _____ 2000 _____ 2001 _____ 2002 F-1 . If the type of visa you held during any of these years changed, attach a statement showing the new visa type and the date it was acquired.

12 Were you present in the United States as a teacher, trainee, or student for any part of more than 5 calendar years? . . . . . ☐ **Yes** ☒ **No**

If you checked the "Yes" box on line 12, you must provide sufficient facts on an attached statement to establish that you do not intend to reside permanently in the United States.

13 During 2003, did you apply for, or take other affirmative steps to apply for, lawful permanent resident status in the United States or have an application pending to change your status to that of a lawful permanent resident of the United States? . . . . . ☐ **Yes** ☒ **No**

14 If you checked the "Yes" box on line 13, explain ▶

For Paperwork Reduction Act Notice, see page 4. Cat. No. 17227H Form **8843** (2003)

FINISHING THE RETURN

This lesson covers the final steps in finishing the return. They include signing, assembling the return, information about a refund and amount owed, consideration of estimated tax paid and withholding, and the importance of doing a quality review on the return.

GENERAL ISSUES

The following points apply to both Forms 1040NR and 1040NR-EZ.

Identification Numbers

Every individual return filed with the IRS must show a Tax Identification Number. This can be either a Social Security Number (SSN) or an Individual Tax Identification Number (ITIN). Every dependent listed on the return must also have a Tax Identification Number.

The Social Security Administration issues Social Security numbers to U.S. citizens, and to aliens who have work authorization. Any person who is eligible for a Social Security Number (SSN) should apply for one. Anyone else who needs an identification number should file Form W-7 with the IRS as soon as (s)he becomes aware of the requirement to do so. More information on the W-7 filing process is in Lesson 4.

Form 8843 does not require an identification number. A student or scholar who is not required to file any other return does not need an identification number to file Form 8843.

Taxpayer Identification Section

The taxpayer identification section should be completed after the return is finished. Often, this will save you time because after you begin preparing a 1040NR-EZ, you may realize that the taxpayer should actually file a Form 1040NR or 1040 instead. If so, you can avoid filling out the taxpayer identification section again.

Some students and scholars will already have completed the taxpayer identification section, and need your assistance only on the other parts of the return. You can use a form they have started, but it is wise to have correction fluid available while preparing a return.

A taxpayer who received a package of forms mailed by the IRS should have a label that can be used in the identification section. Make sure that information on the label is correct before attaching it to the return.

Other Information

Nonresident returns contain a section asking for information very similar to that requested on Form 8843. While this may seem repetitive, it is necessary to complete this section.

Please pay close attention to the section that asks the type and amount of income that is exempt from tax. You need to provide both the amount excluded **and** the treaty article number that allows its exclusion. Failure to complete this section fully could cause the return to be sent back to the student or scholar.

Signing the Return

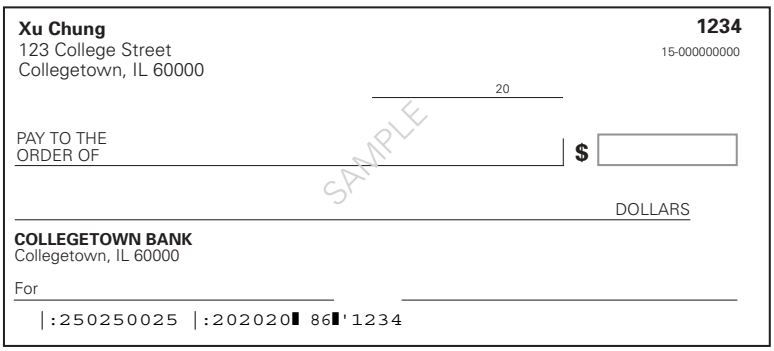
Make sure the taxpayer signs and dates the return before mailing. An unsigned return cannot be processed and will be sent back to the taxpayer. You should put the VITA designation in the preparer's section of the return.

Assembling the Return

Make sure that all forms, schedules, and attachments show the taxpayer's name and Social Security number. Attach forms and schedules behind the Form 1040NR or 1040NR-EZ. Attach Forms W-2 and 1042S to the left margin of the front page. If any Form 1099 indicates income withholding, attach it to the return also.

Direct Deposit

Many students and scholars prefer the direct deposit option for their refunds. If the student or scholar prefers direct deposit, complete the direct deposit information section of the return. The following examples will help you determine what information to use.


Xu Chung
123 College Street
Collegetown, IL 60000

1234
15-000000000

20

PAY TO THE ORDER OF

$

SAMPLE

DOLLARS

COLLEGETOWN BANK
Collegetown, IL 60000

For

⑆250250025⑆ 20202086⑈ 1234

The "routing number" for Xu Chung is 250250025. The "account number" is 20202086. Do not include the check number (which in this example is 1234).

Sometimes students and scholars want their refunds deposited to a savings account. They often have a small paper card issued by the bank that contains the necessary information.

> Collegetown Bank Instant Savings Account
> Collegetown, IL 60000
>
> The best way to save for a rainy day! Get your account today!
>
> 250250025:/// 203621:///

In this case, the routing number is 250250025 and the account number is 203621.

Payment Options

Some students and scholars owe money with their tax return. This usually is due to insufficient withholding from wages. Nonresidents have the same payment options as citizens:

1. They can pay the entire balance by the due date for the return.

2. They can pay by credit card.

3. They can ask for an installment agreement.

You should explain to filers that interest, and any applicable penalties, will continue to accrue until they have paid the full amount due. Also, remind them not to send cash through the mail. Personal checks, cashiers' checks, and money orders are acceptable ways to pay.

Estimated Tax

Estimated tax is an amount the taxpayer expects to owe for the next year, even after federal withholding. In other words, it is the amount the taxpayer expects to have to pay when filing a return in the spring of 2004.

Any student or scholar who expects to owe over $1,000 on the tax return due next year must make estimated tax payments. For further information see IRS Publication 505, Tax Withholding and Estimated Tax.

Quality Review

The last step of the return should be quality review. Use the checklist below to help you determine whether the return is properly completed.

▶▶ Quality Review Checklist ◀◀

- ▶ Are the name, address, and Social Security number correct?
- ▶ Is the Social Security number written to the right of the label?
- ▶ Is the filing status correct? Is the box marked?
- ▶ Are any allowable dependents properly listed?
- ▶ Are the dependents' identification number written correctly?
- ▶ Are income items correctly transferred from Form W-2, Form 1042S, and Form 1099?
- ▶ Is all income reported? Be sure to include any gambling winnings and stock sales.
- ▶ Is the itemized deduction line completed accurately?
- ▶ Are the correct number of dependents claimed?
- ▶ If the taxpayer was eligible for any credits, have they been computed correctly?
- ▶ Does the amount of tax reported as withheld agree with the amounts listed on the Forms W-2 and 1042S? Did you include any withholding shown on Form 1099?
- ▶ Is the overpayment (balance due) computed correctly?
- ▶ Did you use a calculator to check your math?
- ▶ Is the return signed?
- ▶ Are all Forms W-2 and 1042S, as well as schedules and forms, attached to the return?
- ▶ Is the volunteer designation on the return?

Social Security and Medicare Tax Liability

An exemption from Social Security and Medicare taxes applies to nonimmigrant students, scholars, teachers, researchers, and trainees (including medical interns) who are temporarily present in the U.S. in F-1, J-1, M-1, or Q-1 status, as long as they remain nonresidents for federal income tax purposes. The exemption also applies to any period in which a foreign student is in "practical training" or other off-campus employment allowed by the BCIS. Such persons are exempt from Social Security and Medicare taxes as long as they remain **nonresident** aliens for tax purposes. Those who become resident aliens must start paying Social Security and Medicare taxes.

As discussed in Lesson 1, foreign students in F-1, J-1, M-1, or Q-1 nonimmigrant status who have been in the U.S. over 5 years—and foreign scholars, teachers, researchers, trainees, and other non-students in J-1 or Q-1 nonimmigrant status who have been in the U.S. over 2 years—are normally resident aliens. If so, they must pay Social Security and Medicare taxes.

Federal tax regulations state that spouses and dependents of alien students, scholars, trainees, teachers, or researchers, temporarily in the U.S. in F-2, J-2, M-2, or Q-2 status, are **not** exempt from Social Security and Medicare taxes on any wages they earn in the U.S. That is because they did not enter the U.S. for the primary purpose of engaging in study, training, teaching, or research.

As was stated earlier, U.S. immigration law does not allow spouses and dependents in F-2 and M-2 status to be employed in the U.S. But if they are employed in violation of their nonimmigrant status, the IRS imposes both income tax and Social Security and Medicare taxes on their income.

Alien students, scholars, trainees, teachers, or researchers in F-1, J-1, M-1, or Q-1 status who change to a nonimmigrant status other than F-1, J-1, M-1, or Q-1 become liable for Social Security and Medicare taxes—in most cases on the day they change status.

Teachers, trainees, and researchers in H-1b status, and alien nurses in H-1a status, are liable for Social Security and Medicare taxes from the first day of U.S. employment—regardless of whether they are nonresident or resident aliens, and whether or not their wages may be exempt from federal income tax under an income tax treaty.

Foreign scholars, teachers, researchers, or trainees who arrive in the U.S. in O-1 status or TN status (from Canada or Mexico under the NAFTA treaty) are fully liable for U.S. Social Security and Medicare taxes if they are employed by the university, whether they are resident or nonresident aliens.

Self-Employment Tax Liability

The Internal Revenue Code normally imposes "self-employment tax" on any self-employment income of a person in the U.S. But self-employment income of nonresident aliens is exempt from this tax. Again, the exemption is lost if an alien becomes a resident.

As discussed in Lesson 1, foreign scholars, teachers, researchers, trainees and other non-students who enter the U.S. on J-1 or Q-1 visas usually become resident aliens on January 1 of their third calendar year in the U.S.; and foreign students who enter the U.S. on F-1, J-1, M-1, or Q-1 visas usually become resident aliens on January 1 of their sixth calendar year in the U.S.

Note: U.S. immigration law usually does not authorize nonimmigrants (such as nonresident aliens) to earn self-employment income. Thus, the question of a foreign student's or scholar's liability for self-employment tax does not often arise. But if a nonresident violates his or her nonimmigrant status by earning self-employment income, the IRS will impose self-employment tax on it.

Form 843

Students and scholars who have had Social Security and Medicare taxes withheld in error, should approach their employer to ask for a refund. If the employer will not issue a refund, the student or scholar should file Form 843, Claim for Refund and Request for Abatement. A sample is shown on the next page. Please be sure to use the explanation provided in the example. This will help IRS process the request.

You should let the student or scholar know that it may take up to six months to get the refund from the IRS. During that time, the IRS may write and ask the student or scholar for additional information. The student or scholar should reply to the requests for additional information. If the student or scholar moves before the refund is issued, they should file a Form 8822, Change of Address Request.

Form **843**
(Rev. November 2002)
Department of the Treasury
Internal Revenue Service

Claim for Refund and Request for Abatement

► **See separate instructions.**

OMB No. 1545-0024

Use Form 843 only if your claim involves ***(a)*** *one of the taxes shown on line 3a or* ***(b)*** *a refund or abatement of interest, penalties, or additions to tax on line 4a.*

Do not *use Form 843 if your claim is for—*

- *An overpayment of income taxes;*
- *A refund for nontaxable use (or sales) of fuel; or*
- *An overpayment of excise taxes reported on Form(s) 11-C, 720, 730, or 2290.*

Type or print		
	Name of claimant	Your SSN or ITIN
	Address (number, street, and room or suite no.)	Spouse's SSN or ITIN
	City or town, state, and ZIP code	Employer identification number (EIN)
	Name and address shown on return if different from above	Daytime telephone number ( )

1 Period. Prepare a separate Form 843 for each tax period
From / / to / /

2 Amount to be refunded or abated
$

3a Type of tax, penalty, or addition to tax:
☒ Employment ☐ Estate ☐ Gift ☐ Excise (see instructions)
☐ Penalty—IRC section ► _____

b Type of return filed (see instructions):
☐ 706 ☐ 709 ☐ 940 ☐ 941 ☐ 943 ☐ 945 ☐ 990-PF ☐ 4720 ☐ Other (specify)

4a Request for abatement or refund of:
☐ Interest as a result of IRS errors or delays.
☐ A penalty or addition to tax as a result of erroneous advice from the IRS.

b Dates of payment ►

5 **Explanation and additional claims.** Explain why you believe this claim should be allowed, and show computation of tax refund or abatement of interest, penalty, or addition to tax. If you need more space, attach additional sheets.

I am a non-resident alien student of an F-1 visa. Section 3121(b)(19) of the Internal Revenue Code and the regulations thereunder state that a NRA student on an F-1 visa is not liable for paying SS and MC taxes on wages for as long as he remains an NRA under the residency rules stated in Sect. 7701(b) of the Internal Revenue Code. I state that for calendar year _____ I was a NRA student and not liable for the SS and MC tax. I hereby ask for a refund of the SS and MC taxes withheld from my wages. I have asked my employer for a refund of these taxes and have been refused.

Signature. If you are filing Form 843 to request a refund or abatement relating to a joint return, both you and your spouse must sign the claim. Claims filed by corporations must be signed by a corporate officer authorized to sign, and the signature must be accompanied by the officer's title.

Under penalties of perjury, I declare that I have examined this claim, including accompanying schedules and statements, and, to the best of my knowledge and belief, it is true, correct, and complete.

Signature (Title, if applicable. Claims by corporations must be signed by an officer.) Date

Signature Date

For Privacy Act and Paperwork Reduction Act Notice, see separate instructions. Cat. No. 10180R Form **843** (Rev. 11-2002)

STUDENT NOTES

STATE INCOME TAX ISSUES

TREATIES AND STATE INCOME TAXES

Income tax treaties do not cover state income taxes. However, many states define income based on federal taxable income or federal adjusted gross income. In some states, like Illinois, this allows students and scholars to exempt the same amount of income from state taxes. In other states, the students and scholars are required to add back in the treaty exclusion when computing state income taxes. Whether state income taxes allow the treaty benefit, must be determined on a case by case basis. The following states currently **do not** allow treaty exemptions. Please check with the state income tax authorities for further information.

Alabama
Arkansas
California
Connecticut
Hawaii
Kansas
Kentucky
Maryland
Mississippi
New Jersey
North Dakota
Pennsylvania

The India treaty allows students to claim the standard deduction on their federal return. Since some states (such as Illinois) base the state income tax on the federal adjusted gross income, the Indian students will not always benefit from their treaty provisions on the state returns.

INTERNET ADDRESSES FOR STATE INCOME TAX

You may wish to use the internet to find out more about the state income taxes. Every state that has an income tax, has a web site. The web addresses are not printed here because they are subject to change. If you do not know the web address for a state income tax site, you may wish to use a search engine (such as Google, AltaVista, Yahoo, MSN, AOL etc.) to help you find the address.

STUDENT NOTES

Common Questions and Processing Issues

Appendix A

Most international students and scholars will ask you questions if they do not understand what you are telling them. This appendix contains actual questions from students and scholars. Following the questions and answers is a section on most frequent errors.

Where do I mail my tax return? The address you gave me seems incomplete.

You should mail your return to:

Internal Revenue Service
Philadelphia, PA 19255

*You do **not** need a street address or building number.*

What type of postage and envelope should I use to mail my tax return?

You can use any envelope to mail your tax return. It is okay to fold the return. You should put the proper postage on the envelope. Generally, you can send 4 or 5 pieces of paper with one First Class (37¢) stamp. You need not use registered or certified mail, but you can if you want to.

I forgot to put my Social Security Number on my return. What should I do? Should I send in another return and put my number on it?

You should wait to see if the IRS sends the return back to you. Often, they can find your number by looking at one of the attachments to your return. Do not send in another tax return.

My wife was on a J-2 visa last year. We filed Form 843 for her but it was rejected. Why?

Form 843 is used by individuals who are nonresident aliens for federal tax purposes to claim a refund for Social Security and Medicare taxes that were withheld inappropriately. Not all nonresidents are exempt from Social Security and Medicare tax. If your wife was a J-2 student last year and her income was from working on campus, she is eligible to file 843. If your wife was not a student and she worked on or off campus, she is not eligible for a refund of the Social Security and Medicare taxes.

My family could not live on my income as an F-1 student, so my wife earned some money. She is an F-2 and was paid $50 per week to deliver a newspaper to several locations near our house. She did not receive a W-2. She has a 1099-MISC. What should we do now?

For income tax purposes, your wife is considered self-employed. She should file Form 1040NR with Schedule C and pay income and Social Security tax on her earnings. Note that even though she did not have permission from BCIS to work, she still must file the required tax forms. Since she is F-2 status, she is not entitled to any treaty benefit.

Last year I was in a bad car accident. My insurance did not cover the damages. I had to pay $789 to get my car fixed. This was a lot of money to me because I earned only $5,000 last year. Where can I deduct this?

Casualty losses are deductible if you file Form 1040NR. You will need to file a Form 4864, Casualty and Theft Losses, with your return. The first $100 of your loss is not deductible. You also have to limit your loss by 10% of your income. Therefore, you should be able to deduct a casualty loss of $189 on your return.

I have not received my Forms W-2 and 1042S. Could you please make one for me?

You need to ask your employers to reissue the forms. If this is not possible, we can help you complete a substitute wage statement if you have all the information on your earnings and withholding.

Last year I went to an American church. I gave them $10 per week. Can I deduct this money?

If you file Form 1040NR, you can deduct monies donated to U.S. charities. In America, all churches are considered charities. If you received anything of value from the donation, such as a book, you may need to adjust the amount that you deduct.

I filed my return late, what will happen?

If you owed money to the IRS, there may be a penalty for not sending your return in on time. If you did not owe any tax, there will not be any IRS penalties for not filing on time. However, the BCIS may not look at this favorably since you are required to timely comply with all laws while in the U.S.

I never got my return back. What should I do?

If you are talking about your refund money, you should contact your nearest IRS office to determine why your refund was not issued. The most common reason is because people move. If you move after you file your return, you can file Form 8822 to change your address.

I am a second year F student and I received Form 1098T. What should I do with it?

You should keep it with your tax records, but you do not need to send it in with your return or mention it on the return. The purpose of the form is to let you know that you were a student at the college or university who issued it. It also can contain information about how much tuition and fees you paid. If you were a domestic student, this information could be used to calculate tax credits. International students are not entitled to education credits as long as they are nonresidents.

I changed my immigration status from F-2 to F-1 on May 11, 2003 (the day I received the notice from the BCIS). I also left the U.S. for a home visit late in December and I acquired an F-1 visa on December 21, 2003. I don't know which date to use on question 1b on Form 8843.

You should use the date of May 11, 2003. Even though we ask if you changed visas, we actually want to know if you changed immigration status. Therefore, the date we want is the one that coincides with your status change.

I arrived in the U.S. in December of 2003 and I didn't work. Do I still have to file Form 8843?

Yes. Even if you were only in the U.S. 1 day in 2003, you must file Form 8843.

I had bank interest on my checking account. Is that income?

No. Simple bank interest and interest on CDs is not considered income for nonresident aliens. If the bank sends you a statement listing your interest earnings, you should keep the paper with your copy of the tax return you can use 1040NR, page 5, line L to exclude this income. If you are filing as a resident alien, you must report your bank interest as income.

I am married and have a child who was born in the U.S. Can I take a deduction for my wife and child?

Generally, no. Students and scholars from Canada, Mexico, Japan, Korea and India may be able to claim exemptions for his/her spouse and children if certain conditions are met. Students and scholars from all other countries are not permitted to take a deduction as long as they are nonresident aliens for tax purposes.

I am from Canada and can claim an exemption for my wife. She does not have a Social Security number or ITIN, can I still deduct her? I know she needs a number but it is April 3, and I can't wait for the number.

No. You need to help her apply for an ITIN using Form W-7. It will take 6 to 8 weeks to get this number. You should go ahead and file your return. You will need to amend it later. If you don't expect to owe any taxes when you file your return, you can file for an extension to wait for the ITIN to come in.

I am from China and my three children live with me. I pay everything for them. Can I claim them as dependents? Can I get any child related credits for them?

No. Chinese nonresidents are not allowed to claim a deduction for their children; nor are they entitled to any child-related credits.

I have been a student for two years and I still can't figure out how to calculate the Hope Credit. In Germany we don't have such credit.

You can stop being concerned because as a nonresident alien, you are not entitled to the HOPE or Tuition Tax Credit. You also are not eligible for any earned income credit.

Can I deduct the computer I had to buy to write my term papers and do other homework?

Generally no. Unless a specific class required that you have a computer, no deduction is allowed. Many times you need access to a computer but it isn't stipulated that you need your own computer.

Should I keep a copy of my return?

Yes. And you should keep a copy of all of the attachments such as W-2 and 1042S. This helps prove that you filed a tax return. You may need this proof if you apply for permanent resident status with the BCIS.

I owe money. Can I send a check, and who do I make it for?

You can send a check made out to U.S. Treasury. Make sure to write your Social Security number on the check in the memo section. You should also write which year the money is for.

I will be graduating in June. I am going home to India. I did have work this year (2003). What do I need to do next year to fix my tax problems?

You need to make sure that the payroll office at your college has an address to forward your wage statements. You can download the tax forms you will need by going to www.irs.gov *or you can have someone mail the forms to you. You will still send your completed forms to Philadelphia.*

Processing Issues

The Philadelphia Service Center processes all Form 1040NRs and related forms. It has provided the following processing information.

- A mismatch between the SSN or ITIN and the name is the most common error. Exercise caution when completing the taxpayer information section of the return.
- Ideally, a return should not be filed until an adequate identification number is obtained for the filer and any possible dependents.
- If wages are present on the return, it must be filed by April 15, unless an extension of time to file has been submitted before April 15.
- Tax treaty exclusions should be adequately addressed in the questions and answers section of the tax return. Particular attention should be given to the amount of time spent in the U.S. under the relevant visa, and the treaty country and article number should be clearly indicated.
- Particular emphasis is needed on the provisions of the India treaty and calculation of possible standard deduction and exemption amounts.
- Amended returns should be prepared for a scholar who loses all of their treaty benefit if they stay past the maximum presence allowed by their treaty.

STUDENT NOTES

Naming Customs and Immigration Status

Appendix B

Naming Customs

International names can be a challenge in many ways. Pronunciation may be difficult. Spelling may be unusual, and the concept of "first" and "last" name varies by country. International students and scholars are very patient during your attempts to obtain their "correct name".

For federal income tax purposes, **the most important rule to remember is that the name on the tax papers must match the records on file with the Social Security Administration or with the Internal Revenue Service ITIN unit.** When advising students and scholars, instruct them to use their name in the same order as it appears on their Social Security card or ITIN letter.

The following information is for reference purposes and to help you have a better understanding of naming customs.

General Oriental Naming Customs

Oriental or Southeast Asians often use their family name first. Chinese, Vietnamese, and Cambodian persons use their names in a pattern directly reversed from the way of naming in the U.S.

The words "Van" and "Thi" appearing in the middle of the names are not given names. They are to identify gender. "Van" indicates a male. "Thi" is female. These words should be included as the middle name.

Example:
Nguyen Thi Mai
Nguyen is the family or "last" name
Thi is the middle name indicating the person is female
Mai is the given or "first" name.

In the example above, when completing the tax return for Mai, you would follow the order that her name appears on her Social Security card.

Burmese Naming Customs

The Burmese do not have family names. Most Burmese given names consist of two and sometimes three words. Most names are given according to the astrological sign for the day of the week on which the child is born. There may be no similarity between a child's name and a parent's name. Almost all Burmese have at least one alias. These aliases are taken for a variety of reasons, including advice from astrologers. Ethnic Chinese and Indians in Burma usually take a Burmese name in addition to their own ethnic name. Women do not change their name when they marry. There are no differences between male and female names. Therefore, courtesy titles are always attached to the name. The titles will change throughout the lifetime.

Example:
A male child is given the name of "Tin".
At birth, he will be known as Maung Tin.
At college age, he will be known as Ko Tin.
When he marries he will be known as U Tin.

Ethiopian Naming Customs

Ethiopians do not use a system of family names. A child receives the father's first name and in addition is given a new first name. Only the paternal name passes on. A woman retains her name after marriage.

Greek Naming Customs

Every Greek has three names. They frequently abbreviate their names. The name "Pappas" may be a valid name by itself, or it may be a shortening of several thousand possible names.

In males:	First name	= given name
	Second name	= given name of the father in the genitive case
	Third name	= family name
In females:	First name	= given name
	Second name	= the genitive form of her husband's first name
	Third name	= husband's family name

Indian Naming Customs

Children are not always given names at birth or their names are changed after birth. There is no consistency in writing names. Different last names can be used by members of the same family. Under Sikh custom, a child is not named until forty days after birth. Males are given the second name "Singh". Girls are given a second name "Kaur" which may be changed after marriage.

Indonesian Naming Customs

People from Indonesia may have only one name. In that case, use "FNU" (First Name Unknown) for the first name.

Portuguese and Brazilian Variations of Portuguese Naming Customs

The Portuguese Code of Civil Registry provides that full Portuguese names shall never consist of more than six names (words). Except for noble families, names are generally restricted to four words. Three given names is not unusual. The legitimate off-spring of a Portuguese couple would include the surnames of both parents, neither of which is considered a middle name. In the case of a child born out of wedlock, the surname of the mother is used. Portuguese usage places the family name last. Diminutives are used extensively in Portuguese. Certain names are very popular and appear frequently. Many Portuguese use only the part of their name that will distinguish them from others.

Spanish Naming Customs

A great number of Spanish given names contain more than one word. Multiple words should be considered part of one name (Maria de los Angeles = Maria Angeles). A great many Spanish given names have equivalent nicknames which are commonly used as a first name, but should not be used for tax purposes. A man named Jose might be known as Pepe. On the tax return, use the name Jose.

Immigration Status

Non-immigrants must enter the U.S. with a visa that matches their requested immigration status. Immigrant status can change without a new visa being issued. Failure to obtain a visa results in illegal alien status. For income tax purposes, we are only concerned with residency status according to the tax laws and the amount of earnings. If someone is in the country illegally and has earned money, they still need to file a tax return.

The following information may help you understand some of the terminology you will encounter when working with international students and scholars.

Commonly Used Nonimmigrant Immigration Statuses

A-1	Ambassador, public minister, career diplomatic or consular officer assigned to the U.S. or immediate family	May be employed only by the government that sent alien to U.S.; spouse may request permission to work through BCIS
A-2	Other Foreign government official or employee, or immediate family	Same as A-1
A-3	Attendant, servant, or personal employee of A-1 or A-2, or immediate family	May work only for A-1 and A-2 visa holders
B-1	Temporary visitor for business	Not allowed to work
B-2	Temporary visit for pleasure	Not allowed to work
B-1/B-2	Temporary visit for business and pleasure	Not allowed to work
C-1	Alien in transit through U.S.	Not allowed to work
C-2	Alien in transit to United Nations Headquarters District under subsections 11(3), (4), or (5) of the Headquarters Agreement with the United Nations	Not allowed to work
C-3	Foreign government official, immediate family, attendant, servant, or personal employee in transit	Not allowed to work
C-4	Transit without a visa	Not Allowed to work
D	Crewmember (sea or air)	May work only on board the aircraft or vessel of the foreign company that employs the alien
E-1	Treaty trader, spouse or child	May work only for the company that is doing the international trade or the company that alien or alien investor has invested in
E-2	Treaty investor, spouse or child	Not allowed to work

F-1	Student (academic or language training programs)	May not accept off-campus employment at any time during the first year of study; however, BCIS may grant permission to accept off-campus work after one year. Student may accept on-campus employment without BCIS permission
F-2	Spouse or child of F-1	Not allowed to work
G-1	Principal resident representative of recognized foreign government to international organization, staff, or immediate family on long-term assignment	May work for international organization that he/she represents. Spouse or dependent may apply to BCIS for permission to work
G-2	Other representative of recognized foreign member government to international organization, or immediate family	Same as G-1
G-3	Representative of nonrecognized or nonmember foreign government to international organization, or immediate family	Same as G-1
G-4	International organization officer or employee or immediate family	Same as G-1
G-5	Attendant, servant, or personal employee of G-1, G-2, G-3, and G-4 classes or immediate family	May work only for G-1, G-2, G-3, or G-4 visa holders
H-1B	Temporary worker in specialty occupation (profession)	May work in accordance with the reason they were admitted to the country.
H-1C	Registered nurses	May work only for the person or company that filed the petition for alien in a health shortage area
H-2A	Temporary worker performing agricultural services unavailable in U.S.	May work in accordance with the reason they were admitted to the country.
H-2B	Temporary worker performing other services unavailable in the U.S.	May work in accordance with the reason they were admitted to the country.
H-3	Trainee other than medical academic	May work in accordance with the reason they were admitted to the country.
H-4	Spouse or child of alien classified as H-1A/B, H-2 A/B or H-3	Not allowed to work

I	Representative of foreign information media, spouse or child	May work only for foreign-based employer. Spouse and children may not work
J-1	Exchange visitor in U.S. for purpose of teaching, instructing or lecturing studying, observing, conducting research, consulting, demonstrating special skills, or receiving training	Employment depends upon terms of the program. Participants in program which provides for on-the-job training, teaching, research, or other activities that involve paid employment, may accept such employment
J-2	Spouse or child of J-1	May request BCIS permission to work
K-1	Fiancé(e) of U.S. citizen	May request BCIS permission to work
K-2	Child of fiancé(e) of U.S. citizen	May request BCIS permission to work
K-3	Fiancé(e) (LIFE ACT)	May request BCIS permission to work
K-4	Child of Fiancé(e) (LIFE ACT)	May request BCIS permission to work
L-1	Intracompany transferee (executive, managerial, and specialized knowledge personnel continuing employment with an international firm or corporation)	May request permission from BCIS to work
L-2	Spouse or child of intracompany transferee	May request permission from BCIS to work
M-1	Vocational student or other nonacademic	With prior approval from BCIS, may accept temporary employment for practical training
M-2	Spouse or child of M-1	Not allowed to work
N-8	Parent of an alien classified SK-3 special immigrant	Not allowed to work
N-9	Child of N-8, or of an SK-1, SK-2, or SK-4 special immigrant	Not allowed to work

NATO-1 **NATO-2** **NATO-3** **NATO-4** **NATO-5** **NATO-6**	Representatives of member states to NATO, and their families	Generally not permitted to work
NATO-7	Attendant, servant, or personal employee of above NATO classes, or immediate family	Permitted to work for NATO visa holder only
O-1	Alien with extraordinary ability in sciences, arts, education, business or athletics	Allowed to work
O-2	Alien accompanying and assisting an O-1 visa holder in a professional capacity	Allowed to work
O-3	Spouse or minor child or O-1 or O-2	Not allowed to work
P-1	Internationally recognized athlete or member of internationally recognized entertainment group	Allowed to work
P-2	Artist or entertainer in a reciprocal exchange program	Allowed to work
P-3	Artist or entertainer in a culturally unique program	Allowed to work
P-4	Spouse or child of P-1, P-2, or P-3	Not allowed to work
Q-1	Participant in an international cultural exchange program	Allowed to work
Q-2	Irish Peace Process Cultural And Training Program	Allowed to work
R-1	Alien in a religious occupation	May work in a nonprofessional vocation or occupation if the type of work to be done relates to a traditional religious function
R-2	Spouse or child of R-1	Not allowed to work
S-5	Informant possessing critical reliable information concerning a criminal organization or enterprise	

S-6	Informant possessing critical reliable information concerning a terrorist organization, enterprise or operation	
S-7	Qualified family member S-5, S-6	
TN	Canadian or Mexican citizen working in a professional capacity under shown North America Free Trade Agreement (NAFTA)	Allowed to work in the profession on NAFTA list
TD	Spouse or child of NAFTA professional	Not allowed to work

There are some additional statuses not listed here. They do not occur very often.

BCIS Forms

The Bureau of Citizenship and Immigration Services also has a large number of forms. Many students and scholars will not need to file most of these forms. If they do need to file some of these forms with the BCIS, they should consult the foreign student advisor at their college. The information provided here is for your reference. For more information about these forms, visit http://www.bcis.gov

Form number	*Name*	*Cost to file*
AR-11	Change of Address Form	None
G-14	Information Form	None
G-28	Notice of Entry of Appearance as Attorney or Representative	None
G-325	Biographic Information	None
G-325A	Biographic Information	None
G-325B	Biographic Information	None
G-325C	Biographic Information	None
G-639	Freedom of Information Request	Varied
G-731	Inquiry about status of I-551 Alien Registration Card	None
G-845	Verification Request	None
G-854S	Verification Request	None
G-942	Application Survey	None
G-1020	H-1B Specialty Occupation Data Collection	None
I-9	Employment Eligibility Verification	None
I-17	Petition for Approval of School for Attendance by Nonimmigrant student	$230
I-68	Canadian Border Boat Landing Permit	$16
I-90	Application to Replace Permanent Resident Card	$130
I-94	Arrival-Departure Record	$6
I-94W	Nonimmigrant Visa Waiver Arrival-Departure Record	$6
I-102	Application for Replacement/Initial Nonimmigrant Arrival-Departure Record	$100
I-129	Petition for a Non-immigrant worker	$130 + $1000 per petition
I-129F	Petition for Alien Fiance(e)	$110

I-129S	Nonimmigrant Petition Based on Blanket L Petition	None
I-129W	Petition for Nonimmigrant Worker Filing Fee Exemption	None
I-130	Petition for Alien Relative	$130
I-131	Application for Travel Document	$110
I-134	Affidavit of Support	None
I-140	Immigrant Petition for Alien Worker	$135
I-175	Application for Nonresident Alien's Canadian Border Crossing Card	$30
I-190	Application for Nonresident Alien Mexican Border Crossing Card	$26
I-191	Application for Permission to Return to Unrelinquished Domicile	$195
I-192	Application for Advance Permission to Enter as a Nonimmigrant	$195
I-193	Application for Waiver of Passport and/or Visa	$195
I-212	Application for Permission to Reapply for Admission into the U.S. After Deportation or Removal	$195
I-246	Application for Stay of Deportation or Removal	$155
I-290B	Notice of Appeal to the Administrative Appeals Unit	$110
I-352	Immigration Bond	None
I-360	Petition for Amerasian, Widow(er), or Special Immigrant	$130 (no fee for Amerasians)
I-361	Affidavit of Financial Support and Intent to Petition for Legal Custody	None
I-395	Affadavit in Lieu of Lost Receipt of United States INS for Collateral Accepted as Security	None
I-408	Application to Pay Off or Discharge Alien Crew	None
I-485	Application to Register Permanent Residence or Adjust Status	$255
I-485A	Supplement A to Form I-485, Application to Register Permanent Residence	$1,000
I-485B	Form I-485 Instructions for NACARA	None
I-485C	Instructions to Supplement C to Form I-485 (HRIFA)	None

I-485D	LIFE Legalization Supplement to the Form I-485	$255
I-526	Immigrant Petition By Alien Entrepreneur	$400
I-538	Certification by Designated School Official	None
I-539	Application to Extend/Change Nonimmigrant Status	$140
I-566	Interagency Record of Individual Requesting Change/Adjustment to or from A or G status	None
I-589	Application for Asylum	None
I-600	Petition to Classify Orphan as an Immediate Relative	$460
I-600A	Application for Advance Processing of Orphan Petition	$460
I-601	Application for Waiver of Grounds of Excludability	$195
I-602	Application By Refugee For Waiver of Grounds of Excludability	None
I-612	Application for Waiver of the Foreign Residence Requirement	$195
I-643	Health and Human Services Statistical Data for Refugee/Asylee Adjusting Status	None
I-690	Application for Waiver of Excludability	$35
I-693	Medical Examination of Aliens Seeking Adjustment of Status	None
I-694	Notice of Appeal Decision	$50
I-695	Application for Replacement Employment Authorization or Temporary Residence Card	$15
I-698	Application to Adjust Status From Temporary to Permanent Residence	$120
I-730	Refugee/Asylee Relative Petition	None
I-751	Petition to Remove the Conditions of Residence	$145
I-765	Application for Employment Authorization	$120
I-765D	Liberian Deferred Enforced Departure Supplement	None
I-817	Application for Family Unity Benefits	$140

I-821	Application for Temporary Protected Status	$50
I-821A	Forms and Instruction for TPS for Nicaraguans and Hondurans	$50
I-823	Application—Inspections Facilitation Program	
I-824	Application for Action on an Approved Application or Petition	$140
I-829	Petition by Entrepreneur to Remove Conditions	$395
I-847	Report of Compliant	None
I-855	ABC Change of Address	None
I-864	Affidavit of Support	None
I-864A	Affidavit of Support Contract Between Sponsor and Household Member	None
I-864P	Poverty Guidelines	None
I-864 Pkg.	Contains I-684, I-684A and I-685	None
I-865	Sponsor's Notice of Change of Address	None
I-866	Application Checkpoint Pre-enrolled Access Lane	None
I-876	Election Form to Participate in Employment Eligibility Confirmation Pilot Program	None
I-881	NACARA—Suspension of Deportation or Application for Special Rule Cancellation of Removal	$215
I-905	Application for Authorization to Issue Certification for Health Care Workers	$230
I-907	Request for Premium Processing Service	$1000
I-914	Application for T Nonimmigrant Status	$200
N-4	Monthly Report Naturalization Papers	None
N-25	Request for Verification of Naturalization	None
N-300	Application to File Declaration of Intent	$60

N-336	Request for Hearing on a Decision in Naturalization Proceedings Under Section 336 of the INA	$195
N-400	Application for Naturalization	$260
N-410	Application for Motion for Amendment of Petition	$50
N-426	Request for Certification of Military or Naval Service	None
N-455	Application for Transfer of Petition for Naturalization	$90
N-470	Application to Preserve Residence for Naturalization Purposes	$95
N-565	Application for Replacement Naturalization Citizenship Document	$155
N-600	Application for Certification of Citizenship	$185
N-600K	Application for Citizenship and Issuance of Certificate under 322	$185
N-644	Application for Posthumous Citizenship	$80
N-648	Medical Certification for Disability Exceptions	None
N-600/ N-643 Supp. A	Application for Transmission for Citizenship Through a Grandparent	None

STUDENT NOTES

Comprehensive Problems

Comprehensive problems and their solutions are contained in this appendix. Work the problems and then check your answers. You will then be ready to proceed to the test.

