

sprintax

# Nonresident US Tax Obligations for J-1 Bridge USA Participants

Navigating the nonresident tax journey



# Before we start...

## **Disclaimer:**

The aim of this presentation is to provide you with a general understanding of tax principles as they apply to J1 visa holders and as such, is for information purposes only. Each individual has a unique tax position and is responsible for their own tax determination and compliance.



# Overview

- ✘ Overview of tax for nonresidents on J-1 visas
- ✘ Guidance around employment and receipt of US income for nonresidents
- ✘ Tax filing obligations
- ✘ Understand the implications of filing an incorrect tax return
- ✘ Sprintax solutions



What determines  
residency for tax  
purposes?



# Resident or nonresident for tax purposes?

- ✘ **Independent of visa/immigration status**
- ✘ Generally, J-1 Interns/Trainees, Summer Work and Travel, Camp Counsellors, Au Pairs, Teachers and Researchers are automatically considered nonresidents for tax purposes for 2 out of the last 6 calendar years in the US
- ✘ As a nonresident for tax purposes, different tax rules apply to you and you would need to complete different tax forms than a resident for tax purposes
- ✘ If you've been in the US for longer than the 2 year period, the **Substantial Presence Test** will determine your tax residency – 183 days



Employment and receipt of  
US income during the year



