"I.R.S." stands for "INTERNAL REVENUE SERVICE"

I.R.S. ISSUES
For Foreign Students & Scholars

BASIC PRINCIPLES

Each nonresident alien student, teacher, or trainee temporarily present in the United States under an "F", "J", "M", or "Q" visa is considered to be engaged in a trade or business in the United States and must file an annual tax return between January 1 and April 15 each year, for the previous year. Each person must file Form 8843. In addition, if he/she has United States sources income subject to tax, he/she must file Form 1040NR or the simpler form, Form 1040NR-EZ. (Note: scholarships and fellowships granted by U.S. educational/research facilities are U.S. source income a portion may be taxed.)

If the nonresident has United States source income, he/she should be careful to take full advantage of the Tax Treaty (if any) which the United States has his/her country.

In ALL cases, Form 8843 and Form 1040NR (or Form 1040NR-EZ) are mailed to Austin, TX.

WHAT TO DO...NOW!

Those who have permission to work from the Immigration Service and who will work at the University Must do the following:

1) Secure a Social Security Number ("SSN") from the "Social Security Administration"

AND EITHER 2 OR 3

2) If he/she does not qualify for exemption from withholding because of tax treaty, submit Form W-4 to the University’s Payroll Office;

3) If he/she does qualify for exemption from withholding because of a tax treaty, complete Form 8233, and submit to the University’s Payroll Office.

HELP FROM THE I.R.S.
HOW TO CONTACT THE INTERNAL REVENUE SERVICE

Forms and Publications: (Voice) 1-800-829-FORM (Web) www.irs.gov

Walk-In Service: Federal Building
324 Harlow Street
Bangor, ME 04401
RELATED MATERIALS

Form W-4
Form W-7
Form 1040NR
Form 1040NR-EZ
Form 8843
Form 8233
Publication 519
Publication 901
Publication 597

"Employee Withholding Allowance Certificate"
"Application for an IRS "ITIN"
"U.S. Nonresident Alien Income Tax Return"
"U.S. Income Tax Return for Certain Nonresident Aliens with no Dependents"
"Statement for Exempt Individuals"
"Exemption from Withholding on Compensation"
"U.S. Tax Guide for Aliens"
"U.S. Tax Treaties"
"Information on the U.S. - Canada Tax Treaty"

A NOTE ON SOCIAL SECURITY AND MEDICARE TAXES

Services performed by a nonresident alien temporarily present in the United States as a non-immigrant with an "F", "J", "M", or "Q" visa are NOT covered under the social security program if the services are performed to carry out the purpose for which said person was admitted to the United States. This means that there will be no withholding of Social Security or Medicare taxes from the pay received for these services. However, the law limits the services involved to include ONLY on-campus work, practical training, and economic hardship employment. A refund of Social Security and Medicare taxes withheld in error may be secured by filing Form 843 ("Claim for Refund and Request for Abatement") and form 8316 ("Information Regarding Request for Refund of Social Security Tax Erroneously Withheld on Wages Received by a Nonresident Alien on an F, J, M Visa").

STATE TAXATION ISSUES

Each state has its own taxation agency. In Maine this agency in the "Maine Revenue Service". I.R.S. personnel are neither qualified nor authorized to give advice on "Maine Revenue Service" issues. You must contact them directly for information on your tax obligations to the State.

END

Since this is an UNOFFICIAL document, the material in these pages cannot be used or cited as an authority for establishing or sustaining a technical position. Always rely on OFFICIAL I.R.S. publications for this purpose!

Adapted from I.R.S. Issues for Foreign Students/Scholars, an unofficial publication from the U.S. Internal Revenue Service.

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