At the time of the printing of this publication, the 1040NR and 1040NR-EZ tax charts were not available. Please visit our website (*www.irs.gov*) for the current charts.

COMPREHENSIVE PROBLEM 1

Michelle Deventer, a permanent resident of Belgium, came to the U.S. on an F-1 visa on August 1, 2001. She has remained in the country since then and is a full-time student at the local university. Michelle, born 4-15-1978, is single. She began working on the university campus on January 3, 2003. She filed Form 8233 with the payroll department on January 15, 2003. Using the following information, complete Michelle's income tax return.

Form **1042-S** Department of the Treasury Internal Revenue Service

Foreign Person's U.S. Source Income Subject to Withholding **2003**

OMB No. 1545-0096

☐ VOID ☐ CORRECTED ☐ PRO-RATA BASIS REPORTING

Copy A for Internal Revenue Service

1 Income code	2 Gross income	3 Withholding allowances	4 Net income	5 Tax rate	6 Exemption code	7 U.S. Federal tax withheld	8 Amount repaid to recipient
19	2,000.00				04		

9 Withholding agent's EIN ► xx-xxxxxxx
☐ EIN ☐ QI-EIN

14 Recipient's U.S. TIN, if any ► xxx-xx-xxxx
☒ SSN or ITIN ☐ EIN ☐ QI-EIN

10 WITHHOLDING AGENT'S name and address (including ZIP code)
HOMETOWN UNIVERSITY
123 HOME AVENUE
TOWNCENTER KS 67201

15 Recipient's country of residence for tax purposes: BELGIUM

16 Country code: BE

17 NONQUALIFIED INTERMEDIARY'S (NQI's)/ FLOW-THROUGH ENTITY'S name

18 Country code

19 NQI's/Flow-through entity's address

11 Recipient's account number (optional)

12 Recipient code

13 RECIPIENT'S name (first name, initial, and last name), street address, city or town, province or state, and country (including postal code)
MICHELLE DEVENTER
345 TOWN AVE, FAIRMONT TOWER RM.216
TOWNCENTER KS 67201

20 NQI's/Flow-through entity's TIN, if any ►

21 PAYER'S name and TIN (if different from withholding agent's)

22 State income tax withheld

23 Payer's state tax no.

24 Name of state

For Privacy Act and Paperwork Reduction Act Notice, see page 15 of the separate instructions. Cat. No. 11386R Form **1042-S** (2003)

a Control number	22222	Void ☐	For Official Use Only ► OMB No. 1545-0008
b Employer identification number: 12-3456789		1 Wages, tips, other compensation: $ 3,200.00	2 Federal income tax withheld: $ 788.00
c Employer's name, address, and ZIP code: Hometown University, 123 Home Avenue, Towncenter, KS 67201		3 Social security wages: $ 0	4 Social security tax withheld: $ 0
		5 Medicare wages and tips: $ 0	6 Medicare tax withheld: $ 0
		7 Social security tips: $	8 Allocated tips: $
d Employee's social security number: 234-56-7890		9 Advance EIC payment: $	10 Dependent care benefits: $
e Employee's first name and initial: Michelle	Last name: Deventer	11 Nonqualified plans: $	12a See instructions for box 12 Code: $
Fairmount Tower, Room 216, 345 Town Avenue, Towncenter, KS 67201		13 Statutory employee ☐ Retirement plan ☐ Third-party sick pay ☐	12b Code: $
		14 Other	12c Code: $
			12d Code: $
f Employee's address and ZIP code			

15 State	Employer's state ID number	16 State wages, tips, etc.	17 State income tax	18 Local wages, tips, etc.	19 Local income tax	20 Locality name
KS	K9123456789	$ 3,200.00	$ 78.80	$	$	
		$	$	$	$	

Form **W-2** **Wage and Tax Statement** 2003

Department of the Treasury—Internal Revenue Service

For Privacy Act and Paperwork Reduction Act Notice, see separate instructions.

Copy A For Social Security Administration—Send this entire page with Form W-3 to the Social Security Administration; photocopies are **not** acceptable.

Cat. No. 10134D

Do Not Cut, Fold, or Staple Forms on This Page — Do Not Cut, Fold, or Staple Forms on This Page

Form **1040NR-EZ**

Department of the Treasury
Internal Revenue Service

U.S. Income Tax Return for Certain Nonresident Aliens With No Dependents

OMB No. 1545-1468

2003

Please print or type.

Your first name and initial	Last name	**Identifying number (see page 3)**

Present home address (number, street, and apt. no., or rural route). If a P.O. box, see page 4.

City, town or post office, state, and ZIP code. If a foreign address, see page 4.

Country ▶

Of what country were you a **citizen** or national during 2003? ▶

Give address **outside the United States** to which you want any refund check mailed. If same as above, write "Same."

Give address in the country where you are a **permanent resident.** If same as above, write "Same."

Filing status (see page 4). Check only one box.

1 ☐ Single nonresident alien
2 ☐ Married nonresident alien

Attach Form(s) W-2 here. Enclose, but do not attach, any payment.

3	Wages, salaries, tips, etc. Attach Form(s) W-2 (see page 4)		3	
4	Taxable refunds, credits, or offsets of state and local income taxes (see page 4)		4	
5	Scholarship and fellowship grants. Attach explanation (see page 4)		5	
6	Total wages and scholarships exempt by a treaty from page 2, Item J	6		
7	Add lines 3, 4, and 5		7	
8	Student loan interest deduction (see page 5)	8		
9	Scholarship and fellowship grants excluded (see page 6)	9		
10	**Adjusted gross income.** Subtract the sum of line 8 and line 9 from line 7		10	
11	**Itemized deductions.** Enter state and local income taxes paid. Residents of India, see page 6		11	
12	Subtract line 11 from line 10		12	
13	Exemption deduction (see page 6)		13	
14	**Taxable income.** Subtract line 13 from line 12		14	
15	**Tax.** Find your tax in the Tax Table on pages 11–15		15	
16	Social security and Medicare tax on tip income not reported to employer. Attach Form 4137		16	
17	Add lines 15 and 16. This is your **total tax** ▶		17	
18	Federal income tax withheld (from Form W-2 and/or Form 1042-S)	18		
19	2003 estimated tax payments and amount applied from 2002 return	19		
20	Credit for amount paid with Form 1040-C	20		
21	Add lines 18 through 20. These are your **total payments** ▶		21	

Refund

Direct deposit? See page 6 and fill in 23b, 23c, and 23d.

22	If line 21 is more than line 17, subtract line 17 from line 21. This is the amount you **overpaid**		22	
23a	Amount of line 22 you want **refunded to you** ▶		23a	
b	Routing number ☐☐☐☐☐☐☐☐☐ c Type: ☐ Checking ☐ Savings			
d	Account number ☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐			
24	Amount of line 22 you want **applied to your 2004 estimated tax** ▶	24		

Amount You Owe

25	**Amount you owe.** Subtract line 21 from line 17. For details on how to pay, see page 7 ▶		25	
26	Estimated tax penalty (see page 7). Also include on line 25	26		

Third Party Designee

Do you want to allow another person to discuss this return with the IRS (see page 7)? ☐ **Yes.** Complete the following. ☐ **No**

Designee's name ▶ Phone no. ▶ ( ) Personal identification number (PIN) ▶ ☐☐☐☐☐

Sign Here

Keep a copy of this return for your records.

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and accurately list all amounts and sources of U.S. source income I received during the tax year. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Your signature	Date	Your occupation in the United States
▶		

Paid Preparer's Use Only

Preparer's signature ▶	Date	Check if self-employed ☐	Preparer's SSN or PTIN
Firm's name (or yours if self-employed), address, and ZIP code ▶		EIN	
		Phone no. ( )	

For Disclosure and Paperwork Reduction Act Notices, see page 9 of instructions. Cat. No. 21534N Form **1040NR-EZ** (2003)

Draft as of 6/18/2003

Other Information (If an item does not apply to you, enter "N/A.")

A What country issued your passport? .....

B Were you ever a U.S. citizen? . . . . . ☐ **Yes** ☐ **No**

C Give the purpose of your visit to the United States ▶ .....

D Type of entry visa ▶ .....
and current nonimmigrant status and date of change ▶ .....

E Date you entered the United States (see page 8) ▶ .....

F Did you give up your permanent residence as an immigrant in the United States this year? . . . . . ☐ **Yes** ☐ **No**

G Dates you entered and left the United States during the year. Residents of Canada or Mexico entering and leaving the United States at frequent intervals, give name of country only. ▶ .....

H Give number of days (including vacation and nonworkdays) you were present in the United States during 2001 ....., 2002 ....., and 2003 ..... .

I Did you file a U.S. income tax return for any year before 2003? . . . . . ☐ **Yes** ☐ **No**
If "Yes," give the latest year and form number ▶ .....

J If you are claiming the benefits of a U.S. income tax treaty with a foreign country, give the following information. See page 8 for additional information.

- Country ▶ .....
- Type and amount of income exempt from tax and the applicable tax treaty article. Enter treaty-exempt income for 2003 below and on line 6; not on line 3 or 5.

  For 2003 ▶ .....

  For 2002 ▶ .....
- Were you subject to tax in that country on any of the income that you claim is entitled to the treaty benefits? . . . . . ☐ **Yes** ☐ **No**

K During 2003, did you apply for, or take any affirmative steps to apply for, lawful permanent resident status in the United States or have an application pending to adjust your status to that of a lawful permanent resident of the United States? . . . . . ☐ **Yes** ☐ **No**
If "Yes," explain ▶ .....

Draft as of 6/18/2003

COMPREHENSIVE PROBLEM 2

Determine what type of return that Sue from Malaysia should file. She is single and 26 years old. She entered the U.S. on an F-1 visa on August 1, 1997. She has been a full-time student at the local university since then. She began working on January 2, 1999 in the campus bookstore. In 2003, her W-2 shows that she earned $5,200 and no income tax was withheld. Her Social Security card says that it is not valid for employment.

Is she a resident or a nonresident for tax purposes? What tax form should she file?

_____

COMPRHENSIVE PROBLEM 3

Kiwal from Malaysia entered the U.S. on August 1, 1999 on an F-1 visa. He is a full time student at the local university and has not left the country since he arrived here. He is single and 27 years old. He started to work in the cafeteria in 2000. Last year and this year, he received the same amount of income. He tells you that he did not file a 2002 return because he didn't know how. Using the W-2 form below, prepare his 1040NR-EZ for 2003. Should he file a return for 2002 also?

a Control number 22222	Void ☐	For Official Use Only ► OMB No. 1545-0008	
b Employer identification number 12-9876543		1 Wages, tips, other compensation $ 4,100.00	2 Federal income tax withheld $ 400.00
c Employer's name, address, and ZIP code Delicious Enterprises P.O. Box 98 Superville, IL 53102		3 Social security wages $ 0	4 Social security tax withheld $ 0
		5 Medicare wages and tips $ 0	6 Medicare tax withheld $ 0
		7 Social security tips $ 0	8 Allocated tips $ 0
d Employee's social security number 890-12-3456		9 Advance EIC payment $	10 Dependent care benefits $
e Employee's first name and initial: Kiwal	Last name: Chee	11 Nonqualified plans $	12a See instructions for box 12 Code $
678 Easy Street Superville, IL 53102		13 Statutory employee ☐ Retirement plan ☐ Third-party sick pay ☐	12b Code $
		14 Other	12c Code $
			12d Code $
f Employee's address and ZIP code			

15 State	Employer's state ID number	16 State wages, tips, etc.	17 State income tax	18 Local wages, tips, etc.	19 Local income tax	20 Locality name
	K 345678921	$	$ 40.00	$	$	
		$	$	$	$	

Form **W-2** **Wage and Tax Statement** 2003 Department of the Treasury—Internal Revenue Service

Copy A For Social Security Administration—Send this entire page with Form W-3 to the Social Security Administration; photocopies are **not** acceptable.

Cat. No. 10134D

For Privacy Act and Paperwork Reduction Act Notice, see separate instructions.

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Form **1040NR-EZ**

Department of the Treasury
Internal Revenue Service

U.S. Income Tax Return for Certain Nonresident Aliens With No Dependents

OMB No. 1545-1468

2003

Please print or type.

Your first name and initial	Last name	**Identifying number (see page 3)**

Present home address (number, street, and apt. no., or rural route). If a P.O. box, see page 4.

City, town or post office, state, and ZIP code. If a foreign address, see page 4.

Country ▶

Of what country were you a **citizen** or national during 2003? ▶

Give address **outside the United States** to which you want any refund check mailed. If same as above, write "Same."

Give address in the country where you are a **permanent resident.** If same as above, write "Same."

Filing status (see page 4). Check only one box.

1 ☐ Single nonresident alien
2 ☐ Married nonresident alien

Attach Form(s) W-2 here. Enclose, but do not attach, any payment.

3	Wages, salaries, tips, etc. Attach Form(s) W-2 (see page 4)		3	
4	Taxable refunds, credits, or offsets of state and local income taxes (see page 4)		4	
5	Scholarship and fellowship grants. Attach explanation (see page 4)		5	
6	Total wages and scholarships exempt by a treaty from page 2, Item J	6		
7	Add lines 3, 4, and 5		7	
8	Student loan interest deduction (see page 5)	8		
9	Scholarship and fellowship grants excluded (see page 6)	9		
10	**Adjusted gross income.** Subtract the sum of line 8 and line 9 from line 7		10	
11	**Itemized deductions.** Enter state and local income taxes paid. Residents of India, see page 6		11	
12	Subtract line 11 from line 10		12	
13	Exemption deduction (see page 6)		13	
14	**Taxable income.** Subtract line 13 from line 12		14	
15	**Tax.** Find your tax in the Tax Table on pages 11–15		15	
16	Social security and Medicare tax on tip income not reported to employer. Attach Form 4137		16	
17	Add lines 15 and 16. This is your **total tax** ▶		17	
18	Federal income tax withheld (from Form W-2 and/or Form 1042-S)	18		
19	2003 estimated tax payments and amount applied from 2002 return	19		
20	Credit for amount paid with Form 1040-C	20		
21	Add lines 18 through 20. These are your **total payments** ▶		21	

Refund

Direct deposit? See page 6 and fill in 23b, 23c, and 23d.

22	If line 21 is more than line 17, subtract line 17 from line 21. This is the amount you **overpaid**		22	
23a	Amount of line 22 you want **refunded to you** ▶		23a	
b	Routing number	c Type: ☐ Checking ☐ Savings		
d	Account number			
24	Amount of line 22 you want **applied to your 2004 estimated tax** ▶	24		

Amount You Owe

25	**Amount you owe.** Subtract line 21 from line 17. For details on how to pay, see page 7 ▶		25	
26	Estimated tax penalty (see page 7). Also include on line 25	26		

Third Party Designee

Do you want to allow another person to discuss this return with the IRS (see page 7)? ☐ **Yes.** Complete the following. ☐ **No**

Designee's name ▶ Phone no. ▶ ( ) Personal identification number (PIN) ▶

Sign Here

Keep a copy of this return for your records.

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and accurately list all amounts and sources of U.S. source income I received during the tax year. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Your signature	Date	Your occupation in the United States

Paid Preparer's Use Only

Preparer's signature	Date	Check if self-employed ☐	Preparer's SSN or PTIN
Firm's name (or yours if self-employed), address, and ZIP code		EIN	
		Phone no. ( )	

For Disclosure and Paperwork Reduction Act Notices, see page 9 of instructions.

Cat. No. 21534N Form **1040NR-EZ** (2003)

Draft as of 6/18/2003

Other Information (If an item does not apply to you, enter "N/A.")

A What country issued your passport?

B Were you ever a U.S. citizen? ☐ **Yes** ☐ **No**

C Give the purpose of your visit to the United States ▶

D Type of entry visa ▶
and current nonimmigrant status and date of change ▶

E Date you entered the United States (see page 8) ▶

F Did you give up your permanent residence as an immigrant in the United States this year? ☐ **Yes** ☐ **No**

G Dates you entered and left the United States during the year. Residents of Canada or Mexico entering and leaving the United States at frequent intervals, give name of country only. ▶

H Give number of days (including vacation and nonworkdays) you were present in the United States during 2001 , 2002 , and 2003 .

I Did you file a U.S. income tax return for any year before 2003? ☐ **Yes** ☐ **No**
If "Yes," give the latest year and form number ▶

J If you are claiming the benefits of a U.S. income tax treaty with a foreign country, give the following information. See page 8 for additional information.

- Country ▶
- Type and amount of income exempt from tax and the applicable tax treaty article. Enter treaty-exempt income for 2003 below and on line 6; not on line 3 or 5.

  For 2003 ▶

  For 2002 ▶

- Were you subject to tax in that country on any of the income that you claim is entitled to the treaty benefits? ☐ **Yes** ☐ **No**

K During 2003, did you apply for, or take any affirmative steps to apply for, lawful permanent resident status in the United States or have an application pending to adjust your status to that of a lawful permanent resident of the United States? ☐ **Yes** ☐ **No**
If "Yes," explain ▶

Draft as of 6/18/2003

COMPREHENSIVE PROBLEM 4

Lee Cheng is a single 26 year old student from the Peoples Republic of China. He entered the U.S. on January 2, 2002 on an F-1 visa. Even though he started to work at the campus security office in 2002, he has remained a full time student. When he started his job, he did not know about Form 8233. When he filed his 2002 return he received a large refund. In June 2003, he gave the payroll office a Form 8233, claiming the China treaty benefit so he would not have as much federal withholding this year. Using the following forms, complete his 2003 tax return

a Control number	22222	Void ☐	For Official Use Only ▶ OMB No. 1545-0008
b Employer identification number: 12-5678903	1 Wages, tips, other compensation: $ 3,000.00	2 Federal income tax withheld: $ 475.00	
c Employer's name, address, and ZIP code: Ranger University, 385 Colt St., Gunsmoke, TX 69788	3 Social security wages: $	4 Social security tax withheld: $	
	5 Medicare wages and tips: $	6 Medicare tax withheld: $	
	7 Social security tips: $	8 Allocated tips: $	
d Employee's social security number: 321-65-4987	9 Advance EIC payment: $	10 Dependent care benefits: $	
e Employee's first name and initial: Lee; Last name: Cheng	11 Nonqualified plans: $	12a See instructions for box 12 Code: $	
485 Colt, Apt 3, Gunsmoke, TX 69788	13 Statutory employee ☐ Retirement plan ☐ Third-party sick pay ☐	12b Code: $	
	14 Other	12c Code: $	
		12d Code: $	
f Employee's address and ZIP code			

15 State	Employer's state ID number	16 State wages, tips, etc.	17 State income tax	18 Local wages, tips, etc.	19 Local income tax	20 Locality name
		$	$	$	$	
		$	$	$	$	

Form **W-2** **Wage and Tax Statement** **2003**

Department of the Treasury—Internal Revenue Service

For Privacy Act and Paperwork Reduction Act Notice, see separate instructions.

Copy A For Social Security Administration—Send this entire page with Form W-3 to the Social Security Administration; photocopies are **not** acceptable.

Cat. No. 10134D

Do Not Cut, Fold, or Staple Forms on This Page — Do Not Cut, Fold, or Staple Forms on This Page

Form **1042-S**

Department of the Treasury
Internal Revenue Service

Foreign Person's U.S. Source Income Subject to Withholding

2003

OMB No. 1545-0096

Copy A for Internal Revenue Service

☐ VOID ☐ CORRECTED ☐ PRO-RATA BASIS REPORTING

1 Income code	2 Gross income	3 Withholding allowances	4 Net income	5 Tax rate	6 Exemption code	7 U.S. Federal tax withheld	8 Amount repaid to recipient
19	3,500.00				01		

9 Withholding agent's EIN ► xx-xxxxxx

☐ EIN ☐ QI-EIN

10 WITHHOLDING AGENT'S name and address (including ZIP code)

RANGER UNIVERSITY
385 COLT ST
GUNSMOKE TX 69788

11 Recipient's account number (optional)

12 Recipient code

13 RECIPIENT'S name (first name, initial, and last name), street address, city or town, province or state, and country (including postal code)

LEE CHENG
485 COLT ST APT 3
GUNSMOKE TX 69788

14 Recipient's U.S. TIN, if any ► xxx-xx-xxxx

☐ SSN or ITIN ☐ EIN ☐ QI-EIN

15 Recipient's country of residence for tax purposes: PR CHINA

16 Country code: CH

17 NONQUALIFIED INTERMEDIARY'S (NQI's)/ FLOW-THROUGH ENTITY'S name

18 Country code

19 NQI's/Flow-through entity's address

20 NQI's/Flow-through entity's TIN, if any ►

21 PAYER'S name and TIN (if different from withholding agent's)

22 State income tax withheld

23 Payer's state tax no.

24 Name of state

For Privacy Act and Paperwork Reduction Act Notice, see page 15 of the separate instructions.

Cat. No. 11386R Form **1042-S** (2003)

Form **1040NR-EZ**

Department of the Treasury
Internal Revenue Service

U.S. Income Tax Return for Certain Nonresident Aliens With No Dependents

OMB No. 1545-1468

2003

Please print or type.

Your first name and initial	Last name	**Identifying number (see page 3)**

Present home address (number, street, and apt. no., or rural route). If a P.O. box, see page 4.

City, town or post office, state, and ZIP code. If a foreign address, see page 4.

Country ▶

Of what country were you a **citizen** or national during 2003? ▶

Give address **outside the United States** to which you want any refund check mailed. If same as above, write "Same."

Give address in the country where you are a **permanent resident.** If same as above, write "Same."

Filing status (see page 4). Check only one box.

1 ☐ Single nonresident alien
2 ☐ Married nonresident alien

Attach Form(s) W-2 here. Enclose, but do not attach, any payment.

3	Wages, salaries, tips, etc. Attach Form(s) W-2 (see page 4)		3	
4	Taxable refunds, credits, or offsets of state and local income taxes (see page 4)		4	
5	Scholarship and fellowship grants. Attach explanation (see page 4)		5	
6	Total wages and scholarships exempt by a treaty from page 2, Item J	6		
7	Add lines 3, 4, and 5		7	
8	Student loan interest deduction (see page 5)	8		
9	Scholarship and fellowship grants excluded (see page 6)	9		
10	**Adjusted gross income.** Subtract the sum of line 8 and line 9 from line 7		10	
11	**Itemized deductions.** Enter state and local income taxes paid. Residents of India, see page 6		11	
12	Subtract line 11 from line 10		12	
13	Exemption deduction (see page 6)		13	
14	**Taxable income.** Subtract line 13 from line 12		14	
15	**Tax.** Find your tax in the Tax Table on pages 11–15		15	
16	Social security and Medicare tax on tip income not reported to employer. Attach Form 4137		16	
17	Add lines 15 and 16. This is your **total tax** ▶		17	
18	Federal income tax withheld (from Form W-2 and/or Form 1042-S)	18		
19	2003 estimated tax payments and amount applied from 2002 return	19		
20	Credit for amount paid with Form 1040-C	20		
21	Add lines 18 through 20. These are your **total payments** ▶		21	

Refund

Direct deposit? See page 6 and fill in 23b, 23c, and 23d.

22	If line 21 is more than line 17, subtract line 17 from line 21. This is the amount you **overpaid**		22	
23a	Amount of line 22 you want **refunded to you** ▶		23a	
b	Routing number	c Type: ☐ Checking ☐ Savings		
d	Account number			
24	Amount of line 22 you want **applied to your 2004 estimated tax** ▶	24		

Amount You Owe

25	**Amount you owe.** Subtract line 21 from line 17. For details on how to pay, see page 7 ▶		25	
26	Estimated tax penalty (see page 7). Also include on line 25	26		

Third Party Designee

Do you want to allow another person to discuss this return with the IRS (see page 7)? ☐ **Yes.** Complete the following. ☐ **No**

Designee's name ▶ Phone no. ▶ ( ) Personal identification number (PIN) ▶

Sign Here

Keep a copy of this return for your records.

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and accurately list all amounts and sources of U.S. source income I received during the tax year. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Your signature ▶ Date Your occupation in the United States

Paid Preparer's Use Only

Preparer's signature ▶ Date Check if self-employed ☐ Preparer's SSN or PTIN

Firm's name (or yours if self-employed), address, and ZIP code ▶ EIN Phone no. ( )

For Disclosure and Paperwork Reduction Act Notices, see page 9 of instructions. Cat. No. 21534N Form **1040NR-EZ** (2003)

Draft as of 6/18/2003

Other Information (If an item does not apply to you, enter "N/A.")

A What country issued your passport? .....

B Were you ever a U.S. citizen? . . . . . ☐ **Yes** ☐ **No**

C Give the purpose of your visit to the United States ▶ .....

D Type of entry visa ▶ .....
and current nonimmigrant status and date of change ▶ .....

E Date you entered the United States (see page 8) ▶ .....

F Did you give up your permanent residence as an immigrant in the United States this year? . . . . . ☐ **Yes** ☐ **No**

G Dates you entered and left the United States during the year. Residents of Canada or Mexico entering and leaving the United States at frequent intervals, give name of country only. ▶ .....

H Give number of days (including vacation and nonworkdays) you were present in the United States during 2001 ....., 2002 ....., and 2003 ..... .

I Did you file a U.S. income tax return for any year before 2003? . . . . . ☐ **Yes** ☐ **No**
If "Yes," give the latest year and form number ▶ .....

J If you are claiming the benefits of a U.S. income tax treaty with a foreign country, give the following information. See page 8 for additional information.

- Country ▶ .....
- Type and amount of income exempt from tax and the applicable tax treaty article. Enter treaty-exempt income for 2003 below and on line 6; not on line 3 or 5.

  For 2003 ▶ .....

  For 2002 ▶ .....

- Were you subject to tax in that country on any of the income that you claim is entitled to the treaty benefits? . . . . . ☐ **Yes** ☐ **No**

K During 2003, did you apply for, or take any affirmative steps to apply for, lawful permanent resident status in the United States or have an application pending to adjust your status to that of a lawful permanent resident of the United States? . . . . . ☐ **Yes** ☐ **No**
If "Yes," explain ▶ .....

Draft as of 6/18/2003

Comprehensive Problem 5

Henry from Belgium is single and 26 years old. He entered the U.S. on August 1, 1997 on an F-1 visa. In May of 1999, he graduated and returned to Belgium. On June 1, 2003 he reentered the U.S. on a J-1 visa to teach at the local university for two years.

For tax purposes, is Henry a resident or non-resident alien and why?

_____

_____

_____

_____

Comprehensive Problem 6

Sinju Khadori is a married student from India. Her husband had a small amount of gross income. She obtained BCIS permission to work off-campus at Pizza Hut. Her employer withheld Social Security and Medicare taxes from her wages and tips.

Is she entitled to a refund of these taxes?_____

Should she talk to her employer about this? _____

If the employer refuses to help her, what form should she file if she is entitled to a refund?

_____

What should she include with the form?

_____

Appendix C—Part 2
Answers to Comprehensive Problems

Comprehensive Problem 1

See the completed form.

Comprehensive Problem 2

Sue is a resident for tax purposes. She should file Form 1040EZ

Comprehensive Problem 3

See the completed forms. He should also file a return for 2002.

Comprehensive Problem 4

See the completed forms.

Comprehensive Problem 5

Henry is a resident alien for tax purposes. During the six year period including the year 2003 and the five prior years, he had two or more years of presence in an exempt category. Therefore, he is not entitled to any additional exempt time as a teacher.

Comprehensive Problem 6

Sinju is entitled to a refund.

She should ask her employer to refund the money to her. If the employer refuses to refund the money, she should file Form 843 and attach a copy of her I-20, I-94, and W-2.

Form **1040NR-EZ**

Department of the Treasury
Internal Revenue Service

U.S. Income Tax Return for Certain Nonresident Aliens With No Dependents

OMB No. 1545-1468

2003

Please print or type.

Your first name and initial	Last name	Identifying number (see page 3)
MICHELLE	DEVENTER	XXX-XX-XXXX

Present home address (number, street, and apt. no., or rural route). If a P.O. box, see page 4.

City, town or post office, state, and ZIP code. If a foreign address, see page 4.

Country ▶

Of what country were you a **citizen** or national during 2003? ▶ BELGIUM

Give address **outside the United States** to which you want any refund check mailed. If same as above, write "Same."

Give address in the country where you are a **permanent resident.** If same as above, write "Same."

Filing status (see page 4). Check only one box.

1 ☒ Single nonresident alien
2 ☐ Married nonresident alien

Attach Form(s) W-2 here. Enclose, but do not attach, any payment.

3	Wages, salaries, tips, etc. Attach Form(s) W-2 (see page 4)			3	3,200
4	Taxable refunds, credits, or offsets of state and local income taxes (see page 4)			4	
5	Scholarship and fellowship grants. Attach explanation (see page 4)			5	
6	Total wages and scholarships exempt by a treaty from page 2, Item J	6	2,000		
7	Add lines 3, 4, and 5			7	3,200
8	Student loan interest deduction (see page 5)	8			
9	Scholarship and fellowship grants excluded (see page 6)	9			
10	**Adjusted gross income.** Subtract the sum of line 8 and line 9 from line 7			10	3,200
11	**Itemized deductions.** Enter state and local income taxes paid. Residents of India, see page 6			11	79
12	Subtract line 11 from line 10			12	3,121
13	Exemption deduction (see page 6)			13	3,050
14	**Taxable income.** Subtract line 13 from line 12			14	71
15	**Tax.** Find your tax in the Tax Table on pages 11–15			15	7
16	Social security and Medicare tax on tip income not reported to employer. Attach Form 4137			16	
17	Add lines 15 and 16. This is your **total tax** ▶			17	7
18	Federal income tax withheld (from Form W-2 and/or Form 1042-S)	18	788		
19	2003 estimated tax payments and amount applied from 2002 return	19			
20	Credit for amount paid with Form 1040-C	20			
21	Add lines 18 through 20. These are your **total payments** ▶			21	788

Refund

Direct deposit? See page 6 and fill in 23b, 23c, and 23d.

22	If line 21 is more than line 17, subtract line 17 from line 21. This is the amount you **overpaid**	22	781
23a	Amount of line 22 you want **refunded to you** ▶	23a	781
b	Routing number	c Type: ☐ Checking ☐ Savings	
d	Account number		
24	Amount of line 22 you want **applied to your 2004 estimated tax** ▶	24	

Amount You Owe

25	**Amount you owe.** Subtract line 21 from line 17. For details on how to pay, see page 7 ▶	25	
26	Estimated tax penalty (see page 7). Also include on line 25	26	

Third Party Designee

Do you want to allow another person to discuss this return with the IRS (see page 7)? ☐ **Yes.** Complete the following. ☐ **No**

Designee's name ▶ Phone no. ▶ ( ) Personal identification number (PIN) ▶

Sign Here

Keep a copy of this return for your records.

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and accurately list all amounts and sources of U.S. source income I received during the tax year. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Your signature | Date | Your occupation in the United States

Paid Preparer's Use Only

Preparer's signature | Date | Check if self-employed ☐ | Preparer's SSN or PTIN Pxx-xx-xxxx

Firm's name (or yours if self-employed), address, and ZIP code | EIN | Phone no. ( )

For Disclosure and Paperwork Reduction Act Notices, see page 9 of instructions. Cat. No. 21534N Form **1040NR-EZ** (2003)

Draft as of 6/18/2003

Other Information (If an item does not apply to you, enter "N/A.")

A What country issued your passport? BELGIUM

B Were you ever a U.S. citizen? ☐ Yes ☒ No

C Give the purpose of your visit to the United States ▶ STUDY

D Type of entry visa ▶ F-1
and current nonimmigrant status and date of change ▶

E Date you entered the United States (see page 8) ▶ 8-1-2001

F Did you give up your permanent residence as an immigrant in the United States this year? ☐ Yes ☒ No

G Dates you entered and left the United States during the year. Residents of Canada or Mexico entering and leaving the United States at frequent intervals, give name of country only. ▶

H Give number of days (including vacation and nonworkdays) you were present in the United States during 2001 153, 2002 365, and 2003 365.

I Did you file a U.S. income tax return for any year before 2003? ☒ Yes ☐ No
If "Yes," give the latest year and form number ▶ 2002 1040NR-EZ

J If you are claiming the benefits of a U.S. income tax treaty with a foreign country, give the following information. See page 8 for additional information.

- Country ▶ BELGIUM
- Type and amount of income exempt from tax and the applicable tax treaty article. Enter treaty-exempt income for 2003 below and on line 6; not on line 3 or 5.

  For 2003 ▶ WAGES $2,000 21(1)

  For 2002 ▶ WAGES $2,000 21(1)

- Were you subject to tax in that country on any of the income that you claim is entitled to the treaty benefits? ☐ Yes ☒ No

K During 2003, did you apply for, or take any affirmative steps to apply for, lawful permanent resident status in the United States or have an application pending to adjust your status to that of a lawful permanent resident of the United States? ☐ Yes ☒ No
If "Yes," explain ▶

Draft as of 6/18/2003

Form **1040NR-EZ**

Department of the Treasury
Internal Revenue Service

U.S. Income Tax Return for Certain Nonresident Aliens With No Dependents

OMB No. 1545-1468

2003

Please print or type.

Your first name and initial	Last name	Identifying number (see page 3)
KIWAL	CHEE	XXX-XX-XXXX

Present home address (number, street, and apt. no., or rural route). If a P.O. box, see page 4.
678 EASY ST

City, town or post office, state, and ZIP code. If a foreign address, see page 4.
SUPERVILLE IL 53102

Country ▶ USA

Of what country were you a **citizen** or national during 2003? ▶ MALAYSIA

Give address **outside the United States** to which you want any refund check mailed. If same as above, write "Same."

Give address in the country where you are a **permanent resident.** If same as above, write "Same."

Filing status (see page 4). Check only one box.
1 ☒ Single nonresident alien
2 ☐ Married nonresident alien

Attach Form(s) W-2 here. Enclose, but do not attach, any payment.

3	Wages, salaries, tips, etc. Attach Form(s) W-2 (see page 4)		3	4,100
4	Taxable refunds, credits, or offsets of state and local income taxes (see page 4)		4	
5	Scholarship and fellowship grants. Attach explanation (see page 4)		5	
6	Total wages and scholarships exempt by a treaty from page 2, Item J	6		
7	Add lines 3, 4, and 5		7	4100
8	Student loan interest deduction (see page 5)	8		
9	Scholarship and fellowship grants excluded (see page 6)	9		
10	**Adjusted gross income.** Subtract the sum of line 8 and line 9 from line 7		10	4,100
11	**Itemized deductions.** Enter state and local income taxes paid. Residents of India, see page 6		11	40
12	Subtract line 11 from line 10		12	4,060
13	Exemption deduction (see page 6)		13	3,050
14	**Taxable income.** Subtract line 13 from line 12		14	1,010
15	**Tax.** Find your tax in the Tax Table on pages 11–15		15	101
16	Social security and Medicare tax on tip income not reported to employer. Attach Form 4137		16	
17	Add lines 15 and 16. This is your **total tax** ▶		17	101
18	Federal income tax withheld (from Form W-2 and/or Form 1042-S)	18	400	
19	2003 estimated tax payments and amount applied from 2002 return	19		
20	Credit for amount paid with Form 1040-C	20		
21	Add lines 18 through 20. These are your **total payments** ▶		21	400

Refund

Direct deposit? See page 6 and fill in 23b, 23c, and 23d.

22	If line 21 is more than line 17, subtract line 17 from line 21. This is the amount you **overpaid**		22	299
23a	Amount of line 22 you want **refunded to you** ▶		23a	299
b	Routing number	c Type: ☐ Checking ☐ Savings		
d	Account number			
24	Amount of line 22 you want **applied to your 2004 estimated tax** ▶	24		

Amount You Owe

25	**Amount you owe.** Subtract line 21 from line 17. For details on how to pay, see page 7 ▶		25	
26	Estimated tax penalty (see page 7). Also include on line 25	26		

Third Party Designee

Do you want to allow another person to discuss this return with the IRS (see page 7)? ☐ **Yes.** Complete the following. ☐ **No**

Designee's name ▶ Phone no. ▶ ( ) Personal identification number (PIN) ▶

Sign Here

Keep a copy of this return for your records.