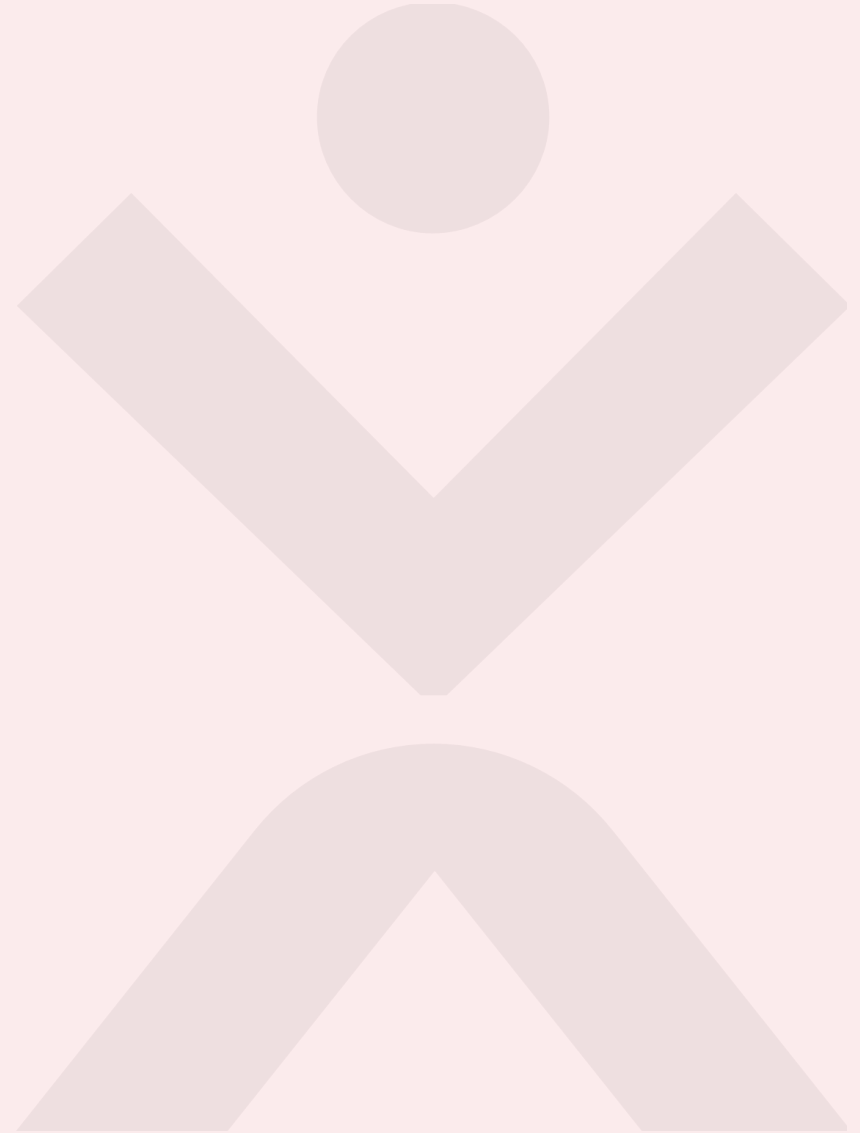
# Federal tax withholding

- ✘ Nonresidents for tax purposes should usually be taxed at the graduated tax rates of withholding unless they have income exempt from withholding due to a tax treaty
- ✘ **This means that you will pay Federal tax withholding from 10% upwards depending on the level of your income during the year**
- ✘ Nonresidents for tax cannot use the standard deduction (exemption being Indian Students, Trainees and Business Apprentices)
- ✘ If you are a J1 Au Pair who is not being taxed on your host family payments, you should set aside 10-12% of your income as you may need to pay this to the IRS upon filing your tax return

Tax Rate	Single
10%	\$11,600 or less
12%	\$11,601 to \$47,150
22%	\$47,151 to \$100,525
24%	\$100,526 to \$191,950
32%	\$191,951 to \$243,725
35%	\$243,726 to \$609,350
37%	Over \$609,350

# FICA taxes

- ✘ Nonresident JIs **should not be paying FICA**
- ✘ H-1B, J-2 and TN visa-holders, are subject to FICA taxes from their first day of employment
- ✘ Usually only applied to off-campus employment
  - ✘ However, tax residents do pay
- ✘ Opportunity to claim back
  - ✘ From employer
  - ✘ Via Form 843 & Form 8316





# Comparison of impact of FICA taxes on employees

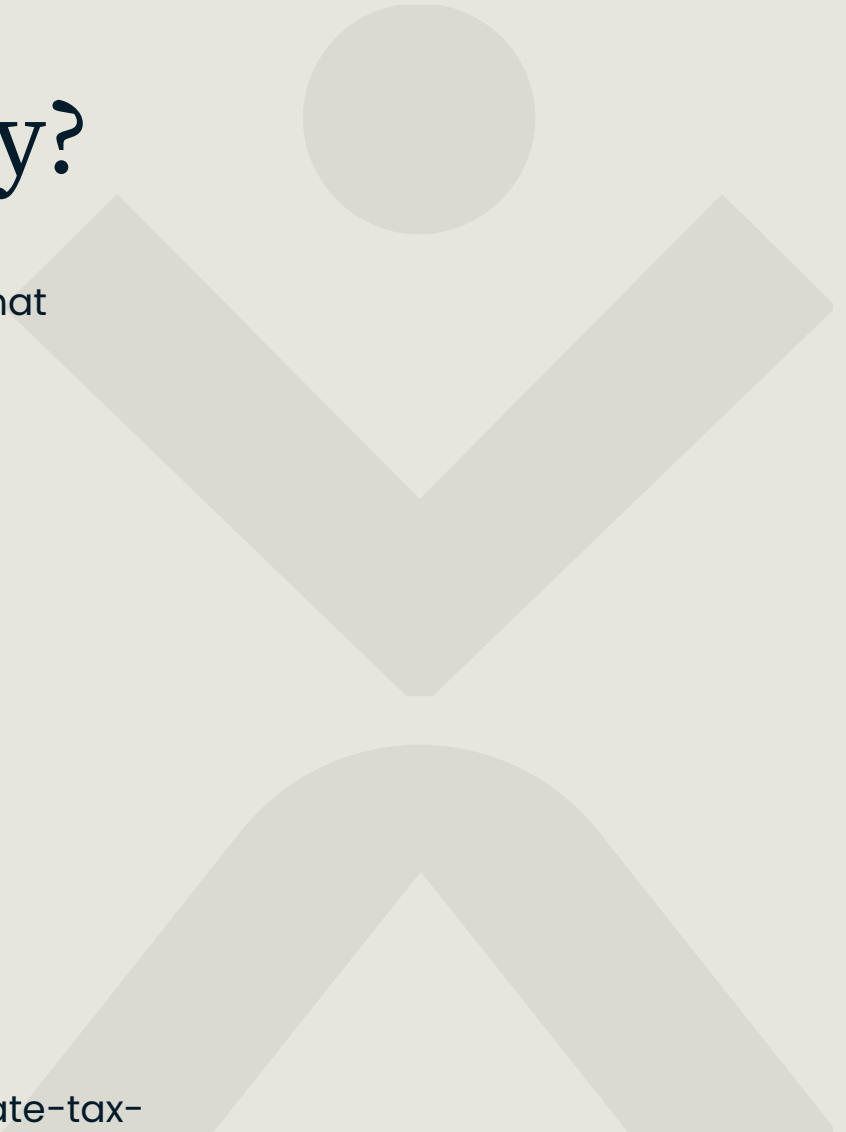
If FICA taxes are withheld in error, there are two main approaches to have the FICA taxes refunded:

