

**"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	"Employee Withholding Allowance Certificate"
Form W-7	"Application for an IRS "ITIN"
Form 1040NR	"U.S. Nonresident Alien Income Tax Return"
Form 1040NR-EZ	"U.S. Income Tax Return for Certain Nonresident Aliens with no Dependents"
Form 8843	"Statement for Exempt Individuals"
Form 8233	"Exemption from Withholding on Compensation"
Publication 519	"U.S. Tax Guide for Aliens"
Publication 901	"U.S. Tax Treaties"
Publication 597	"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 is 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.