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and accurately list all amounts and sources of U.S. source income I received during the tax year. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Your signature ▶ Date Your occupation in the United States

Paid Preparer's Use Only

Preparer's signature ▶ Date Check if self-employed ☐ Preparer's SSN or PTIN PXX-XX-XXXX

Firm's name (or yours if self-employed), address, and ZIP code ▶ EIN Phone no. ( )

For Disclosure and Paperwork Reduction Act Notices, see page 9 of instructions. Cat. No. 21534N Form **1040NR-EZ** (2003)

Draft as of 6/18/2003

Other Information (If an item does not apply to you, enter "N/A.")

A What country issued your passport? MALAYSIA

B Were you ever a U.S. citizen? . . . . . ☐ **Yes** ☒ **No**

C Give the purpose of your visit to the United States ▶ STUDY

D Type of entry visa ▶ F-1
and current nonimmigrant status and date of change ▶ F-1

E Date you entered the United States (see page 8) ▶ 8-1-99

F Did you give up your permanent residence as an immigrant in the United States this year? . . . . . ☐ **Yes** ☒ **No**

G Dates you entered and left the United States during the year. Residents of Canada or Mexico entering and leaving the United States at frequent intervals, give name of country only. ▶

H Give number of days (including vacation and nonworkdays) you were present in the United States during 2001 365, 2002 365, and 2003 365.

I Did you file a U.S. income tax return for any year before 2003? . . . . . ☐ **Yes** ☒ **No**
If "Yes," give the latest year and form number ▶

J If you are claiming the benefits of a U.S. income tax treaty with a foreign country, give the following information. See page 8 for additional information.

- Country ▶
- Type and amount of income exempt from tax and the applicable tax treaty article. Enter treaty-exempt income for 2003 below and on line 6; not on line 3 or 5.

  For 2003 ▶

  For 2002 ▶

- Were you subject to tax in that country on any of the income that you claim is entitled to the treaty benefits? . . . . . ☐ **Yes** ☒ **No**

K During 2003, did you apply for, or take any affirmative steps to apply for, lawful permanent resident status in the United States or have an application pending to adjust your status to that of a lawful permanent resident of the United States? . . . . . ☐ **Yes** ☒ **No**
If "Yes," explain ▶

Draft as of 6/18/2003

Form **1040NR-EZ**

Department of the Treasury
Internal Revenue Service

U.S. Income Tax Return for Certain Nonresident Aliens With No Dependents

OMB No. 1545-1468

2003

Please print or type.

Your first name and initial	Last name	Identifying number (see page 3)
LEE	CHENG	XXX-XX-XXXX

Present home address (number, street, and apt. no., or rural route). If a P.O. box, see page 4.
488 COLT ST APT 3

City, town or post office, state, and ZIP code. If a foreign address, see page 4.
GUNSMOKE TX 69788

Country ▶ USA

Of what country were you a **citizen** or national during 2003? ▶ PR CHINA

Give address **outside the United States** to which you want any refund check mailed. If same as above, write "Same."

Give address in the country where you are a **permanent resident.** If same as above, write "Same."

Filing status (see page 4). Check only one box.
1 ☒ Single nonresident alien
2 ☐ Married nonresident alien

Attach Form(s) W-2 here. Enclose, but do not attach, any payment.

3	Wages, salaries, tips, etc. Attach Form(s) W-2 (see page 4)			3	1,500
4	Taxable refunds, credits, or offsets of state and local income taxes (see page 4)			4	
5	Scholarship and fellowship grants. Attach explanation (see page 4)			5	
6	Total wages and scholarships exempt by a treaty from page 2, Item J	6	5,000		
7	Add lines 3, 4, and 5			7	1500
8	Student loan interest deduction (see page 5)	8			
9	Scholarship and fellowship grants excluded (see page 6)	9			
10	**Adjusted gross income.** Subtract the sum of line 8 and line 9 from line 7			10	1,500
11	**Itemized deductions.** Enter state and local income taxes paid. Residents of India, see page 6			11	
12	Subtract line 11 from line 10			12	1,500
13	Exemption deduction (see page 6)			13	3,050
14	**Taxable income.** Subtract line 13 from line 12			14	0
15	**Tax.** Find your tax in the Tax Table on pages 11–15			15	
16	Social security and Medicare tax on tip income not reported to employer. Attach Form 4137			16	
17	Add lines 15 and 16. This is your **total tax** ▶			17	0
18	Federal income tax withheld (from Form W-2 and/or Form 1042-S)	18	475		
19	2003 estimated tax payments and amount applied from 2002 return	19			
20	Credit for amount paid with Form 1040-C	20			
21	Add lines 18 through 20. These are your **total payments** ▶			21	475

Refund

Direct deposit? See page 6 and fill in 23b, 23c, and 23d.

22	If line 21 is more than line 17, subtract line 17 from line 21. This is the amount you **overpaid**	22	475
23a	Amount of line 22 you want **refunded to you** ▶	23a	475
b	Routing number ☐☐☐☐☐☐☐☐☐ c Type: ☐ Checking ☐ Savings		
d	Account number ☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐		
24	Amount of line 22 you want **applied to your 2004 estimated tax** ▶ 24		

Amount You Owe

25	**Amount you owe.** Subtract line 21 from line 17. For details on how to pay, see page 7 ▶	25	
26	Estimated tax penalty (see page 7). Also include on line 25 . 26		

Third Party Designee

Do you want to allow another person to discuss this return with the IRS (see page 7)? ☐ **Yes.** Complete the following. ☐ **No**

Designee's name ▶ Phone no. ▶ ( ) Personal identification number (PIN) ▶ ☐☐☐☐☐

Sign Here

Keep a copy of this return for your records.

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and accurately list all amounts and sources of U.S. source income I received during the tax year. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Your signature ▶ Date Your occupation in the United States

Paid Preparer's Use Only

Preparer's signature ▶ Date Check if self-employed ☐ Preparer's SSN or PTIN PXX-XX-XXXX

Firm's name (or yours if self-employed), address, and ZIP code ▶ EIN Phone no. ( )

For Disclosure and Paperwork Reduction Act Notices, see page 9 of instructions. Cat. No. 21534N Form **1040NR-EZ** (2003)

Draft as of 6/18/2003

Other Information (If an item does not apply to you, enter "N/A.")

A What country issued your passport? PR CHINA

B Were you ever a U.S. citizen? . . . . . ☐ **Yes** ☒ **No**

C Give the purpose of your visit to the United States ▶ STUDY

D Type of entry visa ▶ F-1
and current nonimmigrant status and date of change ▶ F-1

E Date you entered the United States (see page 8) ▶ 1-2-2001

F Did you give up your permanent residence as an immigrant in the United States this year? . . . . . ☐ **Yes** ☒ **No**

G Dates you entered and left the United States during the year. Residents of Canada or Mexico entering and leaving the United States at frequent intervals, give name of country only. ▶

H Give number of days (including vacation and nonworkdays) you were present in the United States during 2001 364, 2002 365, and 2003 365.

I Did you file a U.S. income tax return for any year before 2003? . . . . . ☒ **Yes** ☐ **No**
If "Yes," give the latest year and form number ▶ 2002 1040nrez

J If you are claiming the benefits of a U.S. income tax treaty with a foreign country, give the following information. See page 8 for additional information.

- Country ▶ PR CHINA
- Type and amount of income exempt from tax and the applicable tax treaty article. Enter treaty-exempt income for 2003 below and on line 6; not on line 3 or 5.

For 2003 ▶ $5,000 COMPENSATION DURING STUDY 20(C)

For 2002 ▶ $5,000 COMPENSATION DURING STUDY 20(C)

- Were you subject to tax in that country on any of the income that you claim is entitled to the treaty benefits? . . . . . ☐ **Yes** ☒ **No**

K During 2003, did you apply for, or take any affirmative steps to apply for, lawful permanent resident status in the United States or have an application pending to adjust your status to that of a lawful permanent resident of the United States? . . . . . ☐ **Yes** ☒ **No**
If "Yes," explain ▶

Draft as of 6/18/2003

Blank Tax Forms

The following forms were the most current revisions available at the time this publication went to print. They are provided here for your reference. Always obtain the most current version of the form before assisting taxpayers.

Form W-2	Page D-2
Form W-2G	Page D-2
Form W-4	Page D-3 and D-4
Form W-7	Page D-5 through D-7
Form W-8BEN	Page D-8
Form 843	Page D-9
Form 1040NR-EZ	Page D-10 and D-11
Form 1040NR	Page D-12 through D-16
Form 1042S	Page D-17
Form 1099G	Page D-18
Form 1099INT	Page D-19
Form 8233	Page D-20 and D-21
Form 8840	Page D-22 through D-24
Form 8843	Page D-25 through D-28

a Control number		OMB No. 1545-0008	Safe, accurate, FAST! Use IRS e-file. Visit the IRS Web Site at www.irs.gov.
b Employer identification number		1 Wages, tips, other compensation	2 Federal income tax withheld
c Employer's name, address, and ZIP code		3 Social security wages	4 Social security tax withheld
		5 Medicare wages and tips	6 Medicare tax withheld
		7 Social security tips	8 Allocated tips
d Employee's social security number		9 Advance EIC payment	10 Dependent care benefits
e Employee's first name and initial	Last name	11 Nonqualified plans	12a See instructions for box 12 Code
		13 Statutory employee ☐ Retirement plan ☐ Third-party sick pay ☐	12b Code
		14 Other	12c Code
			12d Code
f Employee's address and ZIP code			

15 State	Employer's state ID number	16 State wages, tips, etc.	17 State income tax	18 Local wages, tips, etc.	19 Local income tax	20 Locality name

Form **W-2** **Wage and Tax Statement** **2003** Department of the Treasury—Internal Revenue Service

Copy B To Be Filed with Employee's FEDERAL Tax Return.
This information is being furnished to the Internal Revenue Service.

3232 ☐ CORRECTED

PAYER'S name	1 Gross winnings	2 Federal income tax withheld
Street address	3 Type of wager	4 Date won
City, state, and ZIP code	5 Transaction	6 Race
Federal identification number / Telephone number	7 Winnings from identical wagers	8 Cashier
WINNER'S name	9 Winner's taxpayer identification no.	10 Window
Street address (including apt. no.)	11 First I.D.	12 Second I.D.
City, state, and ZIP code	13 State/Payer's state identification no.	14 State income tax withheld

OMB No. 1545-0238

2003

Form W-2G

Certain Gambling Winnings

For Privacy Act and Paperwork Reduction Act Notice, see the **2003 General Instructions for Forms 1099, 1098, 5498, and W-2G.**

File with Form 1096.

Under penalties of perjury, I declare that, to the best of my knowledge and belief, the name, address, and taxpayer identification number that I have furnished correctly identify me as the recipient of this payment and any payments from identical wagers, and that no other person is entitled to any part of these payments.

Signature ► **Date ►**

Copy A
For Internal Revenue Service Center

Form **W-2G** Cat. No. 10138V Department of the Treasury - Internal Revenue Service

Form W-4 (2004)

Purpose. Complete Form W-4 so that your employer can withhold the correct Federal income tax from your pay. Because your tax situation may change, you may want to refigure your withholding each year.

Exemption from withholding. If you are exempt, complete only lines 1, 2, 3, 4, and 7 and sign the form to validate it. Your exemption for 2004 expires February 16, 2005. See **Pub. 505,** Tax Withholding and Estimated Tax.

Note: *You cannot claim exemption from withholding if:* ***(a)*** *your income exceeds $xxx and includes more than $xxx of unearned income (e.g., interest and dividends) and* ***(b)*** *another person can claim you as a dependent on their tax return.*

Basic instructions. If you are not exempt, complete the **Personal Allowances Worksheet** below. The worksheets on page 2 adjust your withholding allowances based on itemized deductions, certain credits, adjustments to income, or two-earner/two-job situations. Complete all worksheets that apply. **However, you may claim fewer (or zero) allowances.**

Head of household. Generally, you may claim head of household filing status on your tax return only if you are unmarried and pay more than 50% of the costs of keeping up a home for yourself and your dependent(s) or other qualifying individuals. See line **E** below.

Tax credits. You can take projected tax credits into account in figuring your allowable number of withholding allowances. Credits for child or dependent care expenses and the child tax credit may be claimed using the **Personal Allowances Worksheet** below. See **Pub. 919,** How Do I Adjust My Tax Withholding? for information on converting your other credits into withholding allowances.

Nonwage income. If you have a large amount of nonwage income, such as interest or dividends, consider making estimated tax payments using **Form 1040-ES,** Estimated Tax for Individuals. Otherwise, you may owe additional tax.

Two earners/two jobs. If you have a working spouse or more than one job, figure the total number of allowances you are entitled to claim on all jobs using worksheets from only one Form W-4. Your withholding usually will be most accurate when all allowances are claimed on the Form W-4 for the highest paying job and zero allowances are claimed on the others.

Nonresident alien. If you are a nonresident alien, see the **Instructions for Form 8233** before completing this Form W-4.

Check your withholding. After your Form W-4 takes effect, use Pub. 919 to see how the dollar amount you are having withheld compares to your projected total tax for 2004. See Pub. 919, especially if your earnings exceed $xxx,xxx (Single) or $xxx,xxx (Married).

Recent name change? If your name on line 1 differs from that shown on your social security card, call 1-800-772-1213 for a new social security card.

Draft as of 8/06/2004

Personal Allowances Worksheet (Keep for your records.)

A Enter "1" for **yourself** if no one else can claim you as a dependent . . . . . **A** _____

B Enter "1" if:
- You are single and have only one job; or
- You are married, have only one job, and your spouse does not work; or
- Your wages from a second job or your spouse's wages (or the total of both) are $1,000 or less.

. . **B** _____

C Enter "1" for your **spouse.** But, you may choose to enter "-0-" if you are married and have either a working spouse or more than one job. (Entering "-0-" may help you avoid having too little tax withheld.) . . . . . **C** _____

D Enter number of **dependents** (other than your spouse or yourself) you will claim on your tax return . . . . . **D** _____

E Enter "1" if you will file as **head of household** on your tax return (see conditions under **Head of household** above) . **E** _____

F Enter "1" if you have at least $x,xxx of **child or dependent care expenses** for which you plan to claim a credit . . . **F** _____

(**Note:** *Do* ***not*** *include child support payments. See* ***Pub. 503,*** *Child and Dependent Care Expenses, for details.*)

G **Child Tax Credit** (including additional child tax credit):
- If your total income will be between $xx,xxx and $xx,xxx ($xx,xxx and $xx,xxx if married), enter "1" for each eligible child plus **1 additional** if you have three to five eligible children or **2 additional** if you have six or more eligible children.
- If your total income will be between $xx,xxx and $xx,xxx ($xx,xxx and $xxx,xxx if married), enter "1" if you have one or two eligible children, "2" if you have three eligible children, "3" if you have four eligible children, or "4" if you have five or more eligible children. **G** _____

H Add lines A through G and enter total here. **Note:** *This may be different from the number of exemptions you claim on your tax return.* ▶ **H** _____

For accuracy, complete all worksheets that apply.
- If you plan to **itemize or claim adjustments to income** and want to reduce your withholding, see the **Deductions and Adjustments Worksheet** on page 2.
- If you have **more than one job** or are **married and you and your spouse both work** and the combined earnings from all jobs exceed $xx,xxx, see the **Two-Earner/Two-Job Worksheet** on page 2 to avoid having too little tax withheld.
- If **neither** of the above situations applies, **stop here** and enter the number from line H on line 5 of Form W-4 below.

Cut here and give Form W-4 to your employer. Keep the top part for your records.

Form **W-4**

Department of the Treasury
Internal Revenue Service

Employee's Withholding Allowance Certificate

▶ **Your employer must send a copy of this form to the IRS if (a) you claim more than 10 allowances or (b) you claim "Exempt" and your wages are normally more than $200 per week.**

OMB No. 1545-0010

2004

1 Type or print your first name and middle initial	Last name	**2** Your social security number
Home address (number and street or rural route)	**3** ☐ Single ☐ Married ☐ Married, but withhold at higher Single rate. **Note:** *If married, but legally separated, or spouse is a nonresident alien, check the "Single" box.*	
City or town, state, and ZIP code	**4** **If your last name differs from that shown on your social security card, check here. You must call 1-800-772-1213 for a new card.** ▶ ☐	

5 Total number of allowances you are claiming (from line **H** above **or** from the applicable worksheet on page 2) **5** _____

6 Additional amount, if any, you want withheld from each paycheck . . . . . **6** $

7 I claim exemption from withholding for 2004, and I certify that I meet **both** of the following conditions for exemption:
- Last year I had a right to a refund of **all** Federal income tax withheld because I had **no** tax liability **and**
- This year I expect a refund of **all** Federal income tax withheld because I expect to have **no** tax liability.

If you meet both conditions, write "Exempt" here . . . . . ▶ **7**

Under penalties of perjury, I certify that I am entitled to the number of withholding allowances claimed on this certificate, or I am entitled to claim exempt status.

Employee's signature
(Form is not valid unless you sign it.) ▶ **Date** ▶

8 Employer's name and address (Employer: Complete lines 8 and 10 only if sending to the IRS.)	**9** Office code (optional)	**10** Employer identification number

For Privacy Act and Paperwork Reduction Act Notice, see page 2. Cat. No. 10220Q Form **W-4** (2004)

Deductions and Adjustments Worksheet

Note: *Use this worksheet **only** if you plan to itemize deductions, claim certain credits, or claim adjustments to income on your 2004 tax return.*

1 Enter an estimate of your 2004 itemized deductions. These include qualifying home mortgage interest, charitable contributions, state and local taxes, medical expenses in excess of 7.5% of your income, and miscellaneous deductions. (For 2004, you may have to reduce your itemized deductions if your income is over $xxx,xxx ($xx,xxx if married filing separately). See **Worksheet 3** in Pub. 919 for details.) . . . 1 $

2 Enter: { $x,xxx if married filing jointly or qualifying widow(er) / $x,xxx if head of household / $x,xxx if single / $x,xxx if married filing separately } . . . 2 $

3 **Subtract** line 2 from line 1. If line 2 is greater than line 1, enter "-0-" . . . 3 $

4 Enter an estimate of your 2004 adjustments to income, including alimony, deductible IRA contributions, and student loan interest 4 $

5 **Add** lines 3 and 4 and enter the total. (Include any amount for credits from **Worksheet 7** in Pub. 919) . 5 $

6 Enter an estimate of your 2004 nonwage income (such as dividends or interest) . . . 6 $

7 **Subtract** line 6 from line 5. Enter the result, but not less than "-0-" . . . 7 $

8 **Divide** the amount on line 7 by $x,xxx and enter the result here. Drop any fraction . . . 8

9 Enter the number from the **Personal Allowances Worksheet,** line H, page 1 . . . 9

10 **Add** lines 8 and 9 and enter the total here. If you plan to use the **Two-Earner/Two-Job Worksheet,** also enter this total on line 1 below. Otherwise, **stop here** and enter this total on Form W-4, line 5, page 1 . 10

Two-Earner/Two-Job Worksheet (See **Two earners/two jobs** on page 1.)

Note: *Use this worksheet **only** if the instructions under line H on page 1 direct you here.*

1 Enter the number from line H, page 1 (or from line 10 above if you used the **Deductions and Adjustments Worksheet**) 1

2 Find the number in **Table 1** below that applies to the **lowest** paying job and enter it here . . . 2

3 If line 1 is **more than or equal to** line 2, subtract line 2 from line 1. Enter the result here (if zero, enter "-0-") and on Form W-4, line 5, page 1. **Do not** use the rest of this worksheet . . . 3

Note: *If line 1 is **less than** line 2, enter "-0-" on Form W-4, line 5, page 1. Complete lines 4–9 below to calculate the additional withholding amount necessary to avoid a year-end tax bill.*

4 Enter the number from line 2 of this worksheet . . . 4

5 Enter the number from line 1 of this worksheet . . . 5

6 **Subtract** line 5 from line 4 . . . 6

7 Find the amount in **Table 2** below that applies to the **highest** paying job and enter it here . . . 7 $

8 **Multiply** line 7 by line 6 and enter the result here. This is the additional annual withholding needed . . 8 $

9 Divide line 8 by the number of pay periods remaining in 2004. For example, divide by 26 if you are paid every two weeks and you complete this form in December 2003. Enter the result here and on Form W-4, line 6, page 1. This is the additional amount to be withheld from each paycheck . . . 9 $

Table 1: Two-Earner/Two-Job Worksheet

Married Filing Jointly				All Others			
If wages from **LOWEST** paying job are—	Enter on line 2 above	If wages from **LOWEST** paying job are—	Enter on line 2 above	If wages from **LOWEST** paying job are—	Enter on line 2 above	If wages from **LOWEST** paying job are—	Enter on line 2 above
$0 - $x,xxx	0	xx,xxx - xx,xxx	x	$0 - $x,xxx	0	xx,xxx - xxx,xxx	x
x,xxx - x,xxx	x	xx,xxx - xx,xxx	x	x,xxx - xx,xxx	x	xxx,xxx - xxx,xxx	x
x,xxx - xx,xxx	x	xx,xxx - xx,xxx	xx	xx,xxx - xx,xxx	x	xxx,xxx and over	xx
xx,xxx - xx,xxx	x	xx,xxx - xx,xxx	xx	xx,xxx - xx,xxx	x		
xx,xxx - xx,xxx	x	xx,xxx - xxx,xxx	xx	xx,xxx - xx,xxx	x		
xx,xxx - xx,xxx	x	xxx,xxx - xxx,xxx	xx	xx,xxx - xx,xxx	x		
xx,xxx - xx,xxx	x	xxx,xxx - xxx,xxx	xx	xx,xxx - xx,xxx	x		
xx,xxx - xx,xxx	x	xxx,xxx and over	xx	xx,xxx - xx,xxx	x		

Table 2: Two-Earner/Two-Job Worksheet

Married Filing Jointly		All Others	
If wages from **HIGHEST** paying job are—	Enter on line 7 above	If wages from **HIGHEST** paying job are—	Enter on line 7 above
$0 - $xx,xxx	$xxx	$0 - $xx,xxx	$xxx
xx,xxx - xxx,xxx	xxx	xx,xxx - xx,xxx	xxx
xxx,xxx - xxx,xxx	xxx	xx,xxx - xxx,xxx	xxx
xxx,xxx - xxx,xxx	x,xxx	xxx,xxx - xxx,xxx	x,xxx
xxx,xxx and over	x,xxx	xxx,xxx and over	x,xxx

Privacy Act and Paperwork Reduction Act Notice. We ask for the information on this form to carry out the Internal Revenue laws of the United States. The Internal Revenue Code requires this information under sections 3402(f)(2)(A) and 6109 and their regulations. **Failure to provide a properly completed form will result in your being treated as a single person who claims no withholding allowances; providing fraudulent information may also subject you to penalties.** Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation, to cities, states, and the District of Columbia for use in administering their tax laws, and using it in the National Directory of New Hires. We may also disclose this information to Federal and state agencies to enforce Federal nontax criminal laws and to combat terrorism.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by Code section 6103.

The time needed to complete this form will vary depending on individual circumstances. The estimated average time is: **Recordkeeping,** 46 min.; **Learning about the law or the form,** 13 min.; **Preparing the form,** 59 min. If you have comments concerning the accuracy of these time estimates or suggestions for making this form simpler, we would be happy to hear from you. You can write to the Tax Products Coordinating Committee, Western Area Distribution Center, Rancho Cordova, CA 95743-0001. **Do not** send Form W-4 to this address. Instead, give it to your employer.

Draft as of 6/06/2003

Form **W-7**
(Rev. October 1999)
Department of the Treasury
Internal Revenue Service

Application for IRS Individual Taxpayer Identification Number

▶ See instructions. ▶ Please type or print.
▶ For use by individuals who are NOT U.S. citizens, nationals, or permanent residents.

OMB No. 1545-1483

FOR IRS USE ONLY

Before you begin:

- *This number is for tax purposes only.* ***Do not submit*** *this form if you have, or are eligible to obtain, a U.S. social security number (SSN).*
- *Receipt of an IRS individual taxpayer identification number (ITIN) creates no inference regarding your immigration status or your right to work in the United States.*
- *Receipt of an ITIN does not make you eligible to claim the earned income credit (EIC).*

Reason you are submitting Form W-7. (Check only one box. See instructions.)

a ☐ Nonresident alien required to obtain ITIN to claim tax treaty benefit
b ☐ Nonresident alien filing a U.S. tax return and not eligible for an SSN
c ☐ U.S. resident alien (based on days present in the United States) filing a U.S. tax return and not eligible for an SSN
d ☐ Dependent of U.S. person
e ☐ Spouse of U.S. person
} Enter name and SSN of U.S. person (see instructions) ▶
f ☐ Other (specify)

1 Name (see instructions) Name at birth if different . . ▶

1a Last name (surname or family name)	First name	Middle name
1b Last name (surname or family name)	First name	Middle name

2 Permanent residence address, if any (see instructions)

Street address, apartment number, or rural route number. **Do not use a P.O. box number.**

City or town, state or province, and country. Include ZIP code or postal code where appropriate.

3 Mailing address (if different from above)

Street address, apartment number, P.O. box number, or rural route number.

City or town, state or province, and country. Include ZIP code or postal code where appropriate.

4 Birth information

Date of birth (month, day, year)	Country of birth	City and state or province (optional)
/ /		

5 ☐ Male ☐ Female

6 Family information

Father's last name (surname)	First name	Middle name
Mother's maiden name (surname)	First name	Middle name

7 Other information

7a Country(ies) of citizenship	7b Foreign tax identification number	7c Type of U.S. visa (if any) and expiration date

7d Identification document(s) submitted (see instructions).
☐ Passport Issued by: ☐ Driver's license/State I.D. ☐ INS documentation Number: ☐ Other

7e Have you previously received a U.S. temporary Taxpayer Identification Number (TIN) or Employer Identification Number (EIN)?
☐ **No/Do not know.** Skip line 7f.
☐ **Yes.** Complete line 7f. If you need more space, list on a sheet and attach to this form. (See instructions.)

7f **TIN** ☐☐☐-☐☐-☐☐☐☐ **EIN** ☐☐-☐☐☐☐☐☐☐

Enter the name under which the TIN was issued.	Enter the name under which the EIN was issued.

Sign Here

Keep a copy of this form for your records.

Under penalties of perjury, I (applicant/delegate/acceptance agent) declare that I have examined this application, including accompanying documentation and statements, and to the best of my knowledge and belief, it is true, correct, and complete. I authorize the IRS to disclose to my acceptance agent returns or return information necessary to resolve matters regarding the assignment of my IRS individual taxpayer identification number (ITIN).

▶ Signature of applicant (if delegate, see instructions)	Date (month, day, year) / /	Phone number
▶ Name of delegate, if applicable (type or print)	Delegate's relationship to applicant ▶ ☐ Parent ☐ Guardian ☐ Power of Attorney	

Acceptance Agent's Use ONLY

▶ Signature	Date (month, day, year) / /	Phone ( ) Fax ( )
▶ Name and title (type or print)	Name of company	EIN

For Paperwork Reduction Act Notice, see page 4. Cat. No. 10229L Form **W-7** (Rev. 10-99)

General Instructions

Note: *If you have been lawfully admitted for permanent residence or U.S. employment, you are eligible for a social security number.* ***Do not*** *complete this form.*

Purpose of Form

Use Form W-7 to apply for an IRS individual taxpayer identification number (ITIN). An ITIN is a nine-digit number issued by the U.S. Internal Revenue Service (IRS) to individuals who are required to have a U.S. taxpayer identification number but who do not have, and are not eligible to obtain, a social security number (SSN).

The ITIN is for tax purposes only. It does not entitle you to social security benefits, and creates no inference regarding your immigration status or your right to work in the United States. Any individual who is eligible to be legally employed in the United States must have an SSN.

Note: *Individuals filing tax returns using an ITIN are not eligible for the earned income credit (EIC).*

Who Must Apply

Any individual who is **not eligible to obtain an SSN** but who must furnish a taxpayer identification number to the IRS must apply for an ITIN on Form W-7. For example:

- A nonresident alien individual not eligible for an SSN who is required to file a U.S. tax return OR who is filing a U.S. tax return only to claim a refund.
- A nonresident alien individual not eligible for an SSN who elects to file a joint U.S. tax return with a spouse who is a U.S. citizen or resident.
- A U.S. resident alien (based on substantial presence) who files a U.S. tax return but who is not eligible for an SSN.
- An alien spouse claimed as an exemption on a U.S. tax return who is not eligible to obtain an SSN.
- An alien individual eligible to be claimed as a dependent on a U.S. tax return but who is unable or not eligible to obtain an SSN. To determine if an alien individual is eligible to be claimed as a dependent on a U.S. tax return, see **Pub. 501,** Exemptions, Standard Deduction, and Filing Information, and **Pub. 519,** U.S. Tax Guide for Aliens.

DO NOT complete Form W-7 if you have an SSN **or** you are eligible to obtain an SSN. Thus, do not complete this form if you are a U.S. citizen or national, or if you have been lawfully admitted for permanent residence or U.S. employment.

To obtain an SSN, get **Form SS-5,** Application for a Social Security Card. To get Form SS-5 or to find out if you are eligible to obtain an SSN, contact a Social Security Administration office.

If you have an application for an SSN pending, **do not** file Form W-7. Complete Form W-7 only if the Social Security Administration notifies you that an SSN cannot be issued.

Additional Information

Publications. For details on resident and nonresident alien status and the tests for residence (including the substantial presence test), get Pub. 519.

For details on individuals who can be claimed as dependents and on obtaining an SSN for a dependent, get Pub. 501.

For details on eligibility for the earned income credit, get **Pub. 596,** Earned Income Credit.

These publications are available free from the IRS. To order the publications, call 1-800-TAX-FORM (1-800-829-3676) if you are in the United States. If you have a foreign address, you can write to:

Eastern Area Distribution Center
P.O. Box 85074
Richmond, VA 23261-5074

You can also get these publications using a computer and modem. On the Internet, you can do this in two ways:

World Wide Web: Connect to www.irs.gov.

File transfer protocol: Connect to ftp.irs.gov.

Telephone help. If, after reading these instructions and our free publications, you are not sure how to complete your application or have additional questions, you may call for assistance:

- Inside the United States: 1-800-829-1040. This service is available 24 hours a day, 7 days a week from January 3, 2000, through April 17, 2000. Beginning April 18, 2000, this service is available Monday through Saturday from 7:00 a.m. until 11:00 p.m. local time. Holiday hours may vary.
- Outside the United States: 1-215-516-ITIN (215-516-4846). This is not a toll-free number. You may also contact any of our overseas offices in Berlin, London, Mexico City, Paris, Rome, Singapore, or Tokyo.

How To Apply

You can apply either by mail or in person. See **Where To Apply** on this page. Keep a copy for your records. Be sure to mail or bring with you:

- Your completed Form W-7; and
- The original documents, or certified or notarized copies of documents, that substantiate the information provided on the Form W-7.

The document(s) you present must be current and must verify: **(a)** your identity, that is, contain your name and a photograph, and **(b)** support your claim of foreign status. You may have to provide a combination of documents for this purpose. Examples of acceptable documents include, but are not limited to:

- A passport.
- A driver's license.
- Documents issued by the U.S. Immigration and Naturalization Service (INS).
- An identity card issued by a state or national government authority.
- A foreign military or military dependent identification card.
- A foreign voter registration certificate.
- Birth, marriage, or baptismal certificates.
- School records.

You can submit copies of original documents. However, such documents must be:

- Certified by the issuing agency or official custodian of the original record; or
- Notarized by a U.S. notary public legally authorized within his or her local jurisdiction to certify that the document is a true copy of the original. To do this, the notary must see the valid, unaltered original document and verify that the copy conforms to the original. U.S. notaries public are available at U.S. embassies and consulates worldwide. Non-U.S. notarizations will **not** be accepted.

When To Apply

Complete Form W-7 as soon as you meet one of the requirements listed under **Who Must Apply** on this page. Applying early will give the IRS time to issue you an ITIN before its required use.

If you have not heard from the IRS regarding your ITIN within 30 days, you may call 1-800-829-1040 (in the United States) or 1-215-516-4846 (outside the United States) to find out about the status of your application. Be sure to have a copy of your application available when you call. Please allow 30 days from the date you submitted Form W-7 before calling the IRS about the status of your application.

Allow 4 to 6 weeks for the IRS to notify you in writing of your ITIN.

Where To Apply

Applying in person. You can apply for an ITIN at any IRS walk-in office in the United States and at most IRS offices abroad (contact the IRS office abroad to find out if that office accepts Form W-7 applications). You can also get application forms at certain U.S. consular offices.

You can also apply through an acceptance agent authorized by the IRS.

Applying by mail. Complete Form W-7, sign and date it, and mail the form along with the original or certified or notarized copies of your documentation to:

Internal Revenue Service
Philadelphia Service Center
ITIN Unit
P.O. Box 447
Bensalem, PA 19020

Original documents you submit will be returned to you. You do not need to provide a return envelope. **Copies** of documents will not be returned.

Specific Instructions

The following instructions are for those items that are not self-explanatory. Enter N/A (not applicable) on all lines that do not apply. If you are completing this form for someone else, answer the questions as they apply to that person.

Reason for applying. You must check a box to indicate the reason you are completing this Form W-7. **Check only one box.**

a. Nonresident alien required to obtain ITIN to claim tax treaty benefit. Certain nonresident aliens must obtain an ITIN to claim a tax treaty benefit even if they do not have to file a U.S. tax return.

b. Nonresident alien filing a U.S. tax return and not eligible for an SSN. This category includes:

- A nonresident alien who must file a U.S. tax return to report income effectively or not effectively connected with the conduct of a trade or business in the United States.
- A nonresident alien who is filing a U.S. tax return only to obtain a refund.
- A nonresident alien electing to file a U.S. tax return jointly with a spouse who is a U.S. citizen or resident.

c. U.S. resident alien (based on days present in the United States) filing a U.S. tax return and not eligible for an SSN. A foreign individual living in the United States who does not have permission to work from the INS, and is thus ineligible for an SSN, may still have a U.S. tax return filing obligation. Such individuals must check this box.

d. Dependent of U.S. person. This is an individual who may be claimed as a dependent on a U.S. tax return and who is unable, or not eligible, to obtain an SSN.

Note: *A U.S. person is a citizen, national, or resident alien of the United States.*

e. Spouse of U.S. person. This is a nonresident alien husband or wife who is not filing a U.S. tax return (including a joint return) but who may be claimed as a spouse for an exemption, and who is not eligible to obtain an SSN.

f. Other. Use this box **only** if your situation does not fall into any of the above categories. If you check this box, you must describe in detail your reason for requesting an ITIN.

SSN of U.S. person. If you are applying for an ITIN under category **d** or **e** above, you **must** provide the **full name and SSN** of the U.S. person. Enter the information in the space provided. If the U.S. person chooses to provide this information in a separate letter, be sure to enter "Information will be provided in separate letter" in this space. If this space is left blank, your application will be rejected.

The letter provided by the U.S. person must identify the Form W-7 to which the information relates and must include:

- The U.S. person's full name and SSN; **and**
- The name, address, date of birth and country of birth of the dependent or spouse as shown on the Form W-7.

Mail the letter to the address shown under **Where To Apply** on page 3.

Note: *If the U.S. person chooses this method, the Form W-7 will not be processed until the information is received.*

Lines 1a and 1b. Enter your legal name on line 1a. This entry should reflect your name as it will appear on your U.S. tax return. If your legal name was different at birth, enter on line 1b your name at birth as it appears on your birth certificate.

Line 2. Enter your complete address in the country where you permanently or normally reside. If you are claiming a benefit under an income tax treaty with the United States, the address entered must normally be an address in the treaty country. Include the postal code where appropriate.

Do not use a Post Office box or an "in care of" (c/o) address instead of a street address. It will not be accepted.

Line 3. Enter your mailing address if it is different from the address on line 2. This is the address the IRS will use to mail you written notification of your ITIN.

Line 4. You **must** identify the country in which you were born.

Line 7b. If your country of residence for tax purposes has issued you a tax identification number, enter that number on line 7b. For example, if you are a resident of Canada, you would enter your Canadian Social Insurance Number.

Line 7c. Enter only U.S. nonimmigrant visa information, for example, "B-1/B-2." Also enter the expiration date of the visa.

Line 7d. If you have a passport, use it to provide verification of your identity and foreign status. Check the "Passport" box.

If you do not have a passport, use a driver's license or official identification card issued by a U.S. or foreign governmental jurisdiction and check the appropriate box.

If you are using documents issued by the INS, check the "INS documentation" box.

If you have none of the above, check the box for "Other" and **specifically identify** the type(s) of document you are using (for example, enter "military ID" for a military or military/dependent identification card). You may have to provide more than one current document to verify your identity and foreign status. At least one document you present should contain a recent photograph.

You must provide the name of the state, country, or other issuer, and the identification number (if any) appearing on the document(s) you provide. You may be required to provide a translation of documents in a foreign language.

Line 7e. If you ever received a "temporary Taxpayer Identification Number" (TIN) or an Employer Identification Number (EIN), check the "Yes" box and enter the number on line 7f. If you never had a temporary TIN or an EIN, or you do not know your temporary TIN, check the "No/Do not know" box.