- ✘ Employer amends quarterly or annual tax return (941) and refund the FICA taxes back to the individual
- ✘ Individual can file a tax claim via Form 843 and 8316 to the IRS

Visa Type	J-1 Summer Work Travel	J-1 Summer Work & Travel	J-1 Intern	J-1 Trainee
Wages	\$4,000	\$5,000	\$40,000	\$50,000
US Tax Residency	Nonresident	Nonresident	Nonresident	Nonresident
FICA Taxes Withheld in error	Yes	Yes	Yes	Yes
FICA Tax %	6.2% Social security + 1.45% Medicare tax	6.2% Social security + 1.45% Medicare tax	6.2% Social security + 1.45% Medicare tax	6.2% Social security + 1.45% Medicare tax
NRA employee portion of FICA taxes that could be withheld	\$306	\$383	\$3,060	\$3,825
Employer's part withheld in error	\$306	\$383	\$3,060	\$3,825

# Who is entitled to a tax treaty?

- ✘ The United States has income tax treaties with 66 foreign countries that reduces taxation on certain types of income
- ✘ Whether or not a NRA is eligible is based off five primary factors:
  - ✘ Visa type
  - ✘ Country of residence
  - ✘ Income type
  - ✘ What work you are being compensated for/type of payer
  - ✘ Duration of time in the US
- ✘ Only some states honor the provisions of US tax treaties
  - ✘ Forms and rules vary from state to state
  - ✘ Federation of Tax Administrators website [www.taxadmin.org/state-tax-forms](http://www.taxadmin.org/state-tax-forms)



# Tax forms



# Form W-4 pre-employment tax document

- Prior to employment you will likely need to fill out the Form W-4
- This form helps your employer to deduct the correct amount of Federal taxes from your pay
- It requires details such as your name, address, social security number, filing status, if you have more than one job as well as dependents and other adjustments

**Form W-4 Employee's Withholding Certificate** OMB No. 1545-0074  
 Department of the Treasury Internal Revenue Service  
 Complete Form W-4 so that your employer can withhold the correct federal income tax from your pay. Give Form W-4 to your employer. Your withholding is subject to review by the IRS. **2024**

**Step 1: Enter Personal Information**

(a) First name and middle initial Last name (b) Social security number

Address

City or town, state, and ZIP code

Does your name match the name on your social security card? If not, to ensure you get credit for your earnings, contact SSA at 800-772-1213 or go to www.ssa.gov.

(c)  Single or Married filing separately  
 Married filing jointly or Qualifying surviving spouse  
 Head of household (Check only if you're unmarried and pay more than half the costs of keeping up a home for yourself and a qualifying individual.)

**Complete Steps 2-4 ONLY if they apply to you; otherwise, skip to Step 5.** See page 2 for more information on each step, who can claim exemption from withholding, and when to use the estimator at [www.irs.gov/W4App](http://www.irs.gov/W4App).

**Step 2: Multiple Jobs or Spouse Works**

Complete this step if you (1) hold more than one job at a time, or (2) are married filing jointly and your spouse also works. The correct amount of withholding depends on income earned from all of these jobs. Do **only one** of the following.