A "temporary TIN" was a nine-digit number issued by the IRS to individuals before 1996. You would have been issued this number if you filed a U.S. tax return and did not have a social security number. This temporary TIN will appear on any correspondence the IRS sent you concerning that return. You may have been issued more than one temporary TIN. If so, attach a separate sheet listing all the temporary TINs you received.

An EIN is a nine-digit number assigned by the IRS to businesses, such as sole proprietorships.

Line 7f. Enter in the space provided the temporary TIN and/or EIN and the name under which the number was issued.

Signature. Generally, Form W-7 **must be signed by the applicant.** However, if the applicant is a minor 14 years of age or younger, a delegate (parent or guardian) should sign for him or her. Type or print the delegate's name in the space provided and check the appropriate box to indicate the relationship to the applicant.

If the applicant is over 14 years of age, the applicant may appoint an authorized agent to sign. The authorized agent must print his or her name in the space provided for the name of the delegate and must attach **Form 2848,** Power of Attorney and Declaration of Representative.

Paperwork Reduction Act Notice. We ask for the information on this form to carry out the Internal Revenue laws of the United States. You are required to give us the information. We need it to ensure that you are complying with these laws and to allow us to figure and collect the right amount of tax.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by Internal Revenue Code section 6103.

The time needed to complete and file this form will vary depending on individual circumstances. The estimated average time is: **Learning about the law or the form,** 13 min.; **Preparing the form,** 29 min.; **Copying, assembling, and sending the form to the IRS,** 20 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making this form simpler, we would be happy to hear from you. You can write to the Tax Forms Committee, Western Area Distribution Center, Rancho Cordova, CA 95743-0001. **DO NOT** send the form to this address. Instead, see **Where To Apply** on page 3.

Form **W-8BEN**
(Rev. December 2000)
Department of the Treasury
Internal Revenue Service

Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding

▶ Section references are to the Internal Revenue Code. ▶ See separate instructions.
▶ Give this form to the withholding agent or payer. Do not send to the IRS.

OMB No. 1545-1621

Do not use this form for:	Instead, use Form:
• A U.S. citizen or other U.S. person, including a resident alien individual	W-9
• A person claiming an exemption from U.S. withholding on income effectively connected with the conduct of a trade or business in the United States	W-8ECI
• A foreign partnership, a foreign simple trust, or a foreign grantor trust (see instructions for exceptions)	W-8ECI or W-8IMY
• A foreign government, international organization, foreign central bank of issue, foreign tax-exempt organization, foreign private foundation, or government of a U.S. possession that received effectively connected income or that is claiming the applicability of section(s) 115(2), 501(c), 892, 895, or 1443(b) (see instructions)	W-8ECI or W-8EXP

Note: *These entities should use Form W-8BEN if they are claiming treaty benefits or are providing the form only to claim they are a foreign person exempt from backup withholding.*

• A person acting as an intermediary	W-8IMY

Note: *See instructions for additional exceptions.*

Part I Identification of Beneficial Owner (See instructions.)

1 Name of individual or organization that is the beneficial owner

2 Country of incorporation or organization

3 Type of beneficial owner: ☐ Individual ☐ Corporation ☐ Disregarded entity ☐ Partnership ☐ Simple trust ☐ Grantor trust ☐ Complex trust ☐ Estate ☐ Government ☐ International organization ☐ Central bank of issue ☐ Tax-exempt organization ☐ Private foundation

4 Permanent residence address (street, apt. or suite no., or rural route). **Do not use a P.O. box or in-care-of address.**

City or town, state or province. Include postal code where appropriate.

Country (do not abbreviate)

5 Mailing address (if different from above)

City or town, state or province. Include postal code where appropriate.

Country (do not abbreviate)

6 U.S. taxpayer identification number, if required (see instructions) ☐ SSN or ITIN ☐ EIN

7 Foreign tax identifying number, if any (optional)

8 Reference number(s) (see instructions)

Part II Claim of Tax Treaty Benefits (if applicable)

9 I certify that (check all that apply):

a ☐ The beneficial owner is a resident of _____ within the meaning of the income tax treaty between the United States and that country.

b ☐ If required, the U.S. taxpayer identification number is stated on line 6 (see instructions).

c ☐ The beneficial owner is not an individual, derives the item (or items) of income for which the treaty benefits are claimed, and, if applicable, meets the requirements of the treaty provision dealing with limitation on benefits (see instructions).

d ☐ The beneficial owner is not an individual, is claiming treaty benefits for dividends received from a foreign corporation or interest from a U.S. trade or business of a foreign corporation, and meets qualified resident status (see instructions).

e ☐ The beneficial owner is related to the person obligated to pay the income within the meaning of section 267(b) or 707(b), and will file Form 8833 if the amount subject to withholding received during a calendar year exceeds, in the aggregate, $500,000.

10 Special rates and conditions (if applicable—see instructions): The beneficial owner is claiming the provisions of Article _____ of the treaty identified on line 9a above to claim a _____ % rate of withholding on (specify type of income): _____ .
Explain the reasons the beneficial owner meets the terms of the treaty article: _____

Part III Notional Principal Contracts

11 ☐ I have provided or will provide a statement that identifies those notional principal contracts from which the income is **not** effectively connected with the conduct of a trade or business in the United States. I agree to update this statement as required.

Part IV Certification

Under penalties of perjury, I declare that I have examined the information on this form and to the best of my knowledge and belief it is true, correct, and complete. I further certify under penalties of perjury that:

- I am the beneficial owner (or am authorized to sign for the beneficial owner) of all the income to which this form relates,
- The beneficial owner is not a U.S. person,
- The income to which this form relates is not effectively connected with the conduct of a trade or business in the United States or is effectively connected but is not subject to tax under an income tax treaty, **and**
- For broker transactions or barter exchanges, the beneficial owner is an exempt foreign person as defined in the instructions.

Furthermore, I authorize this form to be provided to any withholding agent that has control, receipt, or custody of the income of which I am the beneficial owner or any withholding agent that can disburse or make payments of the income of which I am the beneficial owner.

Sign Here ▶ _____ Signature of beneficial owner (or individual authorized to sign for beneficial owner) | _____ Date (MM-DD-YYYY) | _____ Capacity in which acting

For Paperwork Reduction Act Notice, see separate instructions. Cat. No. 25047Z Form **W-8BEN** (Rev. 12-2000)

Form **843**
(Rev. January 1997)
Department of the Treasury
Internal Revenue Service

Claim for Refund and Request for Abatement

▶ **See separate instructions.**

OMB No. 1545-0024

Use Form 843 only if your claim involves ***(a)*** *one of the taxes shown on line 3a or* ***(b)*** *a refund or abatement of interest, penalties, or additions to tax on line 4a.*

Do not *use Form 843 if your claim is for—*

- *An overpayment of income taxes;*
- *A refund of fuel taxes;*
- *An overpayment of excise taxes reported on Form 720, 730, or 2290 (see* ***General Instructions****).*

Please type or print

Name of claimant	Your social security number ⋮ ⋮
Address (number, street, and room or suite no.)	Spouse's social security number ⋮ ⋮
City or town, state, and ZIP code	Employer identification number ⋮
Name and address shown on return if different from above	Daytime telephone number ( )
1 Period—prepare a separate Form 843 for each tax period From , 19 , to , 19	**2** Amount to be refunded or abated $

3a Type of tax, penalty, or addition to tax:
☐ Employment ☐ Estate ☐ Gift ☐ Excise (unless reported on Form 720, 730, or 2290—see instructions.)
☐ Penalty—IRC section ▶ _____

b Type of return filed (see instructions):
☐ 706 ☐ 709 ☐ 940 ☐ 941 ☐ 943 ☐ 945 ☐ 990-PF ☐ 4720 ☐ Other (specify)

4a Request for abatement or refund of:
☐ Interest caused by IRS errors or delays (if applicable—see instructions).
☐ A penalty or addition to tax as a result of erroneous advice from the IRS.

b Dates of payment ▶

5 **Explanation and additional claims.** Explain why you believe this claim should be allowed, and show computation of tax refund or abatement of interest, penalty, or addition to tax.

Signature. If you are filing Form 843 to request a refund or abatement relating to a joint return, both you and your spouse must sign the claim. Claims filed by corporations must be signed by a corporate officer authorized to sign, and the signature must be accompanied by the officer's title.

Under penalties of perjury, I declare that I have examined this claim, including accompanying schedules and statements, and, to the best of my knowledge and belief, it is true, correct, and complete.

Signature (Title, if applicable. Claims by corporations must be signed by an officer.) — Date

Signature — Date

For Paperwork Reduction Act Notice, see separate instructions. Cat. No. 10180R Form **843** (Rev. 1-97)

Form **1040NR-EZ**

Department of the Treasury
Internal Revenue Service

U.S. Income Tax Return for Certain Nonresident Aliens With No Dependents

OMB No. 1545-1468

2003

Please print or type.

Your first name and initial	Last name	**Identifying number (see page 3)**

Present home address (number, street, and apt. no., or rural route). If a P.O. box, see page 4.

City, town or post office, state, and ZIP code. If a foreign address, see page 4.

Country ▶

Of what country were you a **citizen** or national during 2003? ▶

Give address **outside the United States** to which you want any refund check mailed. If same as above, write "Same."

Give address in the country where you are a **permanent resident.** If same as above, write "Same."

Filing status (see page 4). Check only one box.

1 ☐ Single nonresident alien
2 ☐ Married nonresident alien

Attach Form(s) W-2 here. Enclose, but do not attach, any payment.

3	Wages, salaries, tips, etc. Attach Form(s) W-2 (see page 4)		3
4	Taxable refunds, credits, or offsets of state and local income taxes (see page 4)		4
5	Scholarship and fellowship grants. Attach explanation (see page 4)		5
6	Total wages and scholarships exempt by a treaty from page 2, Item J	6	
7	Add lines 3, 4, and 5		7
8	Student loan interest deduction (see page 5)	8	
9	Scholarship and fellowship grants excluded (see page 6)	9	
10	**Adjusted gross income.** Subtract the sum of line 8 and line 9 from line 7		10
11	**Itemized deductions.** Enter state and local income taxes paid. Residents of India, see page 6		11
12	Subtract line 11 from line 10		12
13	Exemption deduction (see page 6)		13
14	**Taxable income.** Subtract line 13 from line 12		14
15	**Tax.** Find your tax in the Tax Table on pages 11–15		15
16	Social security and Medicare tax on tip income not reported to employer. Attach Form 4137		16
17	Add lines 15 and 16. This is your **total tax** ▶		17
18	Federal income tax withheld (from Form W-2 and/or Form 1042-S)	18	
19	2003 estimated tax payments and amount applied from 2002 return	19	
20	Credit for amount paid with Form 1040-C	20	
21	Add lines 18 through 20. These are your **total payments** ▶		21

Refund

Direct deposit? See page 6 and fill in 23b, 23c, and 23d.

22	If line 21 is more than line 17, subtract line 17 from line 21. This is the amount you **overpaid**		22
23a	Amount of line 22 you want **refunded to you** ▶		23a
b	Routing number	c Type: ☐ Checking ☐ Savings	
d	Account number		
24	Amount of line 22 you want **applied to your 2004 estimated tax** ▶	24	

Amount You Owe

25	**Amount you owe.** Subtract line 21 from line 17. For details on how to pay, see page 7 ▶		25
26	Estimated tax penalty (see page 7). Also include on line 25	26	

Third Party Designee

Do you want to allow another person to discuss this return with the IRS (see page 7)? ☐ **Yes.** Complete the following. ☐ **No**

Designee's name ▶ Phone no. ▶ ( ) Personal identification number (PIN) ▶

Sign Here

Keep a copy of this return for your records.

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and accurately list all amounts and sources of U.S. source income I received during the tax year. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Your signature	Date	Your occupation in the United States

Paid Preparer's Use Only

Preparer's signature	Date	Check if self-employed ☐	Preparer's SSN or PTIN
Firm's name (or yours if self-employed), address, and ZIP code		EIN	
		Phone no. ( )	

For Disclosure and Paperwork Reduction Act Notices, see page 9 of instructions. Cat. No. 21534N Form **1040NR-EZ** (2003)

Draft as of 6/18/2003

Other Information (If an item does not apply to you, enter "N/A.")

A What country issued your passport?

B Were you ever a U.S. citizen? ☐ **Yes** ☐ **No**

C Give the purpose of your visit to the United States ▶

D Type of entry visa ▶
and current nonimmigrant status and date of change ▶

E Date you entered the United States (see page 8) ▶

F Did you give up your permanent residence as an immigrant in the United States this year? ☐ **Yes** ☐ **No**

G Dates you entered and left the United States during the year. Residents of Canada or Mexico entering and leaving the United States at frequent intervals, give name of country only. ▶

H Give number of days (including vacation and nonworkdays) you were present in the United States during 2001 , 2002 , and 2003 .

I Did you file a U.S. income tax return for any year before 2003? ☐ **Yes** ☐ **No**
If "Yes," give the latest year and form number ▶

J If you are claiming the benefits of a U.S. income tax treaty with a foreign country, give the following information. See page 8 for additional information.

- Country ▶
- Type and amount of income exempt from tax and the applicable tax treaty article. Enter treaty-exempt income for 2003 below and on line 6; not on line 3 or 5.

  For 2003 ▶

  For 2002 ▶

- Were you subject to tax in that country on any of the income that you claim is entitled to the treaty benefits? ☐ **Yes** ☐ **No**

K During 2003, did you apply for, or take any affirmative steps to apply for, lawful permanent resident status in the United States or have an application pending to adjust your status to that of a lawful permanent resident of the United States? ☐ **Yes** ☐ **No**
If "Yes," explain ▶

Draft as of 6/18/2003

Form **1040NR**
Department of the Treasury
Internal Revenue Service

U.S. Nonresident Alien Income Tax Return

For the year January 1–December 31, 2003, or other tax year
beginning , 2003, and ending , 20

OMB No. 1545-0089

2003

Please print or type.

Your first name and initial	Last name	**Identifying number (see page 7 of inst.)**
Present home address (number, street, and apt. no., or rural route). If you have a P.O. box, see page 7.		Check if: ☐ Individual ☐ Estate or Trust
City, town or post office, state, and ZIP code. If you have a foreign address, see page 7.		**For Disclosure and Paperwork Reduction Act Notice, see page 26.**
Country ▶	Of what country were you a **citizen** or national during the tax year? ▶	
Give address **outside the United States** to which you want any refund check mailed. If same as above, write "Same."	Give address in the country where you are a **permanent resident.** If same as above, write "Same."	

Draft as of 8/18/2003

Filing Status and Exemptions for Individuals (see page 7)

Filing status. Check only one box (1–6 below).	**7a** Yourself	**7b** Spouse
1 ☐ Single resident of Canada or Mexico, or a single U.S. national		
2 ☐ Other single nonresident alien		
3 ☐ Married resident of Canada or Mexico, or a married U.S. national } If you check box 7b, enter your spouse's identifying number ▶		
4 ☐ Married resident of Japan or the Republic of Korea		
5 ☐ Other married nonresident alien		
6 ☐ Qualifying widow(er) with dependent child (see page 7)		

Caution: ***Do not*** *check box 7a if your parent (or someone else) can claim you as a dependent.*
Do not *check box 7b if your spouse had any U.S. gross income.*

No. of boxes checked on 7a and 7b ▶ _____

Attach Forms W-2 here. Also attach Form(s) 1099-R if tax was withheld.

7c Dependents: (see page 8)

(1) First name Last name	**(2)** Dependent's identifying number	**(3)** Dependent's relationship to you	**(4)** ✓ if qualifying child for child tax credit (see page 8)
			☐
			☐
			☐
			☐

No. of children on 7c who:
lived with you ▶ _____
did not live with you due to divorce or separation ▶ _____
Dependents on 7c not entered above ▶ _____

d Total number of exemptions claimed . . . **Add numbers entered on lines above** ▶ ☐

Enclose, but do not attach, any payment.

Income Effectively Connected With U.S. Trade/Business

8	Wages, salaries, tips, etc. Attach Form(s) W-2		**8**
9a	**Taxable** interest		**9a**
b	**Tax-exempt** interest. **Do not** include on line 9a	**9b**	
10a	Ordinary dividends		**10a**
b	Qualified dividends (see page 9)	**10b**	
11	Taxable refunds, credits, or offsets of state and local income taxes (see page 9)		**11**
12	Scholarship and fellowship grants. Attach Form(s) 1042-S or required statement (see page 9)		**12**
13	Business income or (loss). Attach Schedule C or C-EZ (Form 1040)		**13**
14a	Capital gain or (loss). Attach Schedule D (Form 1040) if required. If not required, check here ☐		**14a**
b	If box 14a is checked, enter post-May 5 capital gain distribution	**14b**	
15	Other gains or (losses). Attach Form 4797		**15**
16a	Total IRA distributions	**16a**	**16b** Taxable amount (see page 10) **16b**
17a	Pensions and annuities	**17a**	**17b** Taxable amount (see page 11) **17b**
18	Rental real estate, royalties, partnerships, trusts, etc. Attach Schedule E (Form 1040)		**18**
19	Farm income or (loss). Attach Schedule F (Form 1040)		**19**
20	Unemployment compensation		**20**
21	Other income. List type and amount (see page 12)		**21**
22	Total income exempt by a treaty from page 5, Item M	**22**	
23	Add lines 8, 9a, 10a, 11–14a, 15, 16b, and 17b–21. This is your **total effectively connected income** ▶		**23**

Adjusted Gross Income

24	Educator expenses (see page 13)	**24**	
25	IRA deduction (see page 13)	**25**	
26	Student loan interest deduction (see page 13)	**26**	
27	Moving expenses. Attach Form 3903	**27**	
28	Self-employed health insurance deduction (see page 14)	**28**	
29	Self-employed SEP, SIMPLE, and qualified plans	**29**	
30	Penalty on early withdrawal of savings	**30**	
31	Scholarship and fellowship grants excluded	**31**	
32	Add lines 24 through 31		**32**
33	Subtract line 32 from line 23. Enter here and on line 34. This is your **adjusted gross income** ▶		**33**

Draft as of 9/13/2003

Tax and Credits

34	Amount from line 33 (adjusted gross income)		34
35	**Itemized deductions** from page 3, Schedule A, line 17		35
36	Subtract line 35 from line 34		36
37	Exemptions (see page 14)		37
38	**Taxable income.** Subtract line 37 from line 36. If line 37 is more than line 36, enter -0-		38
39	**Tax** (see page 15). Check if any tax is from **a** ☐ Form(s) 8814 **b** ☐ Form 4972		39
40	**Alternative minimum tax** (see page 15). Attach Form 6251		40
41	Add lines 39 and 40 ▶		41
42	Foreign tax credit. Attach Form 1116, if required	42	
43	Credit for child and dependent care expenses. Attach Form 2441	43	
44	Retirement savings contributions credit. Attach Form 8880	44	
45	Child tax credit (see page 17)	45	
46	Adoption credit. Attach Form 8839	46	
47	Credits from: **a** ☐ Form 8396 **b** ☐ Form 8859	47	
48	Other credits. Check applicable box(es): **a** ☐ Form 3800 **b** ☐ Form 8801 **c** ☐ Form (specify) _____	48	
49	Add lines 42 through 48. These are your **total credits**		49
50	Subtract line 49 from line 41. If line 49 is more than line 41, enter -0- ▶		50

Other Taxes

51	Tax on income not effectively connected with a U.S. trade or business from page 4, line 86	51
52	Social security and Medicare tax on tip income not reported to employer. Attach Form 4137	52
53	Tax on qualified plans, including IRAs, and other tax-favored accounts. Attach Form 5329 if required	53
54	Transportation tax (see page 18)	54
55	Household employment taxes. Attach Schedule H (Form 1040)	55
56	Add lines 50 through 55. This is your **total tax** ▶	56

Payments

57	Federal income tax withheld from Forms W-2, 1099, 1042-S, etc.	57	
58	2003 estimated tax payments and amount applied from 2002 return	58	
59	Excess social security and tier 1 RRTA tax withheld (see page 19)	59	
60	Additional child tax credit. Attach Form 8812	60	
61	Amount paid with Form 4868 (request for extension)	61	
62	Other payments from: **a** ☐ Form 2439 **b** ☐ Form 4136 **c** ☐ Form 8885	62	
63	Credit for amount paid with Form 1040-C	63	
64	U.S. tax withheld at source from page 4, line 83	64	
65	U.S. tax withheld at source by partnerships under section 1446:		
a	From Form(s) 8805	65a	
b	From Form(s) 1042-S	65b	
66	U.S. tax withheld on dispositions of U.S. real property interests:		
a	From Form(s) 8288-A	66a	
b	From Form(s) 1042-S	66b	
67	Add lines 57 through 66b. These are your **total payments** ▶		67

Refund

Direct deposit? See page 19.

68	If line 67 is more than line 56, subtract line 56 from line 67. This is the amount you **overpaid**		68
69a	Amount of line 68 you want **refunded to you.**		69a
b	Routing number ▶ **c** Type: ☐ Checking ☐ Savings		
d	Account number		
70	Amount of line 68 you want **applied to your 2004 estimated tax** ▶	70	

Amount You Owe

71	Amount you owe. Subtract line 67 from line 56. For details on how to pay, see page 20 ▶		71
72	Estimated tax penalty. Also include on line 71	72	

Third Party Designee

Do you want to allow another person to discuss this return with the IRS (see page 20)? ☐ **Yes.** Complete the following. ☐ **No**

Designee's name ▶ Phone no. ▶ ( ) Personal identification number (PIN) ▶

Sign Here

Keep a copy of this return for your records.

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Your signature ▶ Date Your occupation in the United States

Paid Preparer's Use Only

Preparer's signature ▶ Date Check if self-employed ☐ Preparer's SSN or PTIN

Firm's name (or yours if self-employed), address, and ZIP code ▶ EIN Phone no. ( )

Schedule A—Itemized Deductions (See pages 21, 22, and 23.)

07

Draft as of 8/13/2003

State and Local Income Taxes	1	State income taxes	1	
	2	Local income taxes	2	
	3	Add lines 1 and 2		3
Gifts to U.S. Charities		**Caution:** *If you made a gift and received a benefit in return, see page 21.*		
	4	Gifts by cash or check. If you made any gift of $250 or more, see page 21	4	
	5	Other than by cash or check. If you made any gift of $250 or more, see page 21. You **must** attach Form 8283 if "the amount of your deduction" (see definition on page 22) is more than $500	5	
	6	Carryover from prior year	6	
	7	Add lines 4 through 6		7
Casualty and Theft Losses	8	Casualty or theft loss(es). Attach Form 4684. See page 22		8
Job Expenses and Most Other Miscellaneous Deductions	9	Unreimbursed employee expenses—job travel, union dues, job education, etc. You **must** attach Form 2106 or Form 2106-EZ if required. See page 22 ▶	9	
	10	Tax preparation fees	10	
	11	Other expenses. See page 23 for expenses to deduct here. List type and amount ▶	11	
	12	Add lines 9 through 11	12	
	13	Enter the amount from Form 1040NR, line 34. 13		
	14	Multiply line 13 by 2% (.02)	14	
	15	Subtract line 14 from line 12. If line 14 is more than line 12, enter -0-		15
Other Miscellaneous Deductions	16	Other—see page 23 for expenses to deduct here. List type and amount ▶		16
Total Itemized Deductions	17	Is Form 1040NR, line 34, over $139,500 (over $69,750 if you checked filing status box 3, 4, or 5 on page 1 of Form 1040NR)? **No.** Your deduction is not limited. Add the amounts in the far right column for lines 3 through 16. Also enter this amount on Form 1040NR, line 35. **Yes.** Your deduction may be limited. See page 23 for the amount to enter here and on Form 1040NR, line 35. ▶		17

Tax on Income Not Effectively Connected With a U.S. Trade or Business

Attach Forms 1042-S, SSA-1042S, RRB-1042S, or similar form.

Nature of income		(a) U.S. tax withheld at source	Enter amount of income under the appropriate rate of tax (see pages 23 and 24) (b) 10%	(c) 15%	(d) 30%	(e) Other (specify) ____ %	(e) Other (specify) ____ %
73 Dividends paid by:							
a U.S. corporations	73a						
b Foreign corporations	73b						
74 Interest:							
a Mortgage	74a						
b Paid by foreign corporations	74b						
c Other	74c						
75 Industrial royalties (patents, trademarks, etc.)	75						
76 Motion picture or T.V. copyright royalties	76						
77 Other royalties (copyrights, recording, publishing, etc.)	77						
78 Real property income and natural resources royalties	78						
79 Pensions and annuities	79						
80 Social security benefits	80						
81 Gains (include capital gain from line 89 below)	81						
82 Other (specify) ▶	82						
83 **Total U.S. tax withheld at source.** Add column (a) of lines 73a through 82. Enter the total here and on Form 1040NR, line 64 ▶	83						
84 Add lines 73a through 82 in columns (b)–(e)	84						
85 **Multiply line 84 by rate of tax at top of each column**	85						
86 **Tax on income not effectively connected with a U.S. trade or business.** Add columns (b)–(e) of line 85. Enter the total here and on Form 1040NR, line 51 ▶	86						

Capital Gains and Losses From Sales or Exchanges of Property

Enter only the capital gains and losses from property sales or exchanges that are from sources within the United States and not effectively connected with a U.S. business. Do not include a gain or loss on disposing of a U.S. real property interest; report these gains and losses on Schedule D (Form 1040).

Report property sales or exchanges that are effectively connected with a U.S. business on Schedule D (Form 1040), Form 4797, or both.

87 (a) Kind of property and description (if necessary, attach statement of descriptive details not shown below)	(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)	(d) Sales price	(e) Cost or other basis	(f) LOSS If (e) is more than (d), subtract (d) from (e)	(g) GAIN If (d) is more than (e), subtract (e) from (d)
88 Add columns (f) and (g) of line 87				88	( )	
89 **Capital gain.** Combine columns (f) and (g) of line 88. Enter the net gain here and on line 81 above (if a loss, enter -0-) ▶					89	

Draft as of 8/13/03

Other Information (If an item does not apply to you, enter "N/A.")

A What country issued your passport? .....

B Were you ever a U.S. citizen? . . . . ☐ Yes ☐ No

C Give the purpose of your visit to the United States ▶ .....

D Type of entry visa ▶ ..... and current nonimmigrant status and date of change (see page 24) ▶ .....

E Date you entered the United States (see page 24) ▶ .....

F Did you give up your permanent residence as an immigrant in the United States this year? . . . . . ☐ Yes ☐ No

G Dates you entered and left the United States during the year. Residents of Canada or Mexico entering and leaving the United States at frequent intervals, give name of country only. ▶ .....

H Give number of days (including vacation and nonworkdays) you were present in the United States during:

2001 ....., 2002 ....., and 2003 ..... .

I If you are a resident of Canada, Mexico, Japan, or the Republic of Korea (South Korea), or a U.S. national, did your spouse contribute to the support of any child claimed on Form 1040NR, line 7c? . . ☐ Yes ☐ No

If "Yes," enter amount ▶ $ .....

If you were a resident of Japan or the Republic of Korea (South Korea) for any part of the tax year, enter in the space below your total foreign source income not effectively connected with a U.S. trade or business. This information is needed so that the exemption for your spouse and dependents residing in the United States (if applicable) may be allowed in accordance with Article 4 of the income tax treaties between the United States and Japan or the United States and the Republic of Korea (South Korea).

Total foreign source income not effectively connected with a U.S. trade or business ▶ $ .....

J Did you file a U.S. income tax return for any year before 2003?. . . . . ☐ Yes ☐ No

If "Yes," give the latest year and form number ▶ .....

K To which Internal Revenue office did you pay any amounts claimed on Form 1040NR, lines 58, 61, and 63? .....

L Have you excluded any gross income other than foreign source income not effectively connected with a U.S. trade or business? . ☐ Yes ☐ No

If "Yes," show the amount, nature, and source of the excluded income. Also, give the reason it was excluded. (Do not include amounts shown in item M.) ▶ .....

M If you are claiming the benefits of a U.S. income tax treaty with a foreign country, give the following information. See page 24 for additional information.

- Country ▶ .....
- Type and amount of effectively connected income exempt from tax. Also, identify the applicable tax treaty article. Do not enter exempt income on lines 8–15, 16b, and 17b–21 of Form 1040NR:

For 2003 (also, include this exempt income on line 22 of Form 1040NR) ▶ .....

For 2002 ▶ .....

- Type and amount of income not effectively connected that is exempt from or subject to a reduced rate of tax. Also, identify the applicable tax treaty article:

For 2003 ▶ .....

For 2002 ▶ .....

- Were you subject to tax in that country on any of the income you claim is entitled to the treaty benefits? . . . . . ☐ Yes ☐ No
- Did you have a permanent establishment or fixed base (as defined by the tax treaty) in the United States at any time during 2003? . . . . . ☐ Yes ☐ No

N If you file this return to report community income, give your spouse's name, address, and identifying number.

O If you file this return for a trust, does the trust have a U.S. business? . . . . . ☐ Yes ☐ No

If "Yes," give name and address ▶ .....

P Is this an "expatriation return" (see page 24)? . . . . . ☐ Yes ☐ No

If "Yes," you must attach an annual information statement.

Q During 2003, did you apply for, or take other affirmative steps to apply for, lawful permanent resident status in the United States or have an application pending to adjust your status to that of a lawful permanent resident of the United States? ☐ Yes ☐ No

If "Yes," explain ▶ .....

Draft as of 8/13/2003

Form **1042-S**

Department of the Treasury
Internal Revenue Service

Foreign Person's U.S. Source Income Subject to Withholding

2003

OMB No. 1545-0096

Copy A for Internal Revenue Service

☐ **VOID** ☐ **CORRECTED** ☐ **PRO-RATA BASIS REPORTING**

1 Income code	2 Gross income	3 Withholding allowances	4 Net income	5 Tax rate	6 Exemption code	7 U.S. Federal tax withheld	8 Amount repaid to recipient

9 Withholding agent's EIN ►

☐ EIN ☐ QI-EIN

10 WITHHOLDING AGENT'S name and address (including ZIP code)

11 Recipient's account number (optional)

12 Recipient code

13 RECIPIENT'S name (first name, initial, and last name), street address, city or town, province or state, and country (including postal code)

14 Recipient's U.S. TIN, if any ►

☐ SSN or ITIN ☐ EIN ☐ QI-EIN

15 Recipient's country of residence for tax purposes

16 Country code

17 NONQUALIFIED INTERMEDIARY'S (NQI's)/ FLOW-THROUGH ENTITY'S name

18 Country code

19 NQI's/Flow-through entity's address

20 NQI's/Flow-through entity's TIN, if any ►

21 PAYER'S name and TIN (if different from withholding agent's)

22 State income tax withheld

23 Payer's state tax no.

24 Name of state

Draft as of 2/08/2002

For Privacy Act and Paperwork Reduction Act Notice, see page 15 of the separate instructions.

Cat. No. 11386R Form **1042-S** (2003)

☐ CORRECTED (if checked)

PAYER'S name, street address, city, state, ZIP code, and telephone no.		1 Unemployment compensation $	OMB No. 1545-0120 2003 Form 1099-G	Certain Government Payments
		2 State or local income tax refunds, credits, or offsets $		
PAYER'S Federal identification number	RECIPIENT'S identification number	3 Box 2 amount is for tax year	4 Federal income tax withheld $	**Copy B For Recipient**
RECIPIENT'S name		5	6 Taxable grants $	This is important tax information and is being furnished to the Internal Revenue Service. If you are required to file a return, a negligence penalty or other sanction may be imposed on you if this income is taxable and the IRS determines that it has not been reported.
Street address (including apt. no.)		7 Agriculture payments $	8 Box 2 is trade or business income ► ☐	
City, state, and ZIP code				
Account number (optional)				

Form **1099-G** (keep for your records) Department of the Treasury - Internal Revenue Service

9292 ☐ VOID ☐ CORRECTED

PAYER'S name, street address, city, state, ZIP code, and telephone no.		Payer's RTN (optional)	OMB No. 1545-0112 2003 Form **1099-INT**	**Interest Income**
PAYER'S Federal identification number	RECIPIENT'S identification number	**1** Interest income not included in box 3 $		**Copy A** **For Internal Revenue Service Center** **File with Form 1096.** For Privacy Act and Paperwork Reduction Act Notice, see the **2003 General Instructions for Forms 1099, 1098, 5498, and W-2G.**
RECIPIENT'S name		**2** Early withdrawal penalty $	**3** Interest on U.S. Savings Bonds and Treas. obligations $	
Street address (including apt. no.)		**4** Federal income tax withheld $	**5** Investment expenses $	
City, state, and ZIP code		**6** Foreign tax paid	**7** Foreign country or U.S. possession	
Account number (optional)	2nd TIN not. ☐	$		

Form **1099-INT** Cat. No. 14410K Department of the Treasury - Internal Revenue Service

Do Not Cut or Separate Forms on This Page — Do Not Cut or Separate Forms on This Page

Draft as of 11/18/2002

Form **8233**

(Rev. December 2001)

Department of the Treasury
Internal Revenue Service

Exemption From Withholding on Compensation for Independent (and Certain Dependent) Personal Services of a Nonresident Alien Individual

OMB No. 1545-0795

► **See separate instructions.**

Draft as of 12/31/2001

Who Should Use This Form?	**IF** you are a nonresident alien individual who is receiving . . .	**THEN,** if you are the beneficial owner of that income, use this form to claim . . .
Note: *For definitions of terms used in this section and detailed instructions on required withholding forms for each type of income, see* ***Definitions*** *on pages 1 through 3 of the instructions.*	Compensation for independent personal services performed in the United States	A tax treaty withholding exemption for part or all of that compensation and/or to claim the daily personal exemption amount.
	Compensation for dependent personal services performed in the United States	A tax treaty withholding exemption for part or all of that compensation. **Note:** ***Do not*** *use Form 8233 to claim the daily personal exemption amount.*
	Noncompensatory scholarship or fellowship income **and** personal services income **from the same withholding agent**	A tax treaty withholding exemption for part or all of **both** types of income.
DO NOT Use This Form. . .	**IF** you are a beneficial owner who is . . .	**INSTEAD,** use . . .
	Receiving compensation for dependent personal services performed in the United States **and** you are **not** claiming a tax treaty withholding exemption for that compensation	Form W-4
	Receiving noncompensatory scholarship or fellowship income **and** you are **not** receiving any personal services income **from the same withholding agent**	Form W-8BEN or, if elected by the withholding agent, Form W-4 for the noncompensatory scholarship or fellowship income
	Claiming only foreign status or treaty benefits with respect to income that is **not** compensation for personal services	Form W-8BEN

This exemption is applicable for compensation for calendar year _____ , or other tax year beginning _____

and ending _____ .

Part I **Identification of Beneficial Owner** (See instructions.)

1 Name of individual who is the beneficial owner	**2** U.S. taxpayer identifying number	**3** Foreign tax identifying number, if any (optional)

4 Permanent residence address (street, apt. or suite no., or rural route). **Do not use a P.O. box.**

City or town, state or province. Include postal code where appropriate. | Country (do not abbreviate)

5 Address in the United States (street, apt. or suite no., or rural route). **Do not use a P.O. box.**

City or town, state, and ZIP code

Note: *Citizens of Canada or Mexico are not required to complete lines 7a and 7b.*

6 U.S. visa type	**7a** Country issuing passport	**7b** Passport number
8 Date of entry into the United States	**9a** Current nonimmigrant status	**9b** Date your current nonimmigrant status expires

10 If you are a foreign student, trainee, professor/teacher, or researcher, check this box . . . . . ► ☐
Caution: *See the* ***line 10 instructions*** *for the required additional statement you must attach.*

For Paperwork Reduction Act Notice, see separate instructions. Cat. No. 62292K Form **8233** (Rev. 12-2001)

Part II Claim for Tax Treaty Withholding Exemption and/or Personal Exemption Amount

11 Compensation for independent (and certain dependent) personal services:

a Description of personal services you are providing

b Total compensation you expect to be paid for these services in this calendar or tax year $

12 If compensation is exempt from withholding based on a tax treaty benefit, provide:

a Tax treaty **and treaty article** on which you are basing exemption from withholding

b Total compensation listed on line 11b above that is exempt from tax under this treaty $

c Country of permanent residence

Note: *Do not complete lines 13a through 13c unless you also received compensation for personal services* ***from the same withholding agent.***

13 Noncompensatory scholarship or fellowship income:

a Amount $

b Tax treaty **and treaty article** on which you are basing exemption from withholding

c Total income listed on line 13a above that is exempt from tax under this treaty $

14 Sufficient facts to justify the exemption from withholding claimed on line 12 and/or line 13 (see instructions)

Note: *Lines 15 through 18 are to be completed only for certain independent personal services (see instructions).*

15 Number of personal exemptions claimed ▶

16 How many days will you perform services in the United States during this tax year? ▶

17 Daily personal exemption amount claimed (see instructions) ▶

18 Total personal exemption amount claimed. Multiply line 16 by line 17 ▶

Part III Certification

Under penalties of perjury, I declare that I have examined the information on this form and to the best of my knowledge and belief it is true, correct, and complete. I further certify under penalties of perjury that:

- I am the beneficial owner (or am authorized to sign for the beneficial owner) of all the income to which this form relates.
- The beneficial owner is not a U.S. person.
- The beneficial owner is a resident of the treaty country listed on line 12a and/or 13b above within the meaning of the income tax treaty between the United States and that country.
- The beneficial owner is not a former citizen or long-term resident of the United States subject to section 877 (relating to certain acts of expatriation) or, if subject to section 877, the beneficial owner is nevertheless entitled to treaty benefits with respect to the amounts received.

Furthermore, I authorize this form to be provided to any withholding agent that has control, receipt, or custody of the income of which I am the beneficial owner or any withholding agent that can disburse or make payments of the income of which I am the beneficial owner.

Sign Here ▶

Signature of beneficial owner (or individual authorized to sign for beneficial owner) Date

Part IV Withholding Agent Acceptance and Certification

Name **Employer identification number**

Address (number and street) (Include apt. or suite no. or P.O. box, if applicable.)

City, state, and ZIP code Telephone number

Under penalties of perjury, I certify that I have examined this form and any accompanying statements, that I am satisfied that an exemption from withholding is warranted, and that I do not know or have reason to know that the nonresident alien individual is not entitled to the exemption or that the nonresident alien's eligibility for the exemption cannot be readily determined.

Signature of withholding agent ▶ Date ▶

Draft as of 12/31/2001

Form **8840**

Department of the Treasury
Internal Revenue Service

Closer Connection Exception Statement for Aliens

▶ **Attach to Form 1040NR or Form 1040NR-EZ.**

For the year January 1—December 31, 2002, or other tax year beginning , 2002, and ending , 20 .

OMB No. 1545-1410

2002

Attachment Sequence No. **101**

Your first name and initial	Last name	Your U.S. taxpayer identification number, if any

Fill in your addresses only if you are filing this form by itself and not with your U.S. tax return	Address in country of residence	Address in the United States

Draft as of 6/24/2002

Part I General Information

1 Enter your U.S. visa number, if any ▶

2 Of what country or countries were you a citizen during the tax year?

3 What country or countries issued you a passport?

4 Enter your passport number(s) ▶

5 Enter the number of days you were present in the United States during:
2002 _____ 2001 _____ 2000 _____ .

6 During 2002, did you apply for, or take other affirmative steps to apply for, lawful permanent resident status in the United States or have an application pending to change your status to that of a lawful permanent resident of the United States (see instructions)? . . . . . ☐ **Yes** ☐ **No**

Part II Closer Connection to One Foreign Country

7 Where was your tax home during 2002?

8 Enter the name of the foreign country to which you had a closer connection than to the United States during 2002 ▶

Next, complete Part IV on the back.

Part III Closer Connection to Two Foreign Countries

9 Where was your tax home on January 1, 2002?

10 After changing your tax home from its location on January 1, 2002, where was your tax home for the remainder of 2002?

11 Did you have a closer connection to each foreign country listed on lines 9 and 10 than to the United States for the period during which you maintained a tax home in that foreign country? . . . . . ☐ **Yes** ☐ **No**
If "No," attach an explanation.

12 Were you subject to tax as a resident under the internal laws of **(a)** either of the countries listed on lines 9 and 10 during all of 2002 or **(b)** both of the countries listed on lines 9 and 10 for the period during which you maintained a tax home in each country? . . . . . ☐ **Yes** ☐ **No**

13 Have you filed or will you file tax returns for 2002 in the countries listed on lines 9 and 10? . . . . ☐ **Yes** ☐ **No**
If "Yes" to either line 12 or line 13, attach verification.
If "No" to either line 12 or line 13, please explain ▶

Next, complete Part IV on the back.

For Paperwork Reduction Act Notice, see page 4. Cat. No. 15829P Form **8840** (2002)

Part IV Significant Contacts With Foreign Country or Countries in 2002

14 Where was your regular or principal permanent home located during 2002 (see instructions)?

15 If you had more than one permanent home available to you at all times during 2002, list the location of each and explain ▶

16 Where was your family located?

17 Where was your automobile(s) located?

18 Where was your automobile(s) registered?

19 Where were your personal belongings, furniture, etc., located?

20 List social, cultural, religious, and political organizations you currently participate in and the location of each:

a _____ **Location** _____
b _____ **Location** _____
c _____ **Location** _____
d _____ **Location** _____
e _____ **Location** _____

21 Where was the bank(s) with which you conducted your routine personal banking activities located?

a _____ **c** _____
b _____ **d** _____

22 Did you conduct business activities in a location other than your tax home? ☐ **Yes** ☐ **No**
If "Yes," where?

23a Where was your driver's license issued?

b If you hold a second driver's license, where was it issued?

24 Where were you registered to vote?

25 When completing official documents, forms, etc., what country do you list as your residence?

26 Have you ever completed:

a Form W-8 or Form W-8BEN (relating to foreign status)? ☐ **Yes** ☐ **No**
b Form W-9, Request for Taxpayer Identification Number and Certification? ☐ **Yes** ☐ **No**
c Form 1078, Certificate of Alien Claiming Residence in the United States? ☐ **Yes** ☐ **No**
d Any other U.S. official forms? If "Yes," indicate the form(s) ▶ ☐ **Yes** ☐ **No**

27 In what country/countries did you keep your personal, financial, and legal documents?

28 From what country/countries did you derive the majority of your 2002 income?

29 Did you have any income from U.S. sources? ☐ **Yes** ☐ **No**
If "Yes," what type?

30 In what country/countries were your investments located (see instructions)?

31 List any charitable organizations to which you made contributions and their locations:

a _____ **Location** _____
b _____ **Location** _____
c _____ **Location** _____
d _____ **Location** _____

32 Did you qualify for any type of government-sponsored "national" health plan? ☐ **Yes** ☐ **No**
If "Yes," in what country?
If "No," please explain ▶

If you have any other information to substantiate your closer connection to a country other than the United States or you wish to explain in more detail any of your responses to lines 14 through 32, attach a statement to this form.

Sign here only if you are filing this form by itself and not with your U.S. tax return

Under penalties of perjury, I declare that I have examined this form and the accompanying attachments, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

▶ _____ Your signature ▶ _____ Date

Draft as of 5/14/2002

General Instructions

Section references are to the U.S. Internal Revenue Code.

Purpose of Form

Use Form 8840 to claim the closer connection to a foreign country(ies) exception to the substantial presence test. The exception is described in Regulations section 301.7701(b)-2.

Note: *You are not eligible for the closer connection exception if* ***(a)*** *you were present in the United States 183 days or more in calendar year 2002 or* ***(b)*** *you are a lawful permanent resident of the United States (that is, you are a green card holder).*

Who Must File

If you are an alien individual and you meet the closer connection exception to the substantial presence test, you must file Form 8840 with the IRS to establish your claim that you are a nonresident of the United States by reason of that exception.

For more details on the substantial presence test and the closer connection exception, see **Pub. 519,** U.S. Tax Guide for Aliens.

Note: *You can download forms and publications from the IRS Web Site at* ***www.irs.gov.***

Substantial Presence Test

You are considered a U.S. resident if you meet the substantial presence test for 2002. You meet this test if you were physically present in the United States for at least:

- 31 days during 2002 and
- 183 days during the period 2002, 2001, and 2000, counting all the days of physical presence in 2002 but only 1/3 the number of days of presence in 2001 and only 1/6 the number of days in 2000.

Days of presence in the United States. Generally, you are treated as being present in the United States on any day that you are physically present in the country at any time during the day. However, you do not count the following days of presence in the United States for purposes of the substantial presence test.

1. Days you regularly commuted to work in the United States from a residence in Canada or Mexico.

2. Days you were in the United States for less than 24 hours when you were traveling between two places outside the United States.

3. Days you were temporarily in the United States as a regular crew member of a foreign vessel engaged in transportation between the United States and a foreign country or a possession of the United States unless you otherwise engaged in trade or business on such a day.

4. Days you were unable to leave the United States because of a medical condition or medical problem that developed while you were in the United States.

5. Days you were an exempt individual.

In general, an **exempt individual** is a **(a)** foreign government-related individual, **(b)** teacher or trainee, **(c)** student, or **(d)** professional athlete competing in a charitable sports event. For more details, see Pub. 519.

Note: *If you qualify to exclude days of presence in the United States because you were an exempt individual (other than a foreign government-related individual) or because of a medical condition or medical problem (see* ***item 4*** *above), you must file* ***Form 8843,*** *Statement for Exempt Individuals and Individuals With a Medical Condition.*

Closer Connection Exception

Even though you would otherwise meet the substantial presence test, you will not be treated as a U.S. resident for 2002 if:

- You were present in the United States for fewer than 183 days during 2002,
- You establish that during 2002, you had a tax home in a foreign country, and
- You establish that during 2002, you had a closer connection to one foreign country in which you had a tax home than to the United States, unless you had a closer connection to two foreign countries.

Closer Connection to Two Foreign Countries

You may demonstrate that you have a closer connection to two foreign countries (but not more than two) if **all five** of the following apply.

1. You maintained a tax home as of January 1, 2002, in one foreign country.

2. You changed your tax home during 2002 to a second foreign country.

3. You continued to maintain your tax home in the second foreign country for the rest of 2002.

4. You had a closer connection to each foreign country than to the United States for the period during which you maintained a tax home in that foreign country.

5. You are subject to tax as a resident under the tax laws of either foreign country for all of 2002 or subject to tax as a resident in both foreign countries for the period during which you maintained a tax home in each foreign country.

Tax Home

Your tax home is your main place of business, employment, or post of duty regardless of where you maintain your family home. If you do not have a regular or main place of business because of the nature of your work, then your tax home is the place where you regularly live. If you do not fit either of these categories, you are considered an itinerant and your tax home is wherever you work.

Establishing a Closer Connection

You will be considered to have a closer connection to a foreign country than to the United States if you or the IRS establishes that you have maintained more significant contacts with the foreign country than with the United States.

When and Where To File

If you are filing a 2002 Form 1040NR or Form 1040NR-EZ, attach Form 8840 to it. Mail your tax return by the due date (including extensions) to the address shown in your tax return instructions.

If you do not have to file a 2002 tax return, mail Form 8840 to the Internal Revenue Service Center, Philadelphia, PA 19255 by the due date (including extensions) for filing Form 1040NR or Form 1040NR-EZ.

Draft as of 5/21/2002

Form **8843**

Department of the Treasury
Internal Revenue Service

Statement for Exempt Individuals and Individuals With a Medical Condition

For use by alien individuals only.

For the year January 1—December 31, 2003, or other tax year beginning , 2003, and ending , 20 .

OMB No. 1545-1411

2003

Attachment Sequence No. **102**

Your first name and initial	Last name	Your U.S. taxpayer identification number, if any

Fill in your addresses only if you are filing this form by itself and not with your tax return	Address in country of residence	Address in the United States

Draft as of 3/20/2003

Part I General Information

1a Type of U.S. visa (e.g., F, J, M, Q, etc.) and date you entered the United States ▶

b Current nonimmigrant status and date of change (see instructions) ▶

2 Of what country were you a citizen during the tax year?

3a What country issued you a passport?

b Enter your passport number ▶

4a Enter the actual number of days you were present in the United States during:
2003 _____ 2002 _____ 2001 _____ .

b Enter the number of days in 2003 you claim you can exclude for purposes of the substantial presence test ▶

Part II Teachers and Trainees

5 Enter the name, address, and telephone number of the academic institution you attended during 2003 ▶

6 Enter the name, address, and telephone number of the director of the academic or other specialized program you participated in during 2003 ▶

7 Enter the type of U.S. visa (J or Q) you held during: ▶ 1997 _____ 1998 _____ 1999 _____ 2000 _____ 2001 _____ 2002 _____ . If the type of visa you held during any of these years changed, attach a statement showing the new visa type and the date it was acquired.

8 Were you present in the United States as a teacher, trainee, or student for any part of 2 of the 6 prior calendar years (1997 through 2002)? . . . . . ☐ **Yes** ☐ **No**

If you checked the "Yes" box on line 8, you cannot exclude days of presence as a teacher or trainee unless you meet the **Exception** explained on page 3.

Part III Students

9 Enter the name, address, and telephone number of the academic institution you attended during 2003 ▶

10 Enter the name, address, and telephone number of the director of the academic or other specialized program you participated in during 2003 ▶

11 Enter the type of U.S. visa (F, J, M, or Q) you held during: ▶ 1997 _____ 1998 _____ 1999 _____ 2000 _____ 2001 _____ 2002 _____ . If the type of visa you held during any of these years changed, attach a statement showing the new visa type and the date it was acquired.

12 Were you present in the United States as a teacher, trainee, or student for any part of more than 5 calendar years? . . . . . ☐ **Yes** ☐ **No**

If you checked the "Yes" box on line 12, you must provide sufficient facts on an attached statement to establish that you do not intend to reside permanently in the United States.

13 During 2003, did you apply for, or take other affirmative steps to apply for, lawful permanent resident status in the United States or have an application pending to change your status to that of a lawful permanent resident of the United States? . . . . . ☐ **Yes** ☐ **No**

14 If you checked the "Yes" box on line 13, explain ▶

For Paperwork Reduction Act Notice, see page 4. Cat. No. 17227H Form **8843** (2003)

Part IV Professional Athletes

15 Enter the name of the charitable sports event(s) in the United States in which you competed during 2003 and the dates of competition ▶

16 Enter the name(s) and employer identification number(s) of the charitable organization(s) that benefited from the sports event(s) ▶

Note: *You must attach a statement to verify that all of the net proceeds of the sports event(s) were contributed to the charitable organization(s) listed on line 16.*

Part V Individuals With a Medical Condition or Medical Problem

17a Describe the medical condition or medical problem that prevented you from leaving the United States ▶

b Enter the date you intended to leave the United States prior to the onset of the medical condition or medical problem described on line 17a ▶

c Enter the date you actually left the United States ▶

18 Physician's Statement:

I certify that _____

Name of taxpayer

was unable to leave the United States on the date shown on line 17b because of the medical condition or medical problem described on line 17a and there was no indication that his or her condition or problem was preexisting.

_____

Name of physician or other medical official

_____

Physician's or other medical official's address and telephone number

_____ _____

Physician's or other medical official's signature Date

Sign here only if you are filing this form by itself and not with your tax return

Under penalties of perjury, I declare that I have examined this form and the accompanying attachments, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which the preparer has any knowledge.

▶ _____ ▶ _____

Your signature Date

Draft as of 3/20/2003

General Instructions

Section references are to the Internal Revenue Code.

Note: *You can download forms and publications from the IRS Internet Web Site at* ***www.irs.gov.***

Who Must File

If you are an alien individual, you must file Form 8843 to explain the basis of your claim that you can exclude days of presence in the United States for purposes of the substantial presence test because you:

- Were an exempt individual (other than a foreign government-related individual) or
- Were unable to leave the United States because of a medical condition or medical problem.

Substantial Presence Test

You are considered a U.S. resident if you meet the substantial presence test for 2003. You meet this test if you were physically present in the United States for at least:

- 31 days during 2003 and
- 183 days during the period 2003, 2002, and 2001, counting all the days of physical presence in 2003 but only 1/3 the number of days of presence in 2002 and only 1/6 the number of days in 2001.

Note: *To claim the closer connection to a foreign country(ies) exception to the substantial presence test described in Regulations section 301.7701(b)-2, you must file* ***Form 8840,*** *Closer Connection Exception Statement for Aliens.*

Days of presence in the United States. Generally, you are treated as being present in the United States on any day that you are physically present in the country at any time during the day. However, you do not count the following days of presence in the United States for purposes of the substantial presence test.

1. Days you regularly commuted to work in the United States from a residence in Canada or Mexico.

2. Days you were in the United States for less than 24 hours when you were traveling between two places outside the United States.

3. Days you were temporarily in the United States as a regular crew member of a foreign vessel engaged in transportation between the United States and a foreign country or a possession of the United States unless you otherwise engaged in trade or business on such a day.

4. Days you were unable to leave the United States because of a medical condition or medical problem that developed while you were in the United States.

5. Days you were an exempt individual.

Exempt Individuals

For purposes of the substantial presence test, an exempt individual includes anyone in the following categories.

- A teacher or trainee (defined on this page).
- A student (defined on this page).
- A professional athlete temporarily present in the United States to compete in a charitable sports event.
- An individual temporarily present in the United States as a foreign government-related individual.

Alien individuals with "Q" visas are treated as students, teachers, or trainees and, as such, are exempt individuals for purposes of the substantial presence test if they otherwise qualify. "Q" visas are issued to aliens participating in certain international cultural exchange programs.

Part II—Teachers and Trainees

A teacher or trainee is an individual who is temporarily present in the United States under a "J" or "Q" visa (other than as a student) and who substantially complies with the requirements of the visa.

If you were a teacher or trainee under a "J" or "Q" visa, you are considered to have substantially complied with the visa requirements if you have not engaged in activities that are prohibited by U.S. immigration laws and could result in the loss of your "J" or "Q" visa status.

Even if you meet these requirements, you cannot exclude days of presence in 2003 as a teacher or trainee if you were exempt as a teacher, trainee, or student for any part of 2 of the 6 prior calendar years. But see the **Exception** below.

If you qualify to exclude days of presence as a teacher or trainee, complete Parts I and II of Form 8843. If you have a "Q" visa, complete Part I and only lines 6 through 8 of Part II. On line 6, enter the name, address, and telephone number of the director of the cultural exchange program in which you participated.

Exception. If you were exempt as a teacher, trainee, or student for any part of 2 of the 6 prior calendar years, you can exclude days of presence in 2003 as a teacher or trainee only if **all four** of the following apply.

1. You were exempt as a teacher, trainee, or student for any part of 3 (or fewer) of the 6 prior calendar years.

2. A foreign employer paid all your compensation during 2003.

3. You were present in the United States as a teacher or trainee in any of the 6 prior years.

4. A foreign employer paid all of your compensation during each of those prior 6 years you were present in the United States as a teacher or trainee.

For more details, see **Pub. 519**, U.S. Tax Guide for Aliens.

If you meet this exception, you must attach information to verify that a foreign employer paid all the compensation you received in 2003 and all prior years that you were present in the United States as a teacher or trainee.

Part III—Students

A student is an individual who is temporarily present in the United States under an "F," "J," "M," or "Q" visa and who substantially complies with the requirements of the visa.

If you were a student under an "F," "J," "M," or "Q" visa, you are considered to have substantially complied with the visa requirements if you have not engaged in activities that are prohibited by U.S. immigration laws and could result in the loss of your visa status.

Even if you meet these requirements, you cannot exclude days of presence in 2003 as a student if you were exempt as a teacher, trainee, or student for any part of more than 5 calendar years unless you establish that you do not intend to reside permanently in the United States. The facts and circumstances to be considered in determining if you have demonstrated an intent to reside permanently in the United States include, but are not limited to:

1. Whether you have maintained a closer connection to a foreign country than to the United States (for details, see Pub. 519) and

2. Whether you have taken affirmative steps to change your status from nonimmigrant to lawful permanent resident.

If you qualify to exclude days of presence as a student, complete Parts I and III of Form 8843. If you have a "Q" visa, complete Part I and only lines 10 through 14 of Part III. On line 10, enter the name, address, and telephone number of the director of the cultural exchange program in which you participated.

Part IV—Professional Athletes

A professional athlete is an individual who is temporarily present in the

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United States to compete in a charitable sports event. For details on charitable sports events, see Pub. 519.

If you qualify to exclude days of presence as a professional athlete, complete Parts I and IV of Form 8843.

Part V—Individuals With a Medical Condition or Medical Problem

For purposes of the substantial presence test, do not count the days you intended to leave the United States but could not do so because of a medical condition or medical problem that developed while you were in the United States. Whether you intended to leave the United States on a particular day is determined based on all the facts and circumstances. For more details, see Pub. 519.

If you qualify to exclude days of presence because of a medical condition or medical problem, complete Part I and lines 17a through 17c. Have your physician or other medical official complete line 18.

When and Where To File

If you are filing a 2003 Form 1040NR or Form 1040NR-EZ, attach Form 8843 to it. Mail your tax return by the due date (including extensions) to the address shown in your tax return instructions.

If you do not have to file a 2003 tax return, mail Form 8843 to the Internal Revenue Service Center, Philadelphia, PA 19255 by the due date (including extensions) for filing Form 1040NR or Form 1040NR-EZ.

Penalty for Not Filing Form 8843

If you do not file Form 8843 on time, you may not exclude the days you were present in the United States as a professional athlete or because of a medical condition or medical problem that developed while you were in the United States. Failure to exclude days of presence in the United States could result in your being considered a U.S. resident under the substantial presence test.

You will not be penalized if you can show by clear and convincing evidence that you took reasonable actions to become aware of the filing requirements and significant steps to comply with those requirements.

Specific Instructions

Part I—General Information

If you are attaching Form 8843 to Form 1040NR or Form 1040NR-EZ, you are not required to complete lines 1 through 3b of Form 8843 if you provide the requested information on the corresponding lines of Form 1040NR or 1040NR-EZ. In this case, enter "Information provided on Form 1040NR" or "Information provided on Form 1040NR-EZ" on lines 1 through 3b of Form 8843.

Line 1b. Enter your current nonimmigrant status. For example, enter your current nonimmigrant status shown on your current **Immigration Form I-94,** Arrival-Departure Record. If your status has changed while in the United States, enter the date of change.

Paperwork Reduction Act Notice. We ask for the information on this form to carry out the Internal Revenue laws of the United States. Section 7701(b) and its regulations require that you give us the information. We need it to determine if you can exclude days of presence in the United States for purposes of the substantial presence test.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103.

The time needed to complete and file this form will vary depending on individual circumstances. The estimated average time is:

	Form 8843 Parts I & II	Form 8843 Parts I & III	Form 8843 Parts I & IV	Form 8843 Parts I & V
Recordkeeping	13 min.	13 min.	13 min.	13 min.
Learning about the law or the form	7 min.	7 min.	6 min.	7 min.
Preparing the form	31 min.	34 min.	25 min.	29 min.
Copying, assembling, and sending the form to the IRS	17 min.	17 min.	17 min.	17 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making this form simpler, we would be happy to hear from you. You can write to the Tax Forms Committee, Western Area Distribution Center, Rancho Cordova, CA 95743-0001. **Do not** send the form to this address. Instead, see **When and Where To File** on this page.

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GLOSSARY

TAX TERMS RELEVANT TO NONRESIDENTS

Alien: An individual who is not a U.S. citizen.

Bona fide Resident: An individual who meets a time requirement (an entire tax year) and certain other factors that indicate "permanent" residence in a country or possession.

Exempt Individual: A nonresident alien who is not required to count their days of presence toward the substantial presence test. An exempt individual is ***NOT*** a person exempt from taxation.

Exempt Status: A period of time when aliens in F, J, M, or Q immigration status are not required to count their days of presence. Usually 2 years for scholars and 5 years for students.

Foreign National: Citizen of a foreign country.

Green Card: A card, not necessarily green, issued by the Bureau of Customs and Immigration Services (BCIS). This card is proof of lawful permanent residence in the U.S. The BCIS Form number is I-551, Permanent Resident Card.

Illegal Alien (Undocumented Alien): Person present in the U.S. in violation of the immigration laws, subject to deportation if apprehended by the DBTS. For tax purposes, an illegal alien must determine if (s)he is considered a resident alien or nonresident alien by applying the substantial presence test.

Individual Taxpayer Identification Number (ITIN): Individuals who are not eligible for a Social Security number (routinely issued only to U.S. citizens, U.S. permanent residents, and nonimmigrants authorized to work) receive the unique nine-digit number from the IRS. The number is used for tax purposes only.

Internal Revenue Service: Also known as the IRS, this is the federal agency responsible for collecting federal income taxes and enforcing tax reporting and collection laws. It is an agency of the U.S. Treasury Department.

Lawful Permanent Resident: One who has been lawfully accorded the privilege of residing permanently in the U.S. as an immigrant in accordance with the immigrations laws. A green card holder.

Nonimmigrant: An individual with a permanent residence abroad and in the U.S. temporarily, as in the case of a foreign student.

Nonresident Alien: For federal income tax purposes a person is considered a nonresident if they are not a U.S. citizen and they do not meet the tests to be considered a resident alien.

Passport: Any travel document issued by a competent authority showing the bearer's origin, identity and nationality (if any), which is valid for admission of the bearer into a foreign country.

Resident Alien: An immigrant to the U.S., or a nonimmigrant who meets certain residency requirements or makes a special election to be taxed as a resident.

Social Security: A term that refers to an agency, a card, and two types of tax. The Social Security Administration is an agency of the U.S. Department of Health and Human Services. The card bears a unique nine-digit identification number and is issued to qualified persons, primarily to determine eligibility for benefits earned through employment. The taxes, known as FICA (Federal Insurance Contribution Act) and Medicare, are withheld by employers.

Substantial Presence: The period of time that an alien must be in the U.S. to be considered a resident alien for tax purposes. Normally 183 days; but international students' presence is usually not counted toward the 183-day threshold for 5 years, and international scholar's presence is usually not counted for 2 out of the last 6 years. (See Lesson 1).

Treaty: An agreement between two countries. The provisions take precedence over regular tax law.

U.S. National: An individual who, although not a U.S. citizen, owes his/her allegiance to the U.S. U.S. nationals include American Samoans and Northern Marina Islanders who chose to become U.S. Nationals instead of U.S. citizens.

Visa: A passport stamp issued by a U.S. Embassy or Consulate in a foreign country, allowing a person to apply to the BCIS to enter the U.S.

Immigration Terms

Students and scholars often use Immigration terms to explain to you why they are permitted to work, and may anticipate that you will understand those terms. The glossary below is based on information provided by the Bureau of Citizenship and Immigration Services (BCIS).

A

Acquired Citizenship: Citizenship conferred at birth on children born abroad to a U.S. citizen parent(s).

Adoption: See entry for "Orphan."

Adjustment to Immigrant Status: Procedure allowing certain aliens already in the U.S. to apply for immigrant status. Aliens admitted to the U.S. in a nonimmigrant, refugee, or parolee category may have their status changed to that of lawful permanent resident if they are eligible to receive an immigrant visa and one

is immediately available. In such cases, the alien is counted as an immigrant as of the date of adjustment, even though the alien may have been in the U.S. for an extended period of time. Beginning in October 1994, subsection 245(i) of the INA allowed illegal residents who were eligible for immigrant status to remain in the U.S. and adjust to permanent resident status by applying at an BCIS office and paying an additional penalty fee. Subsection 245(i) is no longer available unless the alien is the beneficiary of a petition under section 204 of the Act or of an application for a labor certification under subsection 212(a)(5)(A), filed before January 15, 1998. Most illegal residents are required to leave the U.S. and acquire a visa abroad from the Department of State.

Agricultural Worker: As a nonimmigrant class of admission, an alien coming temporarily to the U.S. to perform agricultural labor or services, as defined by the Secretary of Labor.

Alien: Any person not a citizen or national of the U.S.

Amerasian Act: Pub. L. 97-359 (Act of October 22, 1982) provides for the immigration to the U.S. of certain Amerasian children. In order to qualify for benefits under this law, an alien must have been born in Cambodia, Korea, Laos, Thailand, or Vietnam after December 31, 1950, and before October 22, 1982, and have been fathered by a U.S. citizen.

Amerasian (Vietnam): Immigrant visas are issued to Amerasians under Pub. L. 100-202 (Act of December 22, 1987), which provides for admission of aliens born in Vietnam after January 1, 1962 and before January 1, 1976, if fathered by a U.S. citizen. Spouses, children, and parents or guardians may accompany the alien.

Application Support Centers: BCIS Offices fingerprint applicants for immigration benefits. Some BCIS applications, such as the Application for Naturalization or the Application to Register Permanent Residence or Adjust Status, require the BCIS to get an FBI fingerprint background check on the applicant. Most applicants who need background checks will be scheduled to appear at a specific Application Support Center (ASC) or Designated Law Enforcement Agency (DLEA) for fingerprinting.

Apprehension: The arrest of a removable alien by the Directorate of Border and Transportation Security (DBTS). Each apprehension of the same alien in a fiscal year is counted separately.

Asylee: An alien in the U.S. or at a port of entry who is found to be unable or unwilling to return to his or her country of nationality, or to seek the protection of that country because of persecution or a well-founded fear of persecution. Persecution or the fear thereof must be based on the alien's race, religion, nationality, membership in a particular social group, or political opinion. For persons with no nationality, the country of nationality is considered to be the country in which the alien last habitually resided. Asylees are eligible to adjust to lawful permanent resident status after one year of continuous presence in the U.S. These immigrants are limited to 10,000 adjustments per fiscal year.

B

Beneficiaries: Aliens on whose behalf a U.S. citizen, legal permanent resident, or employer have filed a petition for such aliens to receive immigration benefits from the U.S. BCIS. Beneficiaries generally receive a lawful status as a result of their relationship to a U.S. citizen, lawful permanent resident, or U.S. employer.

Border Crosser: An alien resident of the U.S. reentering the country after an absence of less than six months in Canada or Mexico, or a nonresident alien entering the U.S. across the Canadian border for stays of no more than six months or across the Mexican border for stays of no more than 72 hours.

Border Patrol Sector: Any one of geographic areas into which the U.S. is divided for DBTS Border Patrol activities.

Business Nonimmigrant: An alien coming temporarily to the U.S. to engage in commercial transactions which do not involve gainful employment in the U.S., i.e., engaged in international commerce on behalf of a foreign firm, not employed in the U.S. labor market, and receives no salary from U.S. sources.

C

Cancellation of Removal: A discretionary benefit adjusting an alien's status from that of deportable alien to one lawfully admitted for permanent residence. Application for cancellation of removal is made during the course of a hearing before an immigration judge.

Certificate of Citizenship: Identity document proving U.S. citizenship. Certificates of citizenship are issued to derivative citizens and to persons who acquired U.S. citizenship (see definitions for Acquired and Derivative Citizenship).

Child: Generally, an unmarried person under 21 who is: a child born in wedlock; a stepchild (provided that the child was under 18 when the marriage creating the stepchild relationship occurred); a legitimated child (provided that the child was legitimated while in the legal custody of the legitimating parent); a child born out of wedlock if a benefit is sought on the basis of its relationship with its mother (or to its father if the father has or had a bona fide relationship with the child); a child adopted while under 16 who since adoption has resided in the legal custody of the adopting parents for at least 2 years; or an orphan, under 16, who has been adopted abroad by a U.S. citizen or has an immediate-relative visa petition submitted in his/her behalf and is coming to the U.S. for adoption by a U.S. citizen.

Country of . . .

Birth: The country in which a person is born.

Chargeability: The independent country to which an immigrant entering under the preference system is accredited for purposes of numerical limitations.

Citizenship: The country in which a person is born (and has not renounced or lost citizenship) or naturalized, and to which that person owes allegiance and by which he or she is entitled to be protected.

Former Allegiance: The previous country of citizenship of a naturalized U.S. citizen or of a person who derived U.S. citizenship.

(Last) Residence: The country in which an alien habitually resided before entering the U.S.

Nationality: The country of a person's citizenship or country in which the person is deemed a national.

Crewman: A foreign national serving in a capacity required for normal operations and service on board a vessel or aircraft. Crewmen are admitted for 29 days, with no extensions. Two categories of crewmen are defined in the INA: D1 (departing from the U.S. with the vessel or aircraft on which he arrived or some other vessel or aircraft) and D2 (departing from Guam with the vessel on which he arrived).

Cuban/Haitian Entrant: Status accorded (1) Cubans who entered illegally or were paroled into the U.S. between April 15, 1980, and October 10, 1980, and (2) Haitians who entered illegally or were paroled into the country before January 1, 1981. Cubans and Haitians meeting these criteria who have continuously resided in the U.S. since before January 1, 1982, and who were known to the BCIS before that date, may adjust to permanent residence under a provision of the Immigration Control and Reform Act of 1986.

D

Deferred Inspection: See entry for "Parolee."

Departure Under Safeguards: The departure of an illegal alien from the U.S. which is physically observed by an DBTS official.

Deportable Alien: An alien in and admitted to the U.S. subject to any grounds of removal specified in the Immigration and Nationality Act. This includes any alien illegally in the U.S., regardless of whether the alien entered the country by fraud or misrepresentation or entered legally but subsequently violated the terms of his or her nonimmigrant classification or status.

Deportation: The formal removal of an alien from the U.S. when the alien has been found removable for violating the immigration laws. Deportation is ordered by an immigration judge without any punishment being imposed or contemplated. Until April 1997, deportation and exclusion were separate removal procedures. The

Illegal Immigration Reform and Immigrant Responsibility Act of 1996 consolidated these procedures. After April 1, 1997, aliens in and admitted to the U.S. may be subject to removal based on deportability.

Derivative Citizenship: Citizenship conveyed to children through the naturalization of parents or, in certain circumstances, to foreign-born children adopted by U.S. citizen parents, provided certain conditions are met.

District: Geographic areas into which the U.S. and its territories are divided for the BCIS field operations or one of three overseas offices located in Rome, Bangkok, and Mexico City. Each District Office, headed by a District Director, has a specified service area that may include part of a state, an entire state, or many states. District Offices are where most BCIS field staff are located. District Offices are responsible for providing certain immigration services and benefits to people resident in their service area, and for enforcing immigration laws in that jurisdiction. Certain applications are filed directly with District Offices, many kinds of interviews are conducted at these Offices, and BCIS staff is available to answer questions, provide forms, etc.

Diversity: A category of immigrants replacing the earlier categories for nationals of underrepresented countries and countries adversely "affected" by the Immigration and Nationality Act Amendments of 1965 (Pub. L. 89-236). The annual limit on diversity immigration was 40,000 during fiscal years 1992-94, under a transitional diversity program, and 50,000 beginning in fiscal year 1995, under a permanent diversity program.

Docket Control: The BCIS mechanism for tracking the case status of potentially removable aliens.

E

Employer Sanctions: The employer sanctions provision of the Immigration Reform and Control Act of 1986 prohibits employers from hiring, recruiting, or referring for a fee aliens known to be unauthorized to work in the U.S. Violators of the law are subject to a series of civil fines for violations or criminal penalties when there is a pattern or practice of violations.

Exchange Visitor: An alien coming temporarily to the U.S. as a participant in a program approved by the Secretary of State for the purpose of teaching, instructing or lecturing, studying, observing, conducting research, consulting, demonstrating special skills, or receiving training.

Exclusion: Before the Illegal Immigration Reform and Immigrant Responsibility Act of 1996, exclusion was the formal term for denial of an alien's entry into the U.S. The decision to exclude an alien was made by an immigration judge after an exclusion hearing. Since

April 1, 1997, the process of adjudicating inadmissibility may take place in either an expedited removal process or in removal proceedings before an immigration judge.

Expedited Removal: The Illegal Immigration Reform and Immigrant Responsibility Act of 1996 authorized the DBTS to quickly remove certain inadmissible aliens from the U.S. The authority covers aliens who are inadmissible because they have no entry documents or because they have used counterfeit, altered, or otherwise fraudulent or improper documents. The authority covers aliens who arrive in, attempt to enter, or have entered the U.S. without having been admitted or paroled by an immigration officer at a port-of-entry. The DBTS has the authority to order the removal, and the alien is not referred to an immigration judge except under certain circumstances after an alien makes a claim to legal status in the U.S. or demonstrates a credible fear of persecution if returned to his or her home country.

F

Fiance(e)s of U.S. Citizen: A nonimmigrant alien coming to the U.S. to conclude a valid marriage with a U.S. citizen within ninety days after entry.

Files Control Office: An Immigration and Naturalization Service field office—either a district (including BCIS overseas offices) or a suboffice of that district—where alien case files are maintained and controlled.

Foreign Government Official: As a nonimmigrant class of admission, an alien coming temporarily to the U.S. who has been accredited by a foreign government to function as an ambassador, public minister, career diplomatic or consular officer, other accredited official, or an attendant, servant or personal employee of an accredited official, and all above aliens' spouses and unmarried minor (or dependent) children.

Foreign Information Media Representative: As a nonimmigrant class of admission, an alien coming temporarily to the U.S. as a bona fide representative of foreign press, radio, film, or other foreign information media and the alien's spouse and unmarried minor (or dependent) children.

Foreign State of Chargeability: The independent country to which an immigrant entering under the preference system is accredited. No more than 7% of the family-sponsored and employment-based visas may be issued to natives of any one independent country in a fiscal year. No one dependency of any independent country may receive more than 2% of the family-sponsored and employment-based visas issued. Since these limits are based on visa issuance rather than entries into the U.S., and immigrant visas are valid for 6 months, there is not total correspondence between these two occurrences. Chargeability is usually deter-

mined by country of birth. Exceptions are made to prevent the separation of family members when the limitation for the country of birth has been met.

G

General Naturalization Provisions: The basic requirements for naturalization that every applicant must meet, unless a member of a special class. General provisions require an applicant to be at least 18 and a lawful permanent resident with five years of continuous residence in the U.S., have been physically present in the country for half that period, and establish good moral character for at least that period.

Geographic Area of Chargeability: Any of five regions (Africa; East Asia; Latin America and the Caribbean; Near East and South Asia; and the former Soviet Union and Eastern Europe) into which the world is divided for initial admission of refugees to the U.S. Annual consultations between the Executive Branch and the Congress set the ceiling on the number of refugees who can be admitted from each area. Beginning in fiscal year 1987, an unallocated reserve was incorporated into the admission ceilings.

H

Hemispheric Ceilings: Statutory limits on immigration to the U.S. in effect from 1968 to October 1978. Mandated by the Immigration and Nationality Act Amendments of 1965, the ceiling on immigration from the Eastern Hemisphere was set at 170,000, with a per-country limit of 20,000. Immigration from the Western Hemisphere was held to 120,000, without a per country limit until January 1, 1977. The Western Hemisphere was then made subject to a 20,000 per country limit. Effective October 1978, the separate hemisphere limits were abolished in favor of a worldwide limit.

I

Immediate Relatives: Certain immigrants who because of their close relationship to U.S. citizens are exempt from the numerical limitations imposed on immigration to the U.S. Immediate relatives are: spouses of citizens, children (under 21 and unmarried) of citizens, and parents of citizens 21 or older.

Immigrant: See entry for "Permanent Resident Alien."

Immigration Act of 1990: Pub. L. 101-649 (Act of November 29, 1990), which increased the limits on legal immigration to the U.S., revised all grounds for exclusion and deportation, authorized temporary protected status to aliens of designated countries, revised and established new nonimmigrant admission categories, revised and extended the Visa Waiver Pilot Program, and revised naturalization authority and requirements.

Immigration Judge: A lawyer appointed by the Attorney General to act as an administrative judge within the Executive Office for Immigration Review. They are qualified to conduct specified classes of proceedings, including removal proceedings.

INA: See entry for "Immigration and Nationality Act."

Immigration and Nationality Act (INA): The Act that, along with other immigration laws, treaties, and conventions of the U.S., relates to the immigration, temporary admission, naturalization, and removal of aliens.

Immigration Marriage Fraud Amendments of 1986: Pub. L. 99-639 (Act of November 10, 1986), enacted to deter immigration-related marriage fraud. Its major provision stipulates that aliens deriving their immigrant status based on a marriage of less than two years are conditional immigrants. To remove their conditional status the immigrants must apply at an BCIS office during the 90-day period before their second-year anniversary of receiving conditional status. If the aliens cannot show that the marriage through which the status was obtained was and is a valid one, their conditional immigrant status may be terminated and they may become deportable.

Immigration Reform and Control Act (IRCA) of 1986: Pub. L. 99-603 (Act of November 6, 1986), enacted to control and deter illegal immigration to the U.S. Its major provisions stipulate legalization of undocumented aliens who had been continuously unlawfully present since 1982, legalization of certain agricultural workers, sanctions for employers who knowingly hire undocumented workers, and increased enforcement at U.S. borders.

Inadmissible: An alien seeking admission at a port of entry who does not meet the criteria in the INA for admission. The alien may be placed in removal proceedings or, under certain circumstances, allowed to withdraw his or her application for admission.

Industrial Trainee: See entry for "Temporary Worker."

Internal Revenue Service: A bureau of the U.S. Treasury Department that administers the U.S. tax code.

International Representative: As a nonimmigrant class of admission, an alien coming temporarily to the U.S. as a principal or other accredited representative of a foreign government (whether officially recognized or not recognized by the U.S.) to an international organization, an international organization officer or employee, and all above aliens' spouses and unmarried minor (or dependent) children.

Intracompany Transferee: An alien, employed for at least one continuous year out of the last three by an international firm or corporation, who seeks to enter the U.S. temporarily in order to continue to work for the same employer, or a subsidiary or affiliate, in a capacity that is primarily managerial, executive, or involves specialized knowledge, and the alien's spouse and minor unmarried children.

IRCA: See entry for "Immigration Reform and Control Act of 1986."

L

Labor Certification: Requirement for U.S. employers seeking to employ certain persons whose immigration to the U.S. is based on job skills or nonimmigrant temporary workers coming to perform services for which qualified authorized workers are unavailable in the U.S. Labor certification is issued by the Secretary of Labor and contains attestations by U.S. employers as to the numbers of U.S. workers available to undertake the employment sought by an applicant, and the effect of the alien's employment on the wages and working conditions of U.S. workers similarly employed. Determination of labor availability in the U.S. is made at the time of a visa application and at the location where the applicant wishes to work.

Legalization Dependents: A maximum of 55,000 visas were issued to spouses and children of aliens legalized under the provisions of the Immigration Reform and Control Act of 1986 in each of fiscal years 1992-94.

Legalized Aliens: Certain illegal aliens who were eligible to apply for temporary resident status under the legalization provision of the Immigration Reform and Control Act of 1986. To be eligible, aliens must have continuously resided in the U.S. in an unlawful status since January 1, 1982, not be excludable, and have entered the U.S. either (1) illegally before January 1, 1982, or (2) as temporary visitors before January 1, 1982, with their authorized stay expiring before that date or with the Government's knowledge of their unlawful status before that date. Legalization consists of two stages--temporary and then permanent residency. In order to adjust to permanent status aliens must have had continuous residence in the U.S., be admissible as an immigrant, and demonstrate at least a minimal understanding and knowledge of the English language and U.S. history and government.

Legitimated: Most countries have legal procedures for natural fathers of children born out of wedlock to acknowledge their children. A legitimated child from any country has two legal parents and cannot qualify as an orphan unless:

1. only one of the parents is living, or

2. both parents have abandoned the child

M

Medical and Legal Parolee: See entry for "Parolee."

Metropolitan Statistical Area (MSA): A core area with a large population, and adjacent communities having a high degree of social and economic integration with the core. MSAs are defined by the U.S. Office of Management and Budget (OMB). MSAs are generally counties (cities and towns in New England) containing at least one city or urbanized area with a population of at least

50,000 and a total metropolitan population of at least 100,000 (75,000 in New England). MSAs of one million or more population may be recognized as Consolidated Metropolitan Statistical Areas (CMSAs). Primary Metropolitan Statistical Areas (PSMAs) are component areas within MSAs. New England County Metropolitan Areas (NECMAs) are the county-based metropolitan alternative of the New England states for the city- and town-based MSAs and CMSAs.

Migrant: A person who leaves his/her country of origin to seek residence in another country.

N

NACARA: Nicaraguan Adjustment and Central American Relief Act.

National: A person owing permanent allegiance to a state.

NATO Official: As a nonimmigrant class of admission, an alien coming temporarily to the U.S. as a member of the armed forces or as a civilian employed by the armed forces on assignment with a foreign government signatory to NATO (North Atlantic Treaty Organization), and the alien's spouse and unmarried minor (or dependent) children.

Naturalization: The conferring, by any means, of citizenship upon a person after birth.

Naturalization Application: The form used by a lawful permanent resident to apply for U.S. citizenship. The application is filed with the BCIS at the Service Center with jurisdiction over the applicant's place of residence.

Nonimmigrant: An alien who seeks temporary entry to the U.S. for a specific purpose. The alien must have a permanent residence abroad (for most classes of admission) and qualify for the nonimmigrant classification sought. The nonimmigrant classifications include: foreign government officials, visitors for business and for pleasure, aliens in transit through the U.S., treaty traders and investors, students, international representatives, temporary workers and trainees, representatives of foreign information media, exchange visitors, fiance(e)s of U.S. citizens, intracompany transferees, NATO officials, religious workers, and some others. Most nonimmigrants can be accompanied or joined by spouses and unmarried minor (or dependent) children.

Nonpreference Category: Nonpreference visas were available to qualified applicants not entitled to a visa under the preferences until the category was eliminated by the Immigration Act of 1990. Nonpreference visas for persons not entitled to the other preferences had not been available since September 1978 because of high demand in the preference categories. An additional 5,000 nonpreference visas were available in each of fiscal years 1987 and 1988 under a provision of the Immigration Reform and Control

Act of 1986. This program was extended into 1989, 1990, and 1991 with 15,000 visas issued each year. Aliens born in countries from which immigration was adversely affected by the Immigration and Nationality Act Amendments of 1965 (Pub. L. 89-236) were eligible for the special nonpreference visas.

North American Free-Trade Agreement (NAFTA): Pub. Law 103-182 (Act of December 8, 1993), which on January 1, 1994 superseded the U.S.-Canada Free-Trade Agreement. It continued the special, reciprocal trading relationship between the U.S. and Canada (see entry for "United States-Canada Free-Trade Agreement") and established a similar relationship with Mexico.

Numerical Limit, Exempt from: Those aliens accorded lawful permanent residence who are exempt from the provisions of the flexible numerical limit of 675,000 set by the Immigration Act of 1990. Exempt categories include immediate relatives of U.S. citizens, refugees, asylees (limited to 10,000 per year by section 209(b) of the Immigration and Nationality Act), Amerasians, aliens adjusted under the legalization provisions of the Immigration Reform and Control Act of 1986, and certain parolees from the former Soviet Union and Indochina.

Nursing Relief Act of 1989: Pub. Law 101-238 (1989) provides for the adjustment to permanent resident status of some nonimmigrants who as of September 1, 1989 had H-1 nonimmigrant status as registered nurses; had been employed in that capacity for at least 3 years; and whose continued nursing employment meets certain labor certification requirements.

O

Occupation: For an alien entering the U.S. or adjusting without a labor certification, occupation refers to the employment held in the country of last legal residence or in the U.S. For an alien with a labor certification, occupation is the employment for which certification has been issued.

Orphan: The Immigration and Nationality Act provides a definition of an orphan for purposes of immigration to the U.S. A child may be considered an orphan due to death or disappearance of, abandonment or desertion by, or separation or loss from both parents. The child of an unwed mother or surviving parent may be considered an orphan if that parent is unable to care for the child properly and has, in writing, irrevocably released the child for emigration and adoption. The child of an unwed mother may be considered an orphan, as long as the mother **does not marry** (which would result in the child's having a stepfather) and as long as the child's biological father has not legitimated the child. If the father legitimates the child or the mother marries, the mother is no longer considered a sole parent. The child of a surviving parent may also be an orphan if the surviving parent has **not married** since the death of the other parent (which would result in the child's having a stepfather or stepmother).

Note: Prospective adoptive parents should be sure that a child fits the definition of "orphan" before adopting a child from another country, because not all children adopted abroad meet the definition of "orphan," and therefore may not be eligible to immigrate to the U.S.

Out of Wedlock (born out of wedlock): A child born of parents who were not legally married to each other at that time. Note: Adoptive and prospective adoptive parents of a child who was born out of wedlock in any country should find out whether the child has been legitimated.

P

Panama Canal Act Immigrants: Three categories of special immigrants established by Pub. L. 96-70 (Act of September 27, 1979): (1) certain former employees of the Panama Canal Company or Canal Zone Government, their spouses and accompanying children; (2) certain former employees of the U.S. Government in the Panama Canal Zone who are Panamanian nationals, their spouses and children; and (3) certain former employees of the Panama Canal Company or Canal Zone Government on April 1, 1979, and their spouses and children. The Act provides for admission of a maximum of 15,000 immigrants at a rate no more than 5,000 each year.

Parolee: A parolee is an alien, appearing to be inadmissible to the inspecting officer, allowed into the U.S. for urgent humanitarian reasons or when that alien's entry is determined to be for significant public benefit. Parole does not constitute a formal admission to the U.S. and confers temporary status only, requiring parolees to leave when the conditions supporting their parole cease to exist. Types of parolees include:

1. Deferred inspection: authorized at the port upon alien's arrival; may be conferred by an immigration inspector when aliens appear at a port of entry with documentation, but after preliminary examination, some question remains about their admissibility which can best be answered at their point of destination.

2. Advance parole: authorized at an BCIS District office in advance of alien's arrival; may be issued to aliens residing in the U.S. in other than lawful permanent resident status who have an unexpected need to travel and return, and whose conditions of stay do not otherwise allow for readmission to the U.S. if they depart.

3. Port-of-entry parole: authorized at the port upon alien's arrival; applies to a wide variety of situations and is used at the discretion of the supervisory immigration inspector, usually to allow short periods of entry. Examples include allowing aliens who could not be issued the necessary documentation within the required time period, or who were otherwise inadmissible, to attend a funeral and permitting the entry of emergency workers, such as fire fighters, to assist with an emergency.

4. Humanitarian parole: authorized at BCIS headquarters or overseas District Offices for "urgent humanitarian reasons" specified in the law. It is used in cases of medical emergency and comparable situations.

5. Significant Public Benefit Parole: authorized at BCIS headquarters **Office of International Affairs** for "significant public benefit" specified in the law. It is generally used for aliens who enter to take part in legal proceedings when there is a benefit to the government. **These requests must be submitted by a law enforcement agency.**

6. Overseas parole: authorized at an BCIS District or suboffice while the alien is still overseas; designed to constitute long-term admission to the U.S. In recent years, most of the aliens the BCIS has processed through overseas parole have arrived under special legislation or international migration agreements.

Per-Country Limit: The maximum number of family-sponsored and employment-based preference visas that can be issued to citizens of any country in a fiscal year. The limits are calculated each fiscal year depending on the total number of family-sponsored and employment-based visas available. No more than 7% of the visas may be issued to natives of any one independent country in a fiscal year; no more than 2% may be issued to any one dependency of any independent country. The per-country limit does not indicate, however, that a country is entitled to the maximum number of visas each year, just that it cannot receive more than that number. Because of the combined workings of the preference system and per-country limits, most countries do not reach this level of visa issuance.

Permanent Resident Alien: an alien admitted to the U.S. as a lawful permanent resident. Permanent residents are also commonly referred to as immigrants; however, the Immigration and Nationality Act (INA) broadly defines an immigrant as any alien in the U.S., except one legally admitted under specific nonimmigrant categories (INA subsection 101(a)(15)). An illegal alien who entered the U.S. without inspection, for example, would be strictly defined as an immigrant under the INA but is not a permanent resident alien. Lawful permanent residents are legally accorded the privilege of residing permanently in the U.S. They may be issued immigrant visas by the Department of State overseas or adjusted to permanent resident status by the BCIS in the U.S.

Port of Entry: Any location in the U.S. or its territories that is designated as a point of entry for aliens and U.S. citizens. All district and files control offices are also considered ports, since they become locations of entry for aliens adjusting to immigrant status.

Pre-inspection: Complete immigration inspection of airport passengers before departure from a foreign country. No further immigration inspection is required upon arrival in the U.S. other than submission of BCIS Form I-94 for nonimmigrant aliens.

Preference System (Immigration Act of 1990): The nine categories since fiscal year 1992 among which the family-sponsored and employment-based immigrant preference visas are distributed. The family-sponsored preferences are: (1) unmarried sons and daughters of U.S. citizens; (2) spouses, children, and unmarried sons and daughters of permanent resident aliens; (3) married sons and daughters of U.S. citizens; and (4) brothers and sisters of U.S. citizens. The employment-based preferences are: (1) priority workers (persons of extraordinary ability, outstanding professors and researchers, and certain multinational executives and managers); (2) professionals with advanced degrees or aliens with exceptional ability; (3) skilled workers, professionals (without advanced degrees), and needed unskilled workers; (4) special immigrants; and (5) employment creation immigrants (investors).

Principal Alien: The alien who applies for immigrant status and from whom another alien may derive lawful status under immigration law or regulations (usually spouses and minor unmarried children).

Priority Date: In the BCIS Immigrant visa petition application process, the priority date is the date the petition was filed. If the alien relative has a priority date on or before the date listed in the visa bulletin, then he or she is currently eligible for a visa.

R

Refugee: Any person who is outside his or her country of nationality who is unable or unwilling to return to that country because of persecution or a well-founded fear of persecution. Persecution or the fear thereof must be based on the alien's race, religion, nationality, membership in a particular social group, or political opinion. People with no nationality must generally be outside their country of last habitual residence to qualify as a refugee. Refugees are subject to ceilings by geographic area set annually by the President in consultation with Congress and are eligible to adjust to lawful permanent resident status after one year of continuous presence in the U.S.

Refugee Approvals: The number of refugees approved for admission to the U.S. during a fiscal year. DBTS officers in overseas offices make refugee approvals.

Refugee Arrivals: The number of refugees the DBTS initially admits to the U.S. through ports of entry during a fiscal year.

Refugee Authorized Admissions: The maximum number of refugees allowed to enter the U.S. in a given fiscal year. As set forth in the Refugee Act of 1980 (Pub. L. 96-212) the President determines the annual figure after consultations with Congress.

Refugee-Parolee: A qualified applicant for conditional entry, between February 1970 and April 1980, whose application for admission to the U.S. could not be approved because of inadequate

numbers of seventh preference visas. As a result, the applicant was paroled into the U.S. under the parole authority granted the Attorney General.

Regional Offices: The three BCIS Regional Offices that supervise the work of BCIS Districts and Border Patrol Sectors. The Regional Directors report to the Executive Associate Commissioner for Field Operations in BCIS Headquarters, Washington, DC. The three Regional Offices are located in (Eastern Region) Burlington, VT, (Central Region) Dallas, TX, and (Western Region) Laguna Nigel, CA.

Registry Date: Aliens who have continuously resided in the U.S. since January 1, 1972, are of good moral character, and are not inadmissible, are eligible to adjust to legal permanent resident status under the registry provision. Before the Immigration Reform and Control Act of 1986 amended the date, aliens had to have been in the country continuously since June 30, 1948, to qualify.

Removal: The expulsion of an alien from the U.S. This expulsion may be based on grounds of inadmissibility or deportability.

Required Departure: See entry for "Voluntary Departure."

Resettlement: Permanent relocation of refugees in a place outside their country of origin to allow them to establish residence and become productive members of society there. Refugee resettlement is accomplished with the direct assistance of private voluntary agencies working with the Department of Health and Human Services Office of Refugee Resettlement.

S

Safe Haven: Temporary refuge given to migrants who have fled their countries of origin to seek protection or relief from persecution or other hardships, until they can return to their countries safely or, if necessary until they can obtain permanent relief from the conditions they fled.

Service Centers: Four offices established to handle the filing, data entry, and adjudication of certain applications for immigration services and benefits. The applications are mailed to BCIS Service Centers—Service Centers are not staffed to receive walk-in applications or questions.

Special Agricultural Workers (SAW): Aliens who performed labor in perishable agricultural commodities for a specified period of time and were admitted for temporary and then permanent residence under a provision of the Immigration Reform and Control Act of 1986. Up to 350,000 aliens who worked at least 90 days in each of the 3 years preceding May 1, 1986 were eligible for Group I temporary resident status. Eligible aliens who qualified under this requirement but applied after the 350,000 limit was met and aliens who performed labor in perishable agricultural commodities for at least 90 days during the year ending May 1, 1986 were eligible for Group II temporary resident status. Adjustment to permanent

resident status is essentially automatic for both groups; however, aliens in Group I were eligible on December 1, 1989 and those in Group II were eligible one year later on December 1, 1990.

Special Immigrants: Certain categories of immigrants who were exempt from numerical limitation before fiscal year 1992 and subject to limitation under the employment-based fourth preference beginning in 1992; persons who lost citizenship by marriage; persons who lost citizenship by serving in foreign armed forces; ministers of religion and other religious workers, their spouses and children; certain employees and former employees of the U.S. Government abroad, their spouses and children; Panama Canal Act immigrants; certain foreign medical school graduates, their spouses and children; certain retired employees of international organizations, their spouses and children; juvenile court dependents; and certain aliens serving in the U.S. Armed Forces, their spouses and children.

Special Naturalization Provisions: Provisions covering special classes of persons whom may be naturalized even though they do not meet all the general requirements for naturalization. Such special provisions allow: (1) wives or husbands of U.S. citizens to file for naturalization after three years of lawful permanent residence instead of the prescribed five years; (2) a surviving spouse of a U.S. citizen who served in the armed forces to file his or her naturalization application in any district instead of where he/she resides; and (3) children of U.S. citizen parents to be naturalized without meeting certain requirements or taking the oath, if too young to understand the meaning. Other classes of persons who may qualify for special consideration are former U.S. citizens, servicemen, seamen, and employees of organizations promoting U.S. interests abroad.

Sponsor: There are many ways to sponsor an alien. The term "sponsor" in the immigration sense, often means to bring to the U.S. or "petition for".

Stateless: Having no nationality.

Stowaway: An alien coming to the U.S. surreptitiously on an airplane or vessel without legal status of admission. Such an alien is subject to denial of formal admission and return to the point of embarkation by the transportation carrier.

Student: As a nonimmigrant class of admission, an alien coming temporarily to the U.S. to pursue a full course of study in an approved program in either an academic (college, university, seminary, conservatory, academic high school, elementary school, other institution, or language training program) or a vocational or other recognized nonacademic institution.

Suboffices: Offices found in some Districts that serve a portion of the District's jurisdiction. A Suboffice, headed by an Officer-in-Charge, provides many services and enforcement functions. Their locations are determined, in part, to increase convenience to BCIS' customers.

Subject to the Numerical Limit: Categories of legal immigrants subject to annual limits under the provisions of the flexible numerical limit of 675,000 set by the Immigration Act of 1990. The largest categories are: family-sponsored preferences; employment-based preferences; and diversity immigrants.

T

Temporary Protected Status (TPS): Establishes a legislative basis for allowing a group of persons temporary refuge in the U.S. Under a provision of the Immigration Act of 1990, the Attorney General may designate nationals of a foreign state to be eligible for TPS with a finding that conditions in that country pose a danger to personal safety due to ongoing armed conflict or an environmental disaster. Grants of TPS are initially made for periods of 6 to 18 months and may be extended depending on the situation. Removal proceedings are suspended against aliens while they are in Temporary Protected Status.

Temporary Resident: See entry for "Nonimmigrant."

Temporary Worker: An alien coming to the U.S. to work for a temporary period. The Immigration Reform and Control Act of 1986 and the Immigration Act of 1990, as well as other acts, revised existing classes and created new classes of nonimmigrant admission. Nonimmigrant temporary worker classes of admission are as follows:

1. H-1A: registered nurses (valid October 1, 1990 through September 30, 1995);

2. H-1B: workers with "specialty occupations" admitted on the basis of professional education, skills, and/or equivalent experience;

3. H-1C: registered nurses to work in areas with a shortage of health professionals under the Nursing Relief for Disadvantaged Areas Act of 1999;

4. H-2A: temporary agricultural workers coming to the U.S. to perform agricultural services or labor of a temporary or seasonal nature when authorized workers are unavailable in the U.S.;

5. H-2B: temporary non-agricultural workers coming to the U.S. to perform temporary services or labor if unemployed persons capable of performing the service or labor cannot be found in the U.S.;

6. H-3: aliens coming temporarily to the U.S. as trainees, other than to receive graduate medical education or training;

7. O-1, O-2, O-3: temporary workers with extraordinary ability or achievement in the sciences, arts, education, business, or athletics; those entering solely for the purpose of accompanying and assisting such workers; and their spouses and children;

8. P-1, P-2, P-3, P-4: athletes and entertainers at an internationally recognized level of performance; artists and entertainers under a reciprocal exchange program; artists and entertainers under a program that is "culturally unique"; and their spouses and children;

9. Q-1, Q-2, Q-3: participants in international cultural exchange programs; participants in the Irish Peace Process Cultural and Training Program; and spouses and children of Irish Peace Process participants; and

10. R-1, R-2: temporary workers to perform work in religious occupations and their spouses and children.

See other entries in this Glossary for definitions of "Exchange Visitor," "Intracompany Transferee," and "U.S.-Canada or North American Free-Trade Agreement" classes of nonimmigrant admission.

Transit Alien: An alien in immediate and continuous transit through the U.S., with or without a visa, including, (1) aliens who qualify as persons entitled to pass in transit to and from the United Nations Headquarters District and foreign countries and (2) foreign government officials and their spouses and unmarried minor (or dependent) children in transit.

Transition Quarter: The three-month period–July 1 through September 30, 1976–between fiscal year 1976 and fiscal year 1977. At that time, the federal fiscal year changed from July 1–June 30 to October 1–September 30.

Transit Without Visa (TWOV): A transit alien traveling without a nonimmigrant visa under section 233 of the INA. An alien admitted under agreements with a transportation line, which guarantees his immediate and continuous passage to a foreign destination.

Treaty Trader or Investor: As a nonimmigrant class of admission, an alien coming to the U.S., under the provisions of a treaty of commerce and navigation between the U.S. and the foreign state of such alien, to carry on substantial trade or to direct the operations of an enterprise in which he/she has invested a substantial amount of capital, and the alien's spouse and unmarried minor children.

U

Underrepresented Countries, Natives of: The Immigration Amendments of 1988, Pub. L. 101-658 (Act of November 5, 1988) allowed 10,000 visas to be issued to natives of underrepresented countries in each of the two fiscal years 1990 and 1991. Underrepresented countries are defined as countries that received less than 25% of the maximum allowed under the country limitations (20,000 for independent countries and 5,000 for dependencies) in fiscal year 1988.

Undocumented Aliens: See entry for "illegal aliens."

United States-Canada Free-Trade Agreement: Pub. L. 100-449 (Act of September 28, 1988) established a special, reciprocal trading relationship between the U.S. and Canada. It provided two new classes of nonimmigrant admission for temporary visitors to the U.S.-Canadian citizen business persons, and their spouses and unmarried minor children. Entry is facilitated for visitors seeking classification as visitors for business, treaty traders or inves-

tors, intracompany transferees, or other business people engaging in activities at a professional level. Such visitors are not required to obtain nonimmigrant visas, prior petitions, labor certifications, or prior approval but must satisfy the inspecting officer they are seeking entry to engage in activities at a professional level and that they are so qualified. The United States-Canada Free-Trade Agreement was superseded by the North American Free-Trade Agreement (NAFTA) as of January 1, 1994.

V

Visa Waiver Program: Allows citizens of certain selected countries, traveling temporarily to the U.S. under the nonimmigrant admission classes of visitors for pleasure and visitors for business, to enter the U.S. without obtaining nonimmigrant visas. Admission is for no more than 90 days. The program was instituted by the Immigration Reform and Control Act of 1986 (entries began July 1, 1988). Under the Guam Visa Waiver Program, certain visitors from designated countries may visit Guam only for up to 15 days without first having to obtain nonimmigrant visitor visas.

Voluntary Departure: The departure of an alien from the U.S. without an order of removal. The departure may or may not have been preceded by a hearing before an immigration judge. An alien allowed to voluntarily depart concedes removability but does not have a bar to seeking admission at a port-of-entry at any time. Failure to depart within the time granted results in a fine and a ten-year bar to several forms of relief from deportation.

W

Withdrawal: An arriving alien's voluntary retraction of an application for admission to the U.S. in lieu of a removal hearing before an immigration judge or an expedited removal. Withdrawals are not included in nonimmigrant admission data.

Test for International Student and Scholar Federal Income Tax Issues

This is an open-book test. You may use your course book and any other materials that you will use as a volunteer. Please complete the test on your own, without viewing the included answers. Taking the test in groups or with use of the provided answers could prove a disservice to the people you have volunteered to help.

The test is divided into three parts:

Part 1 – Residency Status and Form 8843

Part 2– Taxability of Income and Form 1040NR-EZ

Part 3 – Advanced Issues and Form 1040NR

All volunteers must pass Part 1. Your instructor will tell you what other parts of the test that you are expected to pass.

The general criteria for passing are:

Part 1 – You must answer 14 out of the 20 questions correctly.

Part 2 – You must answer 11 out of the 15 questions correctly.

Part 3 – You must answer 6 out of the 9 questions correctly.

There is not a retest for this course. If you do not successfully complete the test, please work with your site coordinator to determine if you can provide volunteer assistance to International Students and Scholars.

NOTE: Use the tax charts in Appendix C to look up the tax for these returns.

IRS Use Only
Certified FS

Part 1: _____

Part 2: _____

Part 3: _____

The purpose of the VITA and TCE programs is to provide free tax assistance to taxpayers.

Before beginning the test, please sign the statement below. If you have questions regarding the meaning of the statement, please check with your instructor or a representative of the local IRS or sponsoring organization. After you have completed this sheet, tear it out and give it to your instructor.

I understand that I cannot accept payment or donations from the public for my services as a volunteer, nor can I solicit business from taxpayers I assist.

I understand that all tax information I receive from taxpayers in my volunteer capacity is strictly confidential and will not, under any circumstances, be disclosed to unauthorized individuals.

Print Last Name, First, Middle Initial	Signature Date
Class Location	Home Street Address
Class Dates	City, State, Zip Code
Site Number/Name	Daytime Telephone Number

Publication 678FS Answer Sheet

Part 1: Residency Status and Form 8843

1.	8.	15.
2.	9.	16.
3.	10.	17.
4.	11.	18.
5.	12.	19.
6.	13.	20.
7.	14.	

Part 2: Form 1040NR-EZ

1.	6.	11.
2.	7.	12.
3.	8.	13.
4.	9.	14.
5.	10.	15.

Part 3: Form 1040NR and Advanced Issues

1.	4.	7.
2.	5.	8.
3.	6.	9.

Certification

This is to certify that _____ has successfully completed the Volunteer Income Tax training for International Student and Scholar Issues.

_____ has passed part(s) _____ of the 2003 Publication 678FS test.

_____

Signature of Instructor **Date**

PART 1
DETERMINATION OF RESIDENCY
FORM 8843

Carefully read the following questions and write your answers on the answer sheet.

1. Juliana arrived in the United States on August 1, 2003 in F-1 immigration status. She had never been to the U.S. before and she did not change immigration statuses during 2003. For federal income tax purposes, is Juliana a resident or nonresident alien for 2003?

2. Lei came to the United States in 1996 in F-1 immigration status to study engineering. He has not left the country nor has he changed immigration status. For federal income purposes, is Lei a resident or nonresident alien for 2003?

3. Miguel is a professor at the local university. He entered the United States in J-1 immigration status on May 18, 2002. For federal income tax purposes, is Miguel a resident or nonresident alien for 2003?

4. Sasha served as a visiting scholar from August 2000 through May 2001. In April of 2003, Sasha returned to the United States and served another year as a visiting scholar. For federal income tax purposes, is Sasha a resident or nonresident alien for 2003?

5. Hans came to the United States in F-2 immigration status on July 11, 2003. He has not changed his immigration status. For federal income tax purposes, is Hans a resident or nonresident alien for 2003?

Determine whether the following taxpayers need to file a Form 8843. Please record your answers on the answer sheet.

6. Celina is an F-1 student who has been in the United States since 8-6-2001. Does she need to file a Form 8843 for 2003?

7. Devesh is an F-1 student from India who has been in the United States since 6-30-1997. Does he need to file a Form 8843 for 2003?

8. Christiana is the wife of Albert who is an F-1 student. Christiana has been in F-2 immigration status since her arrival on 12-14-2003. Does she need to file a Form 8843 for 2003?

9. Assume that Christiana and Albert have a child who is with them in F-2 status. Do they need to file a Form 8843 for that child?

10. Sara is an F-1 student and her husband Franco is also an F-1 student. They have a daughter who was born in the United States. Do they need to file a Form 8843 for their daughter?

Use the following information to prepare a Form 8843. Record the requested answers on the answer sheet.

Rosa Santos is attending All-State University (115 Main St., All City, IL, 88779) to study Business Management. Her Social Security number is 111-22-3333. She will be filing the Form 8843 with her tax return. She is in F-1 immigration status and her visa number is 17178817. She has not changed immigration status since her arrival on July 31, 2002. Rosa is from Spain and holds a Spanish passport (number 345123987). Dr. Miller is her advisor. His phone number is (499) 555-5555. Rosa had never been in the U.S. before 2002. She has not taken any steps to apply for permanent residency.

11. What number is on line 4b?
12. Which line is the passport number entered on?
13. Does Rosa need to put her address on this form?
14. What is the answer to line 13?
15. Does Rosa need to sign this form?

Form **8843**

Department of the Treasury
Internal Revenue Service

Statement for Exempt Individuals and Individuals With a Medical Condition

For use by alien individuals only.

For the year January 1—December 31, 2003, or other tax year beginning , 2003, and ending , 20 .

OMB No. 1545-1411

2003

Attachment Sequence No. **102**

Your first name and initial	Last name	Your U.S. taxpayer identification number, if any

Fill in your addresses only if you are filing this form by itself and not with your tax return	Address in country of residence	Address in the United States

Draft as of 3/20/2003

Part I General Information

1a Type of U.S. visa (e.g., F, J, M, Q, etc.) and date you entered the United States ▶

b Current nonimmigrant status and date of change (see instructions) ▶

2 Of what country were you a citizen during the tax year?

3a What country issued you a passport?

b Enter your passport number ▶

4a Enter the actual number of days you were present in the United States during:
2003 _____ 2002 _____ 2001 _____ .

b Enter the number of days in 2003 you claim you can exclude for purposes of the substantial presence test ▶

Part II Teachers and Trainees

5 Enter the name, address, and telephone number of the academic institution you attended during 2003 ▶

6 Enter the name, address, and telephone number of the director of the academic or other specialized program you participated in during 2003 ▶

7 Enter the type of U.S. visa (J or Q) you held during: ▶ 1997 _____ 1998 _____ 1999 _____ 2000 _____ 2001 _____ 2002 _____ . If the type of visa you held during any of these years changed, attach a statement showing the new visa type and the date it was acquired.

8 Were you present in the United States as a teacher, trainee, or student for any part of 2 of the 6 prior calendar years (1997 through 2002)? . . . . . ☐ **Yes** ☐ **No**

If you checked the "Yes" box on line 8, you cannot exclude days of presence as a teacher or trainee unless you meet the **Exception** explained on page 3.

Part III Students

9 Enter the name, address, and telephone number of the academic institution you attended during 2003 ▶

10 Enter the name, address, and telephone number of the director of the academic or other specialized program you participated in during 2003 ▶

11 Enter the type of U.S. visa (F, J, M, or Q) you held during: ▶ 1997 _____ 1998 _____ 1999 _____ 2000 _____ 2001 _____ 2002 _____ . If the type of visa you held during any of these years changed, attach a statement showing the new visa type and the date it was acquired.

12 Were you present in the United States as a teacher, trainee, or student for any part of more than 5 calendar years? . . . . . ☐ **Yes** ☐ **No**

If you checked the "Yes" box on line 12, you must provide sufficient facts on an attached statement to establish that you do not intend to reside permanently in the United States.

13 During 2003, did you apply for, or take other affirmative steps to apply for, lawful permanent resident status in the United States or have an application pending to change your status to that of a lawful permanent resident of the United States? . . . . . ☐ **Yes** ☐ **No**

14 If you checked the "Yes" box on line 13, explain ▶

T-8 Test

Use the following information to prepare a Form 8843. Record the requested answers on the answer sheet.

Dr. Leonard Choi, a citizen from P.R. China arrived in the United States on May 31, 2002 as a visiting scholar in J-1 immigration status. His Social Security number is 888-77-6666. He will file a form 1040NR-EZ for 2003. His visa number is 18181718. He has not changed status since his arrival. His China passport number is 6547653. He teaches physics at State University (224 Main St., Any City, IL, 69999). The director of the physics department is Dr. Albert. Her phone number is (999) 888-7777. Dr. Choi has never taught in the U.S. before and he has not taken any steps to apply for permanent residency.

16. What number is entered on line 4b?
17. Should Dr. Choi put his address on this form?
18. What is the answer on line 8?
19. What is on line 2?
20. Should Dr. Choi sign this form?

Form **8843**

Department of the Treasury
Internal Revenue Service

Statement for Exempt Individuals and Individuals With a Medical Condition

For use by alien individuals only.

For the year January 1—December 31, 2003, or other tax year beginning , 2003, and ending , 20 .

OMB No. 1545-1411

2003

Attachment Sequence No. **102**

Your first name and initial	Last name	Your U.S. taxpayer identification number, if any

Fill in your addresses only if you are filing this form by itself and not with your tax return	Address in country of residence	Address in the United States

Draft as of 3/20/2003

Part I General Information

1a Type of U.S. visa (e.g., F, J, M, Q, etc.) and date you entered the United States ▶

b Current nonimmigrant status and date of change (see instructions) ▶

2 Of what country were you a citizen during the tax year?

3a What country issued you a passport?

b Enter your passport number ▶

4a Enter the actual number of days you were present in the United States during:
2003 _____ 2002 _____ 2001 _____ .

b Enter the number of days in 2003 you claim you can exclude for purposes of the substantial presence test ▶

Part II Teachers and Trainees

5 Enter the name, address, and telephone number of the academic institution you attended during 2003 ▶

6 Enter the name, address, and telephone number of the director of the academic or other specialized program you participated in during 2003 ▶

7 Enter the type of U.S. visa (J or Q) you held during: ▶ 1997 _____ 1998 _____ 1999 _____ 2000 _____ 2001 _____ 2002 _____ . If the type of visa you held during any of these years changed, attach a statement showing the new visa type and the date it was acquired.

8 Were you present in the United States as a teacher, trainee, or student for any part of 2 of the 6 prior calendar years (1997 through 2002)? . . . . . ☐ **Yes** ☐ **No**

If you checked the "Yes" box on line 8, you cannot exclude days of presence as a teacher or trainee unless you meet the **Exception** explained on page 3.

Part III Students

9 Enter the name, address, and telephone number of the academic institution you attended during 2003 ▶

10 Enter the name, address, and telephone number of the director of the academic or other specialized program you participated in during 2003 ▶

11 Enter the type of U.S. visa (F, J, M, or Q) you held during: ▶ 1997 _____ 1998 _____ 1999 _____ 2000 _____ 2001 _____ 2002 _____ . If the type of visa you held during any of these years changed, attach a statement showing the new visa type and the date it was acquired.

12 Were you present in the United States as a teacher, trainee, or student for any part of more than 5 calendar years? . . . . . ☐ **Yes** ☐ **No**

If you checked the "Yes" box on line 12, you must provide sufficient facts on an attached statement to establish that you do not intend to reside permanently in the United States.

13 During 2003, did you apply for, or take other affirmative steps to apply for, lawful permanent resident status in the United States or have an application pending to change your status to that of a lawful permanent resident of the United States? . . . . . ☐ **Yes** ☐ **No**

14 If you checked the "Yes" box on line 13, explain ▶

Test **T-11**

STUDENT NOTES

PART 2
TAXABILITY OF INCOME
FORM 1040NR-EZ

Carefully read the following questions and record your answers on the answer sheet.

1. Rebecca received a tuition waiver from the University. She did not have to perform any services to get this waiver. Is this waiver taxable?

2. James received $419 of interest on his bank account. He is an international student from Ireland. He just arrived in the U.S. in 2003. Is his interest income taxable?

3. Raji has a teaching assistantship. The school reports his wages on Form W-2. Must Raji include this income on his tax return?

4. Miya is from P.R. China. She earned $3,300 in wages in 2003. Her wages are reported to her on Form 1042S. Will she have to pay tax on her wages?

5. Hildae is an international student from South Africa. She earned $12 of dividend income on her investment in the U.S. stock market. Must Hildae report this income on her tax return?

Use the following information to prepare a Form 1040NR-EZ. Record the requested answers on the answer sheet.

Melissa Brigham, a permanent resident of Belgium (visa number 3344123344), came to the U.S. on an F-1 visa on August 1, 2002. She has remained in the country since then and is a full-time student at the local university. Melissa, born 3-15-1979, is single. She began working at the university campus on January 3, 2003. She filed the proper withholding and treaty forms with the university payroll office before beginning her job. Belgium will not tax her on wages that she earns here. Using the following information (Form 1042-S and Form W-2), complete Melissa's federal income tax return. (She would also need to file a Form 8843, but assume that she has already completed that on her own.)

6. Enter the amount from line 3, Form 1040NR-EZ.
7. Enter the amount from line 10, Form 1040NR-EZ.
8. Enter the amount from line 15, Form 1040NR-EZ.
9. Enter the amount from line 21, Form 1040NR-EZ.
10. Does Melissa have an overpayment of tax?

a Control number		OMB No. 1545-0008	Safe, accurate, FAST! Use IRS e-file — Visit the IRS Web Site at www.irs.gov.
b Employer identification number: 12-3456789		1 Wages, tips, other compensation: 2489.00	2 Federal income tax withheld: 316.00
c Employer's name, address, and ZIP code: State University, 123 Main St., Town, IL 62700		3 Social security wages	4 Social security tax withheld
		5 Medicare wages and tips	6 Medicare tax withheld
		7 Social security tips	8 Allocated tips
d Employee's social security number: 333-88-2222		9 Advance EIC payment	10 Dependent care benefits
e Employee's first name and initial / Last name: Melissa Brigham, 233 Main St., Town, IL 62700		11 Nonqualified plans	12a See instructions for box 12 — Code
		13 Statutory employee ☐ Retirement plan ☐ Third-party sick pay ☐	12b Code
		14 Other	12c Code
			12d Code
f Employee's address and ZIP code			

15 State	Employer's state ID number	16 State wages, tips, etc.	17 State income tax	18 Local wages, tips, etc.	19 Local income tax	20 Locality name
IL		2489.00	79.00			

Form **W-2** **Wage and Tax Statement** 2003 Department of the Treasury—Internal Revenue Service

Copy B To Be Filed with Employee's FEDERAL Tax Return.
This information is being furnished to the Internal Revenue Service.

Form **1042-S** Department of the Treasury Internal Revenue Service

Foreign Person's U.S. Source Income Subject to Withholding 2003

☐ VOID ☐ CORRECTED ☐ PRO-RATA BASIS REPORTING

OMB No. 1545-0096

Copy A for Internal Revenue Service

1 Income code	2 Gross income	3 Withholding allowances	4 Net income	5 Tax rate	6 Exemption code	7 U.S. Federal tax withheld	8 Amount repaid to recipient
19	2000.00						

9 Withholding agent's EIN ▶ xx-xxxxxxx ☐ EIN ☐ QI-EIN	14 Recipient's U.S. TIN, if any ▶ xxx-xx-xxxx ☒ SSN or ITIN ☐ EIN ☐ QI-EIN
10 WITHHOLDING AGENT'S name and address (including ZIP code): State University, 123 Main St., Town, IL 62700	15 Recipient's country of residence for tax purposes / 16 Country code
	17 NONQUALIFIED INTERMEDIARY'S (NQI's)/ FLOW-THROUGH ENTITY'S name / 18 Country code
	19 NQI's/Flow-through entity's address
11 Recipient's account number (optional) / 12 Recipient code	
13 RECIPIENT'S name (first name, initial, and last name), street address, city or town, province or state, and country (including postal code): Melissa Brigham, 233 Main St., Town, IL 62700	20 NQI's/Flow-through entity's TIN, if any ▶
	21 PAYER'S name and TIN (if different from withholding agent's)
	22 State income tax withheld / 23 Payer's state tax no. / 24 Name of state

For Privacy Act and Paperwork Reduction Act Notice, see page 15 of the separate instructions. Cat. No. 11386R Form **1042-S** (2003)

Form **1040NR-EZ**

Department of the Treasury
Internal Revenue Service

U.S. Income Tax Return for Certain Nonresident Aliens With No Dependents

OMB No. 1545-1468

2003

Please print or type.

Your first name and initial	Last name	**Identifying number (see page 3)**

Present home address (number, street, and apt. no., or rural route). If a P.O. box, see page 4.

City, town or post office, state, and ZIP code. If a foreign address, see page 4.

Country ▶

Of what country were you a **citizen** or national during 2003? ▶

Give address **outside the United States** to which you want any refund check mailed. If same as above, write "Same."

Give address in the country where you are a **permanent resident.** If same as above, write "Same."

Filing status (see page 4). Check only one box.

1 ☐ Single nonresident alien
2 ☐ Married nonresident alien

Attach Form(s) W-2 here. Enclose, but do not attach, any payment.

3	Wages, salaries, tips, etc. Attach Form(s) W-2 (see page 4)		3	
4	Taxable refunds, credits, or offsets of state and local income taxes (see page 4)		4	
5	Scholarship and fellowship grants. Attach explanation (see page 4)		5	
6	Total wages and scholarships exempt by a treaty from page 2, Item J	6		
7	Add lines 3, 4, and 5		7	
8	Student loan interest deduction (see page 5)	8		
9	Scholarship and fellowship grants excluded (see page 6)	9		
10	**Adjusted gross income.** Subtract the sum of line 8 and line 9 from line 7		10	
11	**Itemized deductions.** Enter state and local income taxes paid. Residents of India, see page 6		11	
12	Subtract line 11 from line 10		12	
13	Exemption deduction (see page 6)		13	
14	**Taxable income.** Subtract line 13 from line 12		14	
15	**Tax.** Find your tax in the Tax Table on pages 11–15		15	
16	Social security and Medicare tax on tip income not reported to employer. Attach Form 4137		16	
17	Add lines 15 and 16. This is your **total tax** ▶		17	
18	Federal income tax withheld (from Form W-2 and/or Form 1042-S)	18		
19	2003 estimated tax payments and amount applied from 2002 return	19		
20	Credit for amount paid with Form 1040-C	20		
21	Add lines 18 through 20. These are your **total payments** ▶		21	

Refund

Direct deposit? See page 6 and fill in 23b, 23c, and 23d.

22	If line 21 is more than line 17, subtract line 17 from line 21. This is the amount you **overpaid**		22	
23a	Amount of line 22 you want **refunded to you** ▶		23a	
b	Routing number	c Type: ☐ Checking ☐ Savings		
d	Account number			
24	Amount of line 22 you want **applied to your 2004 estimated tax** ▶	24		

Amount You Owe

25	**Amount you owe.** Subtract line 21 from line 17. For details on how to pay, see page 7 ▶		25	
26	Estimated tax penalty (see page 7). Also include on line 25	26		

Third Party Designee

Do you want to allow another person to discuss this return with the IRS (see page 7)? ☐ **Yes.** Complete the following. ☐ **No**

Designee's name ▶ Phone no. ▶ ( ) Personal identification number (PIN) ▶

Sign Here

Keep a copy of this return for your records.

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and accurately list all amounts and sources of U.S. source income I received during the tax year. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Your signature	Date	Your occupation in the United States
▶		

Paid Preparer's Use Only

Preparer's signature ▶	Date	Check if self-employed ☐	Preparer's SSN or PTIN
Firm's name (or yours if self-employed), address, and ZIP code ▶		EIN	
		Phone no. ( )	

For Disclosure and Paperwork Reduction Act Notices, see page 9 of instructions. Cat. No. 21534N Form **1040NR-EZ** (2003)

Draft as of 6/18/2003

Other Information (If an item does not apply to you, enter "N/A.")

A What country issued your passport?

B Were you ever a U.S. citizen? ☐ Yes ☐ No

C Give the purpose of your visit to the United States ▶

D Type of entry visa ▶
and current nonimmigrant status and date of change ▶

E Date you entered the United States (see page 8) ▶

F Did you give up your permanent residence as an immigrant in the United States this year? ☐ Yes ☐ No

G Dates you entered and left the United States during the year. Residents of Canada or Mexico entering and leaving the United States at frequent intervals, give name of country only. ▶

H Give number of days (including vacation and nonworkdays) you were present in the United States during 2001 , 2002 , and 2003 .

I Did you file a U.S. income tax return for any year before 2003? ☐ Yes ☐ No
If "Yes," give the latest year and form number ▶

J If you are claiming the benefits of a U.S. income tax treaty with a foreign country, give the following information. See page 8 for additional information.

- Country ▶
- Type and amount of income exempt from tax and the applicable tax treaty article. Enter treaty-exempt income for 2003 below and on line 6; not on line 3 or 5.

  For 2003 ▶

  For 2002 ▶

- Were you subject to tax in that country on any of the income that you claim is entitled to the treaty benefits? ☐ Yes ☐ No

K During 2003, did you apply for, or take any affirmative steps to apply for, lawful permanent resident status in the United States or have an application pending to adjust your status to that of a lawful permanent resident of the United States? ☐ Yes ☐ No
If "Yes," explain ▶

Draft as of 6/18/2003

Use the following information to prepare a Form 1040NR-EZ. Record the requested answers on the answer sheet.

Raji Ratnaker, a permanent resident of India (visa number 88779914), came to the U.S. on an F-1 visa on August 3, 2002. He has remained in the country since then and is a full-time student at the local university. Raji, born 10-17-81, is single. He filed the proper treaty and withholding forms with the university payroll office before beginning to work in the school cafeteria in 2003. Using the following Form W-2, prepare Raji's federal income tax return. (He has already completed his Form 8843.)

11. Enter the amount from line 3, Form 1040NR-EZ.
12. Enter the amount from line 11, Form 1040NR-EZ.
13. Enter the amount from line 15, Form 1040NR-EZ.
14. Enter the amount from line 22, Form 1040NR-EZ.
15. Does Raji have an overpayment tax?

a Control number	OMB No. 1545-0008	Safe, accurate, FAST! Use IRS e-file	Visit the IRS Web Site at www.irs.gov.
b Employer identification number 23-4567891	1 Wages, tips, other compensation 5968.00	2 Federal income tax withheld 412.00	
c Employer's name, address, and ZIP code First University 459 Main St. Town, MO 64000	3 Social security wages	4 Social security tax withheld	
	5 Medicare wages and tips	6 Medicare tax withheld	
	7 Social security tips	8 Allocated tips	
d Employee's social security number 444-88-7777	9 Advance EIC payment	10 Dependent care benefits	
e Employee's first name and initial Last name Raji Ratnaker 23 India Blvd Town, MO 64000 f Employee's address and ZIP code	11 Nonqualified plans	12a See instructions for box 12 Code	
	13 Statutory employee ☐ Retirement plan ☐ Third-party sick pay ☐	12b Code	
	14 Other	12c Code	
		12d Code	

15 State	Employer's state ID number	16 State wages, tips, etc.	17 State income tax	18 Local wages, tips, etc.	19 Local income tax	20 Locality name
MO		5968.00	57.90			

Form **W-2** Wage and Tax Statement 2003 Department of the Treasury—Internal Revenue Service

Copy B To Be Filed with Employee's FEDERAL Tax Return.
This information is being furnished to the Internal Revenue Service.

Form **1040NR-EZ**

Department of the Treasury
Internal Revenue Service

U.S. Income Tax Return for Certain Nonresident Aliens With No Dependents

OMB No. 1545-1468

2003

Please print or type.

Your first name and initial	Last name	**Identifying number (see page 3)**

Present home address (number, street, and apt. no., or rural route). If a P.O. box, see page 4.

City, town or post office, state, and ZIP code. If a foreign address, see page 4.

Country ▶

Of what country were you a **citizen** or national during 2003? ▶

Give address **outside the United States** to which you want any refund check mailed. If same as above, write "Same."

Give address in the country where you are a **permanent resident.** If same as above, write "Same."

Filing status (see page 4). Check only one box.

1 ☐ Single nonresident alien
2 ☐ Married nonresident alien

Attach Form(s) W-2 here. Enclose, but do not attach, any payment.

3	Wages, salaries, tips, etc. Attach Form(s) W-2 (see page 4)		3	
4	Taxable refunds, credits, or offsets of state and local income taxes (see page 4)		4	
5	Scholarship and fellowship grants. Attach explanation (see page 4)		5	
6	Total wages and scholarships exempt by a treaty from page 2, Item J	6		
7	Add lines 3, 4, and 5		7	
8	Student loan interest deduction (see page 5)	8		
9	Scholarship and fellowship grants excluded (see page 6)	9		
10	**Adjusted gross income.** Subtract the sum of line 8 and line 9 from line 7		10	
11	**Itemized deductions.** Enter state and local income taxes paid. Residents of India, see page 6		11	
12	Subtract line 11 from line 10		12	
13	Exemption deduction (see page 6)		13	
14	**Taxable income.** Subtract line 13 from line 12		14	
15	**Tax.** Find your tax in the Tax Table on pages 11–15		15	
16	Social security and Medicare tax on tip income not reported to employer. Attach Form 4137		16	
17	Add lines 15 and 16. This is your **total tax** ▶		17	
18	Federal income tax withheld (from Form W-2 and/or Form 1042-S)	18		
19	2003 estimated tax payments and amount applied from 2002 return	19		
20	Credit for amount paid with Form 1040-C	20		
21	Add lines 18 through 20. These are your **total payments** ▶		21	

Refund

Direct deposit? See page 6 and fill in 23b, 23c, and 23d.

22	If line 21 is more than line 17, subtract line 17 from line 21. This is the amount you **overpaid**		22	
23a	Amount of line 22 you want **refunded to you** ▶		23a	
b	Routing number	c Type: ☐ Checking ☐ Savings		
d	Account number			
24	Amount of line 22 you want **applied to your 2004 estimated tax** ▶	24		

Amount You Owe

25	**Amount you owe.** Subtract line 21 from line 17. For details on how to pay, see page 7 ▶		25	
26	Estimated tax penalty (see page 7). Also include on line 25	26		

Third Party Designee

Do you want to allow another person to discuss this return with the IRS (see page 7)? ☐ **Yes.** Complete the following. ☐ **No**

Designee's name ▶ Phone no. ▶ ( ) Personal identification number (PIN) ▶

Sign Here

Keep a copy of this return for your records.

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and accurately list all amounts and sources of U.S. source income I received during the tax year. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Your signature	Date	Your occupation in the United States

Paid Preparer's Use Only

Preparer's signature	Date	Check if self-employed ☐	Preparer's SSN or PTIN
Firm's name (or yours if self-employed), address, and ZIP code		EIN	
		Phone no. ( )	

For Disclosure and Paperwork Reduction Act Notices, see page 9 of instructions.

Cat. No. 21534N Form **1040NR-EZ** (2003)

Draft as of 6/18/2003

Other Information (If an item does not apply to you, enter "N/A.")

A What country issued your passport?

B Were you ever a U.S. citizen? ☐ Yes ☐ No

C Give the purpose of your visit to the United States ▶

D Type of entry visa ▶
and current nonimmigrant status and date of change ▶

E Date you entered the United States (see page 8) ▶

F Did you give up your permanent residence as an immigrant in the United States this year? ☐ Yes ☐ No

G Dates you entered and left the United States during the year. Residents of Canada or Mexico entering and leaving the United States at frequent intervals, give name of country only. ▶

H Give number of days (including vacation and nonworkdays) you were present in the United States during 2001 , 2002 , and 2003 .

I Did you file a U.S. income tax return for any year before 2003? ☐ Yes ☐ No
If "Yes," give the latest year and form number ▶

J If you are claiming the benefits of a U.S. income tax treaty with a foreign country, give the following information. See page 8 for additional information.

- Country ▶
- Type and amount of income exempt from tax and the applicable tax treaty article. Enter treaty-exempt income for 2003 below and on line 6; not on line 3 or 5.

  For 2003 ▶

  For 2002 ▶

- Were you subject to tax in that country on any of the income that you claim is entitled to the treaty benefits? ☐ Yes ☐ No

K During 2003, did you apply for, or take any affirmative steps to apply for, lawful permanent resident status in the United States or have an application pending to adjust your status to that of a lawful permanent resident of the United States? ☐ Yes ☐ No
If "Yes," explain ▶

Draft as of 6/18/2003

T-20 Test

PART 3
ADVANCED TOPICS
FORM 1040NR
FORM 843

Carefully read the following questions and record your answers on the answer sheet.

1. Eduard, an international student from Peru, has a W-2 that shows amounts withheld for social security and Medicare taxes. Eduard is an F-1 nonresident alien for tax purposes. Which form should he file to receive a refund of these taxes?
2. Carmela is the spouse of a J-1 scholar. She obtained work authorization in 2003 and started working at the local library. Her W-2 form shows Social Security and Medicare witholding. Can she get a refund of these taxes?
3. Hortensia, an international student from Italy, received dividend income in 2003. What type of federal income tax return does she need to file?

Use the following information to prepare a Form 1040NR. Record the requested answers on the answer sheet.

Igor Pulaski is an F-1 international student from Poland. His wife, Katinka is also an F-1 student from Poland. They have come to your VITA site to get assistance with their 2003 tax return. They both worked on campus (starting in 2003) and they have a son, who was born in the United States in December, 2002. Igor came to the U.S. on 8-9-2001. Katinka came to the U.S. on 1-1-2002. In addition to their wage income, Igor earned $1,266 in dividends in the U.S. stock market (from Microsoft stock). Poland has a treaty with the U.S. that allows the dividends to be taxed at 15% instead of 30%. Prepare Igor's tax return using the following information.

4. Can Igor and Katinka file a joint return?
5. Can Igor claim their son as a dependent?
6. What amount is on line 8 of Igor's 1040NR?
7. What amount is on line 34 of Igor's 1040NR?
8. What is the amount on line 57 of Igor's 1040NR?
9. What is the amount on line 86 of Igor's 1040NR?

Form **1042-S** Department of the Treasury Internal Revenue Service

Foreign Person's U.S. Source Income Subject to Withholding **2003**

OMB No. 1545-0096

Copy A for Internal Revenue Service

☐ VOID ☐ CORRECTED ☐ PRO-RATA BASIS REPORTING

1 Income code	2 Gross income	3 Withholding allowances	4 Net income	5 Tax rate	6 Exemption code	7 U.S. Federal tax withheld	8 Amount repaid to recipient
19	2000.00				04		

9 Withholding agent's EIN ▶ xx-xxxxxxx
☐ EIN ☐ QI-EIN

14 Recipient's U.S. TIN, if any ▶ xxx-xx-xxxx
☒ SSN or ITIN ☐ EIN ☐ QI-EIN

10 WITHHOLDING AGENT'S name and address (including ZIP code)

Middle University
9046 Main St.
Town, GA 30000

15 Recipient's country of residence for tax purposes

16 Country code

17 NONQUALIFIED INTERMEDIARY'S (NQI's)/ FLOW-THROUGH ENTITY'S name

18 Country code

19 NQI's/Flow-through entity's address

11 Recipient's account number (optional)

12 Recipient code

13 RECIPIENT'S name (first name, initial, and last name), street address, city or town, province or state, and country (including postal code)

Igor Pulaski
#16 Student Parkway
Town, GA 30000

20 NQI's/Flow-through entity's TIN, if any ▶

21 PAYER'S name and TIN (if different from withholding agent's)

22 State income tax withheld

23 Payer's state tax no.

24 Name of state

For Privacy Act and Paperwork Reduction Act Notice, see page 15 of the separate instructions. Cat. No. 11386R Form **1042-S** (2003)

Form **1042-S** Department of the Treasury Internal Revenue Service

Foreign Person's U.S. Source Income Subject to Withholding

2003

OMB No. 1545-0096

Copy A for Internal Revenue Service

☐ VOID ☐ CORRECTED ☐ PRO-RATA BASIS REPORTING

1 Income code	2 Gross income	3 Withholding allowances	4 Net income	5 Tax rate	6 Exemption code	7 U.S. Federal tax withheld	8 Amount repaid to recipient
19	1143.00				04		

9 Withholding agent's EIN ▶ xx-xxxxxxx

☐ EIN ☐ QI-EIN

14 Recipient's U.S. TIN, if any ▶ xxx-xx-xxxx

☒ SSN or ITIN ☐ EIN ☐ QI-EIN

10 WITHHOLDING AGENT'S name and address (including ZIP code)

Middle University
9046 Main St.
Town, GA 30000

15 Recipient's country of residence for tax purposes: Poland

16 Country code: PO

17 NONQUALIFIED INTERMEDIARY'S (NQI's)/ FLOW-THROUGH ENTITY'S name

18 Country code

19 NQI's/Flow-through entity's address

11 Recipient's account number (optional)

12 Recipient code

13 RECIPIENT'S name (first name, initial, and last name), street address, city or town, province or state, and country (including postal code)

Katinka Pulaski
#16 Student Parkway
Town, GA 30000

20 NQI's/Flow-through entity's TIN, if any ▶

21 PAYER'S name and TIN (if different from withholding agent's)

22 State income tax withheld | 23 Payer's state tax no. | 24 Name of state

For Privacy Act and Paperwork Reduction Act Notice, see page 15 of the separate instructions. Cat. No. 11386R Form **1042-S** (2003)

---

a Control number

OMB No. 1545-0008

Safe, accurate, FAST! Use IRS e-file

Visit the IRS Web Site at **www.irs.gov**.

b Employer identification number: 98-765432

1 Wages, tips, other compensation: 7896.00

2 Federal income tax withheld: 1943.00

c Employer's name, address, and ZIP code

Middle University
9046 Main St.
Town, GA 30000

3 Social security wages

4 Social security tax withheld

5 Medicare wages and tips

6 Medicare tax withheld

7 Social security tips

8 Allocated tips

d Employee's social security number: 555-56-5777

9 Advance EIC payment

10 Dependent care benefits

e Employee's first name and initial Last name

Igor Pulaski
#16 Student Pkwy
Town, GA 30000

f Employee's address and ZIP code

11 Nonqualified plans

12a See instructions for box 12 Code

13 Statutory employee ☐ Retirement plan ☐ Third-party sick pay ☐

12b Code

14 Other

12c Code

12d Code

15 State	Employer's state ID number	16 State wages, tips, etc.	17 State income tax	18 Local wages, tips, etc.	19 Local income tax	20 Locality name
GA		7896.00	696.00			

Form **W-2** **Wage and Tax Statement** **2003** Department of the Treasury—Internal Revenue Service

Copy B To Be Filed with Employee's FEDERAL Tax Return.
This information is being furnished to the Internal Revenue Service.

Form **1040NR**

Department of the Treasury
Internal Revenue Service

U.S. Nonresident Alien Income Tax Return

For the year January 1–December 31, 2003, or other tax year beginning , 2003, and ending , 20

OMB No. 1545-0089

2003

Draft as of 8/13/2003

Please print or type.

Your first name and initial	Last name	**Identifying number (see page 7 of inst.)**
Present home address (number, street, and apt. no., or rural route). If you have a P.O. box, see page 7.		Check if: ☐ Individual ☐ Estate or Trust
City, town or post office, state, and ZIP code. If you have a foreign address, see page 7.		**For Disclosure and Paperwork Reduction Act Notice, see page 26.**
Country ▶	Of what country were you a **citizen** or national during the tax year? ▶	
Give address **outside the United States** to which you want any refund check mailed. If same as above, write "Same."	Give address in the country where you are a **permanent resident.** If same as above, write "Same."	

Attach Forms W-2 here. Also attach Form(s) 1099-R if tax was withheld.

Filing Status and Exemptions for Individuals (see page 7)

Filing status. Check only one box (1–6 below).	**7a** Yourself	**7b** Spouse
1 ☐ Single resident of Canada or Mexico, or a single U.S. national		
2 ☐ Other single nonresident alien		
3 ☐ Married resident of Canada or Mexico, or a married U.S. national } If you check box 7b, enter your spouse's identifying number ▶		
4 ☐ Married resident of Japan or the Republic of Korea		
5 ☐ Other married nonresident alien		
6 ☐ Qualifying widow(er) with dependent child (see page 7)		

Caution: ***Do not*** *check box 7a if your parent (or someone else) can claim you as a dependent.*
Do not *check box 7b if your spouse had any U.S. gross income.*

No. of boxes checked on 7a and 7b ▶ _____

7c Dependents: (see page 8)

(1) First name Last name	**(2)** Dependent's identifying number	**(3)** Dependent's relationship to you	**(4)** ✓ if qualifying child for child tax credit (see page 8)
			☐
			☐
			☐
			☐

No. of children on 7c who:
lived with you ▶ _____
did not live with you due to divorce or separation ▶ _____
Dependents on 7c not entered above ▶ _____

d Total number of exemptions claimed . . . **Add numbers entered on lines above** ▶ ☐

Enclose, but do not attach, any payment.

Income Effectively Connected With U.S. Trade/Business

8	Wages, salaries, tips, etc. Attach Form(s) W-2		**8**
9a	**Taxable** interest		**9a**
b	**Tax-exempt** interest. **Do not** include on line 9a	**9b**	
10a	Ordinary dividends		**10a**
b	Qualified dividends (see page 9)	**10b**	
11	Taxable refunds, credits, or offsets of state and local income taxes (see page 9)		**11**
12	Scholarship and fellowship grants. Attach Form(s) 1042-S or required statement (see page 9)		**12**
13	Business income or (loss). Attach Schedule C or C-EZ (Form 1040)		**13**
14a	Capital gain or (loss). Attach Schedule D (Form 1040) if required. If not required, check here ☐		**14a**
b	If box 14a is checked, enter post-May 5 capital gain distribution	**14b**	
15	Other gains or (losses). Attach Form 4797		**15**
16a	Total IRA distributions	**16a**	**16b** Taxable amount (see page 10) **16b**
17a	Pensions and annuities	**17a**	**17b** Taxable amount (see page 11) **17b**
18	Rental real estate, royalties, partnerships, trusts, etc. Attach Schedule E (Form 1040)		**18**
19	Farm income or (loss). Attach Schedule F (Form 1040)		**19**
20	Unemployment compensation		**20**
21	Other income. List type and amount (see page 12)		**21**
22	Total income exempt by a treaty from page 5, Item M	**22**	
23	Add lines 8, 9a, 10a, 11–14a, 15, 16b, and 17b–21. This is your **total effectively connected income** ▶		**23**

Adjusted Gross Income

24	Educator expenses (see page 13)	**24**	
25	IRA deduction (see page 13)	**25**	
26	Student loan interest deduction (see page 13)	**26**	
27	Moving expenses. Attach Form 3903	**27**	
28	Self-employed health insurance deduction (see page 14)	**28**	
29	Self-employed SEP, SIMPLE, and qualified plans	**29**	
30	Penalty on early withdrawal of savings	**30**	
31	Scholarship and fellowship grants excluded	**31**	
32	Add lines 24 through 31		**32**
33	Subtract line 32 from line 23. Enter here and on line 34. This is your **adjusted gross income** ▶		**33**

Draft as of 9/13/2003

Tax and Credits

34	Amount from line 33 (adjusted gross income)		34	
35	**Itemized deductions** from page 3, Schedule A, line 17		35	
36	Subtract line 35 from line 34		36	
37	Exemptions (see page 14)		37	
38	**Taxable income.** Subtract line 37 from line 36. If line 37 is more than line 36, enter -0-		38	
39	**Tax** (see page 15). Check if any tax is from **a** ☐ Form(s) 8814 **b** ☐ Form 4972		39	
40	**Alternative minimum tax** (see page 15). Attach Form 6251		40	
41	Add lines 39 and 40 ▶		41	
42	Foreign tax credit. Attach Form 1116, if required	42		
43	Credit for child and dependent care expenses. Attach Form 2441	43		
44	Retirement savings contributions credit. Attach Form 8880	44		
45	Child tax credit (see page 17)	45		
46	Adoption credit. Attach Form 8839	46		
47	Credits from: **a** ☐ Form 8396 **b** ☐ Form 8859	47		
48	Other credits. Check applicable box(es): **a** ☐ Form 3800 **b** ☐ Form 8801 **c** ☐ Form (specify) _____	48		
49	Add lines 42 through 48. These are your **total credits**		49	
50	Subtract line 49 from line 41. If line 49 is more than line 41, enter -0- ▶		50	

Other Taxes

51	Tax on income not effectively connected with a U.S. trade or business from page 4, line 86	51	
52	Social security and Medicare tax on tip income not reported to employer. Attach Form 4137	52	
53	Tax on qualified plans, including IRAs, and other tax-favored accounts. Attach Form 5329 if required	53	
54	Transportation tax (see page 18)	54	
55	Household employment taxes. Attach Schedule H (Form 1040)	55	
56	Add lines 50 through 55. This is your **total tax** ▶	56	

Payments

57	Federal income tax withheld from Forms W-2, 1099, 1042-S, etc.	57		
58	2003 estimated tax payments and amount applied from 2002 return	58		
59	Excess social security and tier 1 RRTA tax withheld (see page 19)	59		
60	Additional child tax credit. Attach Form 8812	60		
61	Amount paid with Form 4868 (request for extension)	61		
62	Other payments from: **a** ☐ Form 2439 **b** ☐ Form 4136 **c** ☐ Form 8885	62		
63	Credit for amount paid with Form 1040-C	63		
64	U.S. tax withheld at source from page 4, line 83	64		
65	U.S. tax withheld at source by partnerships under section 1446:			
a	From Form(s) 8805	65a		
b	From Form(s) 1042-S	65b		
66	U.S. tax withheld on dispositions of U.S. real property interests:			
a	From Form(s) 8288-A	66a		
b	From Form(s) 1042-S	66b		
67	Add lines 57 through 66b. These are your **total payments** ▶		67	

Refund

Direct deposit? See page 19.

68	If line 67 is more than line 56, subtract line 56 from line 67. This is the amount you **overpaid**		68	
69a	Amount of line 68 you want **refunded to you.**		69a	
b	Routing number ▶	c Type: ☐ Checking ☐ Savings		
d	Account number			
70	Amount of line 68 you want **applied to your 2004 estimated tax** ▶	70		

Amount You Owe

71	Amount you owe. Subtract line 67 from line 56. For details on how to pay, see page 20 ▶		71	
72	Estimated tax penalty. Also include on line 71	72		

Third Party Designee

Do you want to allow another person to discuss this return with the IRS (see page 20)? ☐ **Yes.** Complete the following. ☐ **No**

Designee's name ▶ Phone no. ▶ ( ) Personal identification number (PIN) ▶

Sign Here

Keep a copy of this return for your records.

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Your signature ▶ Date Your occupation in the United States

Paid Preparer's Use Only

Preparer's signature ▶ Date Check if self-employed ☐ Preparer's SSN or PTIN

Firm's name (or yours if self-employed), address, and ZIP code ▶ EIN Phone no. ( )

Schedule A—Itemized Deductions (See pages 21, 22, and 23.)

07

Draft as of 8/13/2003

State and Local Income Taxes

1 State income taxes 1

2 Local income taxes 2

3 Add lines 1 and 2 3

Gifts to U.S. Charities

Caution: *If you made a gift and received a benefit in return, see page 21.*

4 Gifts by cash or check. If you made any gift of $250 or more, see page 21 4

5 Other than by cash or check. If you made any gift of $250 or more, see page 21. You **must** attach Form 8283 if "the amount of your deduction" (see definition on page 22) is more than $500 5

6 Carryover from prior year 6

7 Add lines 4 through 6 7

Casualty and Theft Losses

8 Casualty or theft loss(es). Attach Form 4684. See page 22 8

Job Expenses and Most Other Miscellaneous Deductions

9 Unreimbursed employee expenses—job travel, union dues, job education, etc. You **must** attach Form 2106 or Form 2106-EZ if required. See page 22 ▶ 9

10 Tax preparation fees 10

11 Other expenses. See page 23 for expenses to deduct here. List type and amount ▶ 11

12 Add lines 9 through 11 12

13 Enter the amount from Form 1040NR, line 34. 13

14 Multiply line 13 by 2% (.02) 14

15 Subtract line 14 from line 12. If line 14 is more than line 12, enter -0- . . . 15

Other Miscellaneous Deductions

16 Other—see page 23 for expenses to deduct here. List type and amount ▶ 16

Total Itemized Deductions

17 Is Form 1040NR, line 34, over $139,500 (over $69,750 if you checked filing status box 3, 4, or 5 on page 1 of Form 1040NR)?

No. Your deduction is not limited. Add the amounts in the far right column for lines 3 through 16. Also enter this amount on Form 1040NR, line 35. . . ▶ 17

Yes. Your deduction may be limited. See page 23 for the amount to enter here and on Form 1040NR, line 35.

Tax on Income Not Effectively Connected With a U.S. Trade or Business

Attach Forms 1042-S, SSA-1042S, RRB-1042S, or similar form.

Nature of income		(a) U.S. tax withheld at source	Enter amount of income under the appropriate rate of tax (see pages 23 and 24) (b) 10%	(c) 15%	(d) 30%	(e) Other (specify) ____ %	(e) Other (specify) ____ %
73 Dividends paid by:							
a U.S. corporations	73a						
b Foreign corporations	73b						
74 Interest:							
a Mortgage	74a						
b Paid by foreign corporations	74b						
c Other	74c						
75 Industrial royalties (patents, trademarks, etc.)	75						
76 Motion picture or T.V. copyright royalties	76						
77 Other royalties (copyrights, recording, publishing, etc.)	77						
78 Real property income and natural resources royalties	78						
79 Pensions and annuities	79						
80 Social security benefits	80						
81 Gains (include capital gain from line 89 below)	81						
82 Other (specify) ▶	82						
83 **Total U.S. tax withheld at source.** Add column (a) of lines 73a through 82. Enter the total here and on Form 1040NR, line 64 ▶	83						
84 Add lines 73a through 82 in columns (b)–(e)	84						
85 **Multiply line 84 by rate of tax at top of each column**	85						
86 **Tax on income not effectively connected with a U.S. trade or business.** Add columns (b)–(e) of line 85. Enter the total here and on Form 1040NR, line 51 ▶	86						

Capital Gains and Losses From Sales or Exchanges of Property

Enter only the capital gains and losses from property sales or exchanges that are from sources within the United States and not effectively connected with a U.S. business. Do not include a gain or loss on disposing of a U.S. real property interest; report these gains and losses on Schedule D (Form 1040).

Report property sales or exchanges that are effectively connected with a U.S. business on Schedule D (Form 1040), Form 4797, or both.

87 (a) Kind of property and description (if necessary, attach statement of descriptive details not shown below)	(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)	(d) Sales price	(e) Cost or other basis	(f) LOSS If (e) is more than (d), subtract (d) from (e)	(g) GAIN If (d) is more than (e), subtract (e) from (d)
88 Add columns (f) and (g) of line 87				88	( )	
89 **Capital gain.** Combine columns (f) and (g) of line 88. Enter the net gain here and on line 81 above (if a loss, enter -0-) ▶					89	

Draft as of 8/13/2003

Other Information (If an item does not apply to you, enter "N/A.")

A What country issued your passport? .....

B Were you ever a U.S. citizen? . . . . ☐ Yes ☐ No

C Give the purpose of your visit to the United States ▶ .....

D Type of entry visa ▶ ..... and current nonimmigrant status and date of change (see page 24) ▶ .....

E Date you entered the United States (see page 24) ▶ .....

F Did you give up your permanent residence as an immigrant in the United States this year? . . . . . ☐ Yes ☐ No

G Dates you entered and left the United States during the year. Residents of Canada or Mexico entering and leaving the United States at frequent intervals, give name of country only. ▶ .....

H Give number of days (including vacation and nonworkdays) you were present in the United States during:

2001 ....., 2002 ....., and 2003 ..... .

I If you are a resident of Canada, Mexico, Japan, or the Republic of Korea (South Korea), or a U.S. national, did your spouse contribute to the support of any child claimed on Form 1040NR, line 7c? . . ☐ Yes ☐ No

If "Yes," enter amount ▶ $ .....

If you were a resident of Japan or the Republic of Korea (South Korea) for any part of the tax year, enter in the space below your total foreign source income not effectively connected with a U.S. trade or business. This information is needed so that the exemption for your spouse and dependents residing in the United States (if applicable) may be allowed in accordance with Article 4 of the income tax treaties between the United States and Japan or the United States and the Republic of Korea (South Korea).

Total foreign source income not effectively connected with a U.S. trade or business ▶ $ .....

J Did you file a U.S. income tax return for any year before 2003?. . . . . ☐ Yes ☐ No

If "Yes," give the latest year and form number ▶ .....

K To which Internal Revenue office did you pay any amounts claimed on Form 1040NR, lines 58, 61, and 63? .....

L Have you excluded any gross income other than foreign source income not effectively connected with a U.S. trade or business? . ☐ Yes ☐ No

If "Yes," show the amount, nature, and source of the excluded income. Also, give the reason it was excluded. (Do not include amounts shown in item M.) ▶ .....

M If you are claiming the benefits of a U.S. income tax treaty with a foreign country, give the following information. See page 24 for additional information.

- Country ▶ .....
- Type and amount of effectively connected income exempt from tax. Also, identify the applicable tax treaty article. Do not enter exempt income on lines 8–15, 16b, and 17b–21 of Form 1040NR:

For 2003 (also, include this exempt income on line 22 of Form 1040NR) ▶ .....

For 2002 ▶ .....

- Type and amount of income not effectively connected that is exempt from or subject to a reduced rate of tax. Also, identify the applicable tax treaty article:

For 2003 ▶ .....

For 2002 ▶ .....

- Were you subject to tax in that country on any of the income you claim is entitled to the treaty benefits? . . . . . ☐ Yes ☐ No
- Did you have a permanent establishment or fixed base (as defined by the tax treaty) in the United States at any time during 2003? . . . . . ☐ Yes ☐ No

N If you file this return to report community income, give your spouse's name, address, and identifying number.

O If you file this return for a trust, does the trust have a U.S. business? . . . . . ☐ Yes ☐ No

If "Yes," give name and address ▶ .....

P Is this an "expatriation return" (see page 24)? . . . . . ☐ Yes ☐ No

If "Yes," you must attach an annual information statement.

Q During 2003, did you apply for, or take other affirmative steps to apply for, lawful permanent resident status in the United States or have an application pending to adjust your status to that of a lawful permanent resident of the United States? ☐ Yes ☐ No

If "Yes," explain ▶ .....

Draft as of 8/13/2003

T-28 Test

The following pages provide the answers to the test. Please complete the test without referring to these answers.

Part 1: Residency Status and Form 8843

1. nonresident	8. yes	15. no
2. resident	9. yes	16. 365
3. nonresident	10. no	17. no
4. resident	11. 365	18. no
5. nonresident	12. 3b	19. P.R. China
6. yes	13. no	20. no
7. no	14. no	

Part 2: Form 1040NR-EZ

1. no	6. 2489.00	11. 5968.00
2. no	7. 79.00	12. 4750.00
3. yes	8. 0	13. 0
4. no	9. 316.00	14. 412.00
5. yes	10. yes	15. yes

Part 3: Form 1040NR and Advanced Issues

1. 843	4. no	7. 7896.00
2. no	5. no	8. 618.00
3. 1040NR	6. 7896.00	9. 190.00

Form **8843**

Department of the Treasury
Internal Revenue Service

Statement for Exempt Individuals and Individuals With a Medical Condition

For use by alien individuals only.

For the year January 1—December 31, 2003, or other tax year beginning , 2003, and ending , 20 .

OMB No. 1545-1411

2003

Attachment Sequence No. **102**

Your first name and initial	Last name	Your U.S. taxpayer identification number, if any
ROSA	SANTOS	XXX-XX-XXXX

Fill in your addresses only if you are filing this form by itself and not with your tax return	Address in country of residence	Address in the United States

Draft as of 3/20/2003

Part I General Information

1a Type of U.S. visa (e.g., F, J, M, Q, etc.) and date you entered the United States ▶ F-1 7-31-02

b Current nonimmigrant status and date of change (see instructions) ▶ F-1

2 Of what country were you a citizen during the tax year? SPAIN

3a What country issued you a passport? SPAIN

b Enter your passport number ▶ 345123987

4a Enter the actual number of days you were present in the United States during:
2003 365 2002 153 2001 0 .

b Enter the number of days in 2003 you claim you can exclude for purposes of the substantial presence test ▶ 365

Part II Teachers and Trainees

5 Enter the name, address, and telephone number of the academic institution you attended during 2003 ▶

6 Enter the name, address, and telephone number of the director of the academic or other specialized program you participated in during 2003 ▶

7 Enter the type of U.S. visa (J or Q) you held during: ▶ 1997 _____ 1998 _____ 1999 _____ 2000 _____ 2001 _____ 2002 _____ . If the type of visa you held during any of these years changed, attach a statement showing the new visa type and the date it was acquired.

8 Were you present in the United States as a teacher, trainee, or student for any part of 2 of the 6 prior calendar years (1997 through 2002)? . . . . . ☐ **Yes** ☐ **No**

If you checked the "Yes" box on line 8, you cannot exclude days of presence as a teacher or trainee unless you meet the **Exception** explained on page 3.

Part III Students

9 Enter the name, address, and telephone number of the academic institution you attended during 2003 ▶
ALL STATE UNIVERSITY, 115 MAIN ST, ALL CITY, IL 88779

10 Enter the name, address, and telephone number of the director of the academic or other specialized program you participated in during 2003 ▶ DR. MILLER, SCHOOL OF BUSINESS MANAGEMENT, ALL STATE UNIVERSITY
115 MAIN ST, ALL CITY, IL 88779 (499) 555-5555

11 Enter the type of U.S. visa (F, J, M, or Q) you held during: ▶ 1997 _____ 1998 _____ 1999 _____ 2000 _____ 2001 _____ 2002 F-1 . If the type of visa you held during any of these years changed, attach a statement showing the new visa type and the date it was acquired.

12 Were you present in the United States as a teacher, trainee, or student for any part of more than 5 calendar years? . . . . . ☐ **Yes** ☒ **No**

If you checked the "Yes" box on line 12, you must provide sufficient facts on an attached statement to establish that you do not intend to reside permanently in the United States.

13 During 2003, did you apply for, or take other affirmative steps to apply for, lawful permanent resident status in the United States or have an application pending to change your status to that of a lawful permanent resident of the United States? . . . . . ☐ **Yes** ☒ **No**

14 If you checked the "Yes" box on line 13, explain ▶

Test **T-31**

Form **8843**

Department of the Treasury
Internal Revenue Service

Statement for Exempt Individuals and Individuals With a Medical Condition

For use by alien individuals only.

For the year January 1—December 31, 2003, or other tax year beginning , 2003, and ending , 20 .

OMB No. 1545-1411

2003

Attachment Sequence No. **102**

Your first name and initial	Last name	Your U.S. taxpayer identification number, if any
LEONARD	CHOI	XXX-XX-XXXX

Fill in your addresses only if you are filing this form by itself and not with your tax return

Address in country of residence

Address in the United States

Draft as of 3/20/2003

Part I General Information

1a Type of U.S. visa (e.g., F, J, M, Q, etc.) and date you entered the United States ▶ J-1 5-31-2002

b Current nonimmigrant status and date of change (see instructions) ▶ J-1

2 Of what country were you a citizen during the tax year? PR CHINA

3a What country issued you a passport? PR CHINA

b Enter your passport number ▶ 6547653

4a Enter the actual number of days you were present in the United States during:
2003 365 2002 214 2001 0 .

b Enter the number of days in 2003 you claim you can exclude for purposes of the substantial presence test ▶ 365

Part II Teachers and Trainees

5 Enter the name, address, and telephone number of the academic institution you attended during 2003 ▶
STATE UNIVERSITY, 224 MAIN ST, ANY CITY, IL 69999

6 Enter the name, address, and telephone number of the director of the academic or other specialized program you participated in during 2003 ▶ DR. ALBERT, PHYSICS DEPARTMENT, STATE UNIVERISTY, 224 MAIN ST
ANY CITY, IL 69999 (999)888-7777

7 Enter the type of U.S. visa (J or Q) you held during: ▶ 1997 _____ 1998 _____
1999 _____ 2000 _____ 2001 _____ 2002 J-1 . If the type of visa you held during any of these years changed, attach a statement showing the new visa type and the date it was acquired.

8 Were you present in the United States as a teacher, trainee, or student for any part of 2 of the 6 prior calendar years (1997 through 2002)? . . . . . ☐ **Yes** ☒ **No**
If you checked the "Yes" box on line 8, you cannot exclude days of presence as a teacher or trainee unless you meet the **Exception** explained on page 3.

Part III Students

9 Enter the name, address, and telephone number of the academic institution you attended during 2003 ▶

10 Enter the name, address, and telephone number of the director of the academic or other specialized program you participated in during 2003 ▶

11 Enter the type of U.S. visa (F, J, M, or Q) you held during: ▶ 1997 _____ 1998 _____
1999 _____ 2000 _____ 2001 _____ 2002 _____ . If the type of visa you held during any of these years changed, attach a statement showing the new visa type and the date it was acquired.

12 Were you present in the United States as a teacher, trainee, or student for any part of more than 5 calendar years? . . . . . ☐ **Yes** ☐ **No**
If you checked the "Yes" box on line 12, you must provide sufficient facts on an attached statement to establish that you do not intend to reside permanently in the United States.

13 During 2003, did you apply for, or take other affirmative steps to apply for, lawful permanent resident status in the United States or have an application pending to change your status to that of a lawful permanent resident of the United States? . . . . . ☐ **Yes** ☐ **No**

14 If you checked the "Yes" box on line 13, explain ▶

T-32 Test

Form **1040NR-EZ**

Department of the Treasury
Internal Revenue Service

U.S. Income Tax Return for Certain Nonresident Aliens With No Dependents

OMB No. 1545-1468

2003

Please print or type.

Your first name and initial	Last name	Identifying number (see page 3)
MELISSA	BRIGHAM	XXX-XX-XXXX

Present home address (number, street, and apt. no., or rural route). If a P.O. box, see page 4.
233 MAIN ST

City, town or post office, state, and ZIP code. If a foreign address, see page 4.
TOWN IL 62700

Country ▶ USA

Of what country were you a **citizen** or national during 2003? ▶ BELGIUM

Give address **outside the United States** to which you want any refund check mailed. If same as above, write "Same."

Give address in the country where you are a **permanent resident.** If same as above, write "Same."

Filing status (see page 4). Check only one box.
1 ☒ Single nonresident alien
2 ☐ Married nonresident alien

Attach Form(s) W-2 here. Enclose, but do not attach, any payment.

3	Wages, salaries, tips, etc. Attach Form(s) W-2 (see page 4)			3	2,489
4	Taxable refunds, credits, or offsets of state and local income taxes (see page 4)			4	
5	Scholarship and fellowship grants. Attach explanation (see page 4)			5	
6	Total wages and scholarships exempt by a treaty from page 2, Item J	6	2,000		
7	Add lines 3, 4, and 5			7	2489
8	Student loan interest deduction (see page 5)	8			
9	Scholarship and fellowship grants excluded (see page 6)	9			
10	**Adjusted gross income.** Subtract the sum of line 8 and line 9 from line 7			10	2,489
11	**Itemized deductions.** Enter state and local income taxes paid. Residents of India, see page 6			11	79
12	Subtract line 11 from line 10			12	2,410
13	Exemption deduction (see page 6)			13	3,050
14	**Taxable income.** Subtract line 13 from line 12			14	0
15	**Tax.** Find your tax in the Tax Table on pages 11–15			15	
16	Social security and Medicare tax on tip income not reported to employer. Attach Form 4137			16	
17	Add lines 15 and 16. This is your **total tax** ▶			17	0
18	Federal income tax withheld (from Form W-2 and/or Form 1042-S)	18	316		
19	2003 estimated tax payments and amount applied from 2002 return	19			
20	Credit for amount paid with Form 1040-C	20			
21	Add lines 18 through 20. These are your **total payments** ▶			21	316

Refund

Direct deposit? See page 6 and fill in 23b, 23c, and 23d.

22	If line 21 is more than line 17, subtract line 17 from line 21. This is the amount you **overpaid**	22	316
23a	Amount of line 22 you want **refunded to you** ▶	23a	316
b	Routing number ☐☐☐☐☐☐☐☐☐ c Type: ☐ Checking ☐ Savings		
d	Account number ☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐		
24	Amount of line 22 you want **applied to your 2004 estimated tax** ▶ 24		

Amount You Owe

25	**Amount you owe.** Subtract line 21 from line 17. For details on how to pay, see page 7 ▶	25	
26	Estimated tax penalty (see page 7). Also include on line 25 26		

Third Party Designee

Do you want to allow another person to discuss this return with the IRS (see page 7)? ☐ **Yes.** Complete the following. ☐ **No**

Designee's name ▶ Phone no. ▶ ( ) Personal identification number (PIN) ▶ ☐☐☐☐☐

Sign Here

Keep a copy of this return for your records.

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and accurately list all amounts and sources of U.S. source income I received during the tax year. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Your signature ▶ Date Your occupation in the United States

Paid Preparer's Use Only

Preparer's signature ▶ Date Check if self-employed ☐ Preparer's SSN or PTIN

Firm's name (or yours if self-employed), address, and ZIP code ▶ EIN Phone no. ( )

For Disclosure and Paperwork Reduction Act Notices, see page 9 of instructions. Cat. No. 21534N Form **1040NR-EZ** (2003)

Draft as of 6/18/2003

Other Information (If an item does not apply to you, enter "N/A.")

A What country issued your passport? BELGIUM

B Were you ever a U.S. citizen? . . . . . ☐ **Yes** ☒ **No**

C Give the purpose of your visit to the United States ▶ STUDY

D Type of entry visa ▶ F-1
and current nonimmigrant status and date of change ▶ F-1

E Date you entered the United States (see page 8) ▶ 08-01-2002

F Did you give up your permanent residence as an immigrant in the United States this year? . . . . . ☐ **Yes** ☒ **No**

G Dates you entered and left the United States during the year. Residents of Canada or Mexico entering and leaving the United States at frequent intervals, give name of country only. ▶

H Give number of days (including vacation and nonworkdays) you were present in the United States during 2001 , 2002 153 , and 2003 365 .

I Did you file a U.S. income tax return for any year before 2003? . . . . . ☐ **Yes** ☒ **No**
If "Yes," give the latest year and form number ▶

J If you are claiming the benefits of a U.S. income tax treaty with a foreign country, give the following information. See page 8 for additional information.

- Country ▶ BELGIUM
- Type and amount of income exempt from tax and the applicable tax treaty article. Enter treaty-exempt income for 2003 below and on line 6; not on line 3 or 5.
  For 2003 ▶ $2,000 WAGES ARTICLE 21(1)

  For 2002 ▶
- Were you subject to tax in that country on any of the income that you claim is entitled to the treaty benefits? . . . . . ☐ **Yes** ☒ **No**

K During 2003, did you apply for, or take any affirmative steps to apply for, lawful permanent resident status in the United States or have an application pending to adjust your status to that of a lawful permanent resident of the United States? . . . . . ☐ **Yes** ☒ **No**
If "Yes," explain ▶

Draft as of 6/18/2003

Form **1040NR-EZ**

Department of the Treasury
Internal Revenue Service

U.S. Income Tax Return for Certain Nonresident Aliens With No Dependents

OMB No. 1545-1468

2003

Please print or type.

Your first name and initial	Last name	Identifying number (see page 3)
RAJI	RATNAKER	XXX-XX-XXXX

Present home address (number, street, and apt. no., or rural route). If a P.O. box, see page 4.
23 INDIA BLVD

City, town or post office, state, and ZIP code. If a foreign address, see page 4.
TOWN MO 64000

Country ▶ USA

Of what country were you a **citizen** or national during 2003? ▶ INDIA

Give address **outside the United States** to which you want any refund check mailed. If same as above, write "Same."

Give address in the country where you are a **permanent resident.** If same as above, write "Same."

Filing status (see page 4). Check only one box.
1 ☒ Single nonresident alien
2 ☐ Married nonresident alien

Attach Form(s) W-2 here. Enclose, but do not attach, any payment.

3	Wages, salaries, tips, etc. Attach Form(s) W-2 (see page 4)		3	5,968
4	Taxable refunds, credits, or offsets of state and local income taxes (see page 4)		4	
5	Scholarship and fellowship grants. Attach explanation (see page 4)		5	
6	Total wages and scholarships exempt by a treaty from page 2, Item J	6		
7	Add lines 3, 4, and 5		7	5968
8	Student loan interest deduction (see page 5)	8		
9	Scholarship and fellowship grants excluded (see page 6)	9		
10	**Adjusted gross income.** Subtract the sum of line 8 and line 9 from line 7		10	5,968
11	**Itemized deductions.** Enter state and local income taxes paid. Residents of India, see page 6		11	4,750
12	Subtract line 11 from line 10		12	1,218
13	Exemption deduction (see page 6)		13	3,050
14	**Taxable income.** Subtract line 13 from line 12		14	0
15	**Tax.** Find your tax in the Tax Table on pages 11–15		15	0
16	Social security and Medicare tax on tip income not reported to employer. Attach Form 4137		16	
17	Add lines 15 and 16. This is your **total tax** ▶		17	0
18	Federal income tax withheld (from Form W-2 and/or Form 1042-S)	18 412		
19	2003 estimated tax payments and amount applied from 2002 return	19		
20	Credit for amount paid with Form 1040-C	20		
21	Add lines 18 through 20. These are your **total payments** ▶		21	412

Refund

Direct deposit? See page 6 and fill in 23b, 23c, and 23d.

22	If line 21 is more than line 17, subtract line 17 from line 21. This is the amount you **overpaid**	22	412
23a	Amount of line 22 you want **refunded to you** ▶	23a	412
b	Routing number ☐☐☐☐☐☐☐☐☐ c Type: ☐ Checking ☐ Savings		
d	Account number ☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐		
24	Amount of line 22 you want **applied to your 2004 estimated tax** ▶ 24		

Amount You Owe

25	**Amount you owe.** Subtract line 21 from line 17. For details on how to pay, see page 7 ▶	25	
26	Estimated tax penalty (see page 7). Also include on line 25 26		

Third Party Designee

Do you want to allow another person to discuss this return with the IRS (see page 7)? ☐ **Yes.** Complete the following. ☐ **No**

Designee's name ▶ Phone no. ▶ ( ) Personal identification number (PIN) ▶ ☐☐☐☐☐

Sign Here

Keep a copy of this return for your records.

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and accurately list all amounts and sources of U.S. source income I received during the tax year. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Your signature ▶ Date Your occupation in the United States

Paid Preparer's Use Only

Preparer's signature ▶ Date Check if self-employed ☐ Preparer's SSN or PTIN PXX-XX-XXXX

Firm's name (or yours if self-employed), address, and ZIP code ▶ EIN Phone no. ( )

For Disclosure and Paperwork Reduction Act Notices, see page 9 of instructions.

Cat. No. 21534N Form **1040NR-EZ** (2003)

Draft as of 6/18/2003

Test **T-35**

Other Information (If an item does not apply to you, enter "N/A.")

A What country issued your passport? INDIA

B Were you ever a U.S. citizen? ☐ Yes ☒ No

C Give the purpose of your visit to the United States ▶ STUDY

D Type of entry visa ▶ F-1
and current nonimmigrant status and date of change ▶ F-1

E Date you entered the United States (see page 8) ▶ 8-3-02

F Did you give up your permanent residence as an immigrant in the United States this year? ☐ Yes ☒ No

G Dates you entered and left the United States during the year. Residents of Canada or Mexico entering and leaving the United States at frequent intervals, give name of country only. ▶

H Give number of days (including vacation and nonworkdays) you were present in the United States during 2001 , 2002 151 , and 2003 365 .

I Did you file a U.S. income tax return for any year before 2003? ☐ Yes ☐ No
If "Yes," give the latest year and form number ▶

J If you are claiming the benefits of a U.S. income tax treaty with a foreign country, give the following information. See page 8 for additional information.

- Country ▶ INDIA
- Type and amount of income exempt from tax and the applicable tax treaty article. Enter treaty-exempt income for 2003 below and on line 6; not on line 3 or 5.
  For 2003 ▶ STANDARD DEDUCTION PER US/INDIA TREATY ARTICLE

  For 2002 ▶
- Were you subject to tax in that country on any of the income that you claim is entitled to the treaty benefits? ☐ Yes ☒ No

K During 2003, did you apply for, or take any affirmative steps to apply for, lawful permanent resident status in the United States or have an application pending to adjust your status to that of a lawful permanent resident of the United States? ☐ Yes ☒ No
If "Yes," explain ▶

Draft as of 6/18/2003

T-36 Test

Form **1040NR**
Department of the Treasury
Internal Revenue Service

U.S. Nonresident Alien Income Tax Return

For the year January 1–December 31, 2003, or other tax year
beginning , 2003, and ending , 20

OMB No. 1545-0089
2003

Please print or type.

Your first name and initial	Last name	Identifying number (see page 7 of inst.)
IGOR	PULASKI	XXX-XX-XXXX

Present home address (number, street, and apt. no., or rural route). If you have a P.O. box, see page 7.
16 STUDENT PARKWAY

Check if: ☒ Individual ☐ Estate or Trust

City, town or post office, state, and ZIP code. If you have a foreign address, see page 7.
TOWN, GA 30000

For Disclosure and Paperwork Reduction Act Notice, see page 26.

Country ▶ Of what country were you a **citizen** or national during the tax year? ▶ POLAND

Give address **outside the United States** to which you want any refund check mailed. If same as above, write "Same."

Give address in the country where you are a **permanent resident.** If same as above, write "Same."

Attach Forms W-2 here.
Also attach Form(s) 1099-R if tax was withheld.

Filing Status and Exemptions for Individuals (see page 7)

Filing status. Check only one box (1–6 below).	7a Yourself	7b Spouse
1 ☐ Single resident of Canada or Mexico, or a single U.S. national		
2 ☐ Other single nonresident alien		
3 ☐ Married resident of Canada or Mexico, or a married U.S. national } If you check box 7b, enter your spouse's identifying number ▶		
4 ☐ Married resident of Japan or the Republic of Korea		
5 ☒ Other married nonresident alien	1	
6 ☐ Qualifying widow(er) with dependent child (see page 7)		

Caution: ***Do not*** *check box 7a if your parent (or someone else) can claim you as a dependent.*
Do not *check box 7b if your spouse had any U.S. gross income.*

No. of boxes checked on 7a and 7b ▶ 1

7c **Dependents:** (see page 8) (1) First name Last name	(2) Dependent's identifying number	(3) Dependent's relationship to you	(4) ✓ if qualifying child for child tax credit (see page 8)
			☐
			☐
			☐
			☐

No. of children on 7c who:
lived with you ▶
did not live with you due to divorce or separation ▶
Dependents on 7c not entered above ▶

d Total number of exemptions claimed — Add numbers entered on lines above ▶ 1

Enclose, but do not attach, any payment.

Income Effectively Connected With U.S. Trade/Business

8	Wages, salaries, tips, etc. Attach Form(s) W-2	8	7896
9a	**Taxable** interest	9a	
b	**Tax-exempt** interest. **Do not** include on line 9a — 9b		
10a	Ordinary dividends	10a	
b	Qualified dividends (see page 9) — 10b		
11	Taxable refunds, credits, or offsets of state and local income taxes (see page 9)	11	
12	Scholarship and fellowship grants. Attach Form(s) 1042-S or required statement (see page 9)	12	
13	Business income or (loss). Attach Schedule C or C-EZ (Form 1040)	13	
14a	Capital gain or (loss). Attach Schedule D (Form 1040) if required. If not required, check here ☐	14a	
b	If box 14a is checked, enter post-May 5 capital gain distribution — 14b		
15	Other gains or (losses). Attach Form 4797	15	
16a	Total IRA distributions — 16a — 16b Taxable amount (see page 10)	16b	
17a	Pensions and annuities — 17a — 17b Taxable amount (see page 11)	17b	
18	Rental real estate, royalties, partnerships, trusts, etc. Attach Schedule E (Form 1040)	18	
19	Farm income or (loss). Attach Schedule F (Form 1040)	19	
20	Unemployment compensation	20	
21	Other income. List type and amount (see page 12)	21	
22	Total income exempt by a treaty from page 5, Item M — 22 — 2000 WAG		
23	Add lines 8, 9a, 10a, 11–14a, 15, 16b, and 17b–21. This is your **total effectively connected income** ▶	23	7896

Adjusted Gross Income

24	Educator expenses (see page 13) — 24		
25	IRA deduction (see page 13) — 25		
26	Student loan interest deduction (see page 13) — 26		
27	Moving expenses. Attach Form 3903 — 27		
28	Self-employed health insurance deduction (see page 14) — 28		
29	Self-employed SEP, SIMPLE, and qualified plans — 29		
30	Penalty on early withdrawal of savings — 30		
31	Scholarship and fellowship grants excluded — 31		
32	Add lines 24 through 31	32	
33	Subtract line 32 from line 23. Enter here and on line 34. This is your **adjusted gross income** ▶	33	7896

Draft as of 8/13/2003

Test **T-37**

Draft as of 9/13/2003

Tax and Credits

34	Amount from line 33 (adjusted gross income)			34	7,896.00
35	**Itemized deductions** from page 3, Schedule A, line 17			35	696
36	Subtract line 35 from line 34			36	7200
37	Exemptions (see page 14)			37	3050
38	**Taxable income.** Subtract line 37 from line 36. If line 37 is more than line 36, enter -0-			38	4150
39	**Tax** (see page 15). Check if any tax is from **a** ☐ Form(s) 8814 **b** ☐ Form 4972			39	415
40	**Alternative minimum tax** (see page 15). Attach Form 6251			40	
41	Add lines 39 and 40 ▶			41	415
42	Foreign tax credit. Attach Form 1116, if required	42			
43	Credit for child and dependent care expenses. Attach Form 2441	43			
44	Retirement savings contributions credit. Attach Form 8880	44			
45	Child tax credit (see page 17)	45			
46	Adoption credit. Attach Form 8839	46			
47	Credits from: **a** ☐ Form 8396 **b** ☐ Form 8859	47			
48	Other credits. Check applicable box(es): **a** ☐ Form 3800 **b** ☐ Form 8801 **c** ☐ Form (specify) _____	48			
49	Add lines 42 through 48. These are your **total credits**			49	
50	Subtract line 49 from line 41. If line 49 is more than line 41, enter -0- ▶			50	415

Other Taxes

51	Tax on income not effectively connected with a U.S. trade or business from page 4, line 86			51	198
52	Social security and Medicare tax on tip income not reported to employer. Attach Form 4137			52	
53	Tax on qualified plans, including IRAs, and other tax-favored accounts. Attach Form 5329 if required			53	
54	Transportation tax (see page 18)			54	
55	Household employment taxes. Attach Schedule H (Form 1040)			55	
56	Add lines 50 through 55. This is your **total tax** ▶			56	613

Payments

57	Federal income tax withheld from Forms W-2, 1099, 1042-S, etc.	57	1943		
58	2003 estimated tax payments and amount applied from 2002 return	58			
59	Excess social security and tier 1 RRTA tax withheld (see page 19)	59			
60	Additional child tax credit. Attach Form 8812	60			
61	Amount paid with Form 4868 (request for extension)	61			
62	Other payments from: **a** ☐ Form 2439 **b** ☐ Form 4136 **c** ☐ Form 8885	62			
63	Credit for amount paid with Form 1040-C	63			
64	U.S. tax withheld at source from page 4, line 83	64			
65	U.S. tax withheld at source by partnerships under section 1446:				
a	From Form(s) 8805	65a			
b	From Form(s) 1042-S	65b			
66	U.S. tax withheld on dispositions of U.S. real property interests:				
a	From Form(s) 8288-A	66a			
b	From Form(s) 1042-S	66b			
67	Add lines 57 through 66b. These are your **total payments** ▶			67	1943

Refund

Direct deposit? See page 19.

68	If line 67 is more than line 56, subtract line 56 from line 67. This is the amount you **overpaid**			68	1330
69a	Amount of line 68 you want **refunded to you.**			69a	1330
b	Routing number ▶ **c** Type: ☐ Checking ☐ Savings				
d	Account number				
70	Amount of line 68 you want **applied to your 2004 estimated tax** ▶	70			

Amount You Owe

71	Amount you owe. Subtract line 67 from line 56. For details on how to pay, see page 20 ▶			71	
72	Estimated tax penalty. Also include on line 71	72			

Third Party Designee

Do you want to allow another person to discuss this return with the IRS (see page 20)? ☐ **Yes.** Complete the following. ☐ **No**

Designee's name ▶ Phone no. ▶ ( ) Personal identification number (PIN) ▶

Sign Here

Keep a copy of this return for your records.

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Your signature ▶ Date Your occupation in the United States

Paid Preparer's Use Only

Preparer's signature ▶ Date Check if self-employed ☐ Preparer's SSN or PTIN

Firm's name (or yours if self-employed), address, and ZIP code ▶ EIN Phone no. ( )

Schedule A—Itemized Deductions (See pages 21, 22, and 23.)

07

Draft as of 8/13/2003

State and Local Income Taxes	1	State income taxes	1	696	
	2	Local income taxes	2		
	3	Add lines 1 and 2		3	696
Gifts to U.S. Charities		**Caution:** *If you made a gift and received a benefit in return, see page 21.*			
	4	Gifts by cash or check. If you made any gift of $250 or more, see page 21	4		
	5	Other than by cash or check. If you made any gift of $250 or more, see page 21. You **must** attach Form 8283 if "the amount of your deduction" (see definition on page 22) is more than $500	5		
	6	Carryover from prior year	6		
	7	Add lines 4 through 6		7	
Casualty and Theft Losses	8	Casualty or theft loss(es). Attach Form 4684. See page 22		8	
Job Expenses and Most Other Miscellaneous Deductions	9	Unreimbursed employee expenses—job travel, union dues, job education, etc. You **must** attach Form 2106 or Form 2106-EZ if required. See page 22 ▶	9		
	10	Tax preparation fees	10		
	11	Other expenses. See page 23 for expenses to deduct here. List type and amount ▶	11		
	12	Add lines 9 through 11	12		
	13	Enter the amount from Form 1040NR, line 34	13		
	14	Multiply line 13 by 2% (.02)	14		
	15	Subtract line 14 from line 12. If line 14 is more than line 12, enter -0-		15	
Other Miscellaneous Deductions	16	Other—see page 23 for expenses to deduct here. List type and amount ▶		16	
Total Itemized Deductions	17	Is Form 1040NR, line 34, over $139,500 (over $69,750 if you checked filing status box 3, 4, or 5 on page 1 of Form 1040NR)? **No.** Your deduction is not limited. Add the amounts in the far right column for lines 3 through 16. Also enter this amount on Form 1040NR, line 35. **Yes.** Your deduction may be limited. See page 23 for the amount to enter here and on Form 1040NR, line 35. ▶		17	696

Tax on Income Not Effectively Connected With a U.S. Trade or Business

Attach Forms 1042-S, SSA-1042S, RRB-1042S, or similar form.

Nature of income		(a) U.S. tax withheld at source	(b) 10%	(c) 15%	(d) 30%	(e) Other (specify) %	(e) Other (specify) %
			Enter amount of income under the appropriate rate of tax (see pages 23 and 24)				
73 Dividends paid by:							
a U.S. corporations	73a			1319			
b Foreign corporations	73b						
74 Interest:							
a Mortgage	74a						
b Paid by foreign corporations	74b						
c Other	74c						
75 Industrial royalties (patents, trademarks, etc.)	75						
76 Motion picture or T.V. copyright royalties	76						
77 Other royalties (copyrights, recording, publishing, etc.)	77						
78 Real property income and natural resources royalties	78						
79 Pensions and annuities	79						
80 Social security benefits	80						
81 Gains (include capital gain from line 89 below)	81						
82 Other (specify) ▶	82						
83 **Total U.S. tax withheld at source.** Add column (a) of lines 73a through 82. Enter the total here and on Form 1040NR, line 64 ▶	83						
84 Add lines 73a through 82 in columns (b)–(e)	84						
85 **Multiply line 84 by rate of tax at top of each column**	85			198			
86 **Tax on income not effectively connected with a U.S. trade or business.** Add columns (b)–(e) of line 85. Enter the total here and on Form 1040NR, line 51 ▶	86						198

Capital Gains and Losses From Sales or Exchanges of Property

Enter only the capital gains and losses from property sales or exchanges that are from sources within the United States and not effectively connected with a U.S. business. Do not include a gain or loss on disposing of a U.S. real property interest; report these gains and losses on Schedule D (Form 1040).

Report property sales or exchanges that are effectively connected with a U.S. business on Schedule D (Form 1040), Form 4797, or both.

87 (a) Kind of property and description (if necessary, attach statement of descriptive details not shown below)	(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)	(d) Sales price	(e) Cost or other basis	(f) LOSS If (e) is more than (d), subtract (d) from (e)	(g) GAIN If (d) is more than (e), subtract (e) from (d)
88 Add columns (f) and (g) of line 87				88	( )	
89 **Capital gain.** Combine columns (f) and (g) of line 88. Enter the net gain here and on line 81 above (if a loss, enter -0-) ▶					89	

Draft 8/13/2003 DSS
T-40 Test

Other Information (If an item does not apply to you, enter "N/A.")

A What country issued your passport? POLAND

B Were you ever a U.S. citizen? . . . . ☐ Yes ☒ No

C Give the purpose of your visit to the United States ▶ STUDY

D Type of entry visa ▶ F-1 and current nonimmigrant status and date of change (see page 24) ▶ F-1

E Date you entered the United States (see page 24) ▶ 8-9-2001

F Did you give up your permanent residence as an immigrant in the United States this year? . . . . . ☐ Yes ☒ No

G Dates you entered and left the United States during the year. Residents of Canada or Mexico entering and leaving the United States at frequent intervals, give name of country only. ▶

H Give number of days (including vacation and nonworkdays) you were present in the United States during:

2001 , 2002 131 , and 2003 365 .

I If you are a resident of Canada, Mexico, Japan, or the Republic of Korea (South Korea), or a U.S. national, did your spouse contribute to the support of any child claimed on Form 1040NR, line 7c? . . ☐ Yes ☐ No

If "Yes," enter amount ▶ $

If you were a resident of Japan or the Republic of Korea (South Korea) for any part of the tax year, enter in the space below your total foreign source income not effectively connected with a U.S. trade or business. This information is needed so that the exemption for your spouse and dependents residing in the United States (if applicable) may be allowed in accordance with Article 4 of the income tax treaties between the United States and Japan or the United States and the Republic of Korea (South Korea).

Total foreign source income not effectively connected with a U.S. trade or business ▶ $

J Did you file a U.S. income tax return for any year before 2003?. . . . . ☐ Yes ☒ No

If "Yes," give the latest year and form number ▶

K To which Internal Revenue office did you pay any amounts claimed on Form 1040NR, lines 58, 61, and 63?

L Have you excluded any gross income other than foreign source income not effectively connected with a U.S. trade or business? . ☐ Yes ☒ No

If "Yes," show the amount, nature, and source of the excluded income. Also, give the reason it was excluded. (Do not include amounts shown in item M.) ▶

M If you are claiming the benefits of a U.S. income tax treaty with a foreign country, give the following information. See page 24 for additional information.

- Country ▶ POLAND
- Type and amount of effectively connected income exempt from tax. Also, identify the applicable tax treaty article. Do not enter exempt income on lines 8–15, 16b, and 17b–21 of Form 1040NR:

For 2003 (also, include this exempt income on line 22 of Form 1040NR) ▶ 2000 WAGES TREATY ARTICLE 18(1)

For 2002 ▶

- Type and amount of income not effectively connected that is exempt from or subject to a reduced rate of tax. Also, identify the applicable tax treaty article:

For 2003 ▶

For 2002 ▶

- Were you subject to tax in that country on any of the income you claim is entitled to the treaty benefits? . . . . . ☐ Yes ☒ No
- Did you have a permanent establishment or fixed base (as defined by the tax treaty) in the United States at any time during 2003? . . . . . ☐ Yes ☒ No

N If you file this return to report community income, give your spouse's name, address, and identifying number.

O If you file this return for a trust, does the trust have a U.S. business? . . . . . ☐ Yes ☐ No

If "Yes," give name and address ▶

P Is this an "expatriation return" (see page 24)? . . . . . ☐ Yes ☒ No

If "Yes," you must attach an annual information statement.

Q During 2003, did you apply for, or take other affirmative steps to apply for, lawful permanent resident status in the United States or have an application pending to adjust your status to that of a lawful permanent resident of the United States? ☐ Yes ☒ No

If "Yes," explain ▶

Draft as of 8/13/2003

Test T-41

STUDENT NOTES

Help Us To

Picture Them Home

Maria Anjiras

Female, Age Now: 42
Ht:5'6 Wt:120 lbs.
Blue eyes, Brown hair

Age Progression By NCMEC

Missing From: Norwalk, CT on 02/12/1976

National Center for Missing and Exploited Children

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(1-800-843-5678)

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