(a) Use the estimator at [www.irs.gov/W4App](http://www.irs.gov/W4App) for most accurate withholding for this step (and Steps 3-4). If you or your spouse have self-employment income, use this option; or

(b) Use the Multiple Jobs Worksheet on page 3 and enter the result in Step 4(c) below; or

(c) If there are only two jobs total, you may check this box. Do the same on Form W-4 for the other job. This option is generally more accurate than (b) if pay at the lower paying job is more than half of the pay at the higher paying job. Otherwise, (b) is more accurate

**Complete Steps 3-4(b) on Form W-4 for only ONE of these jobs.** Leave those steps blank for the other jobs. (Your withholding will be most accurate if you complete Steps 3-4(b) on the Form W-4 for the highest paying job.)

**Step 3: Claim Dependent and Other Credits**

If your total income will be \$200,000 or less (\$400,000 or less if married filing jointly):

Multiply the number of qualifying children under age 17 by \$2,000 \$

Multiply the number of other dependents by \$500 \$

Add the amounts above for qualifying children and other dependents. You may add to this the amount of any other credits. Enter the total here **3** \$

**Step 4 (optional): Other Adjustments**

(a) **Other income (not from jobs).** If you want tax withheld for other income you expect this year that won't have withholding, enter the amount of other income here. This may include interest, dividends, and retirement income **4(a)** \$

(b) **Deductions.** If you expect to claim deductions other than the standard deduction and want to reduce your withholding, use the Deductions Worksheet on page 3 and enter the result here **4(b)** \$

(c) **Extra withholding.** Enter any additional tax you want withheld each pay period **4(c)** \$

**Step 5: Sign Here**

Under penalties of perjury, I declare that this certificate, to the best of my knowledge and belief, is true, correct, and complete.

Employee's signature (This form is not valid unless you sign it.) Date

**Employers Only**

Employer's name and address First date of employment Employer identification number (EIN)

# Form 8233 pre-employment tax document

- The 8233 is a document which is primarily used to claim a Tax Treaty benefit when there is tax treaty between your country of residence and the USA
- This form is used to claim a tax treaty withholding exemption for part or all of your compensation from independent personal services, dependent personal services (or wages) or compensatory scholarship or fellowship income and personal services income from the same withholding agent
- A tricky document if filling this out by yourself

Form <b>8233</b> (Rev. September 2018) Department of the Treasury Internal Revenue Service		<b>Exemption From Withholding on Compensation for Independent (and Certain Dependent) Personal Services of a Nonresident Alien Individual</b>		OMB No. 1545-0795
▶ Go to <a href="http://www.irs.gov/Form8233">www.irs.gov/Form8233</a> for instructions and the latest information. ▶ See separate instructions.				
<b>Who Should Use This Form?</b>	<b>IF</b> you are a nonresident alien individual who is receiving . . .	<b>THEN</b> , if you are the beneficial owner of that income, use this form to claim . . .		
<b>Note:</b> For definitions of terms used in this section and detailed instructions on required withholding forms for each type of income, see <b>Definitions</b> in the instructions.	Compensation for independent personal services performed in the United States	A tax treaty withholding exemption (Independent personal services, Business profits) for part or all of that compensation.		
	Compensation for dependent personal services performed in the United States	A tax treaty withholding exemption for part or all of that compensation.		
	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.		
<b>DO NOT Use This Form. . .</b>	<b>IF</b> you are a beneficial owner who is . . .	<b>INSTEAD</b> , use . . .		
	Receiving compensation for dependent personal services performed in the United States and you are <b>not</b> claiming a tax treaty withholding exemption for that compensation	Form W-4 (See the Instructions for Form 8233 for how to complete Form W-4.)		
	Receiving noncompensatory scholarship or fellowship income and you are <b>not</b> 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 <b>not</b> compensation for personal services	Form W-8BEN		
This exemption is applicable for compensation for calendar year _____, or other tax year beginning _____ and ending _____.				
<b>Part I Identification of Beneficial Owner</b> (See instructions.)				
1 Name of individual who is the beneficial owner		2 U.S. taxpayer identification number		3 Foreign tax identification number, if any
4 Permanent residence address (street, apt. or suite no., or rural route). <b>Do not use a P.O. box.</b>				
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). <b>Do not use a P.O. box.</b>				
City or town, state, and ZIP code				
<b>Note:</b> 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 <input type="checkbox"/>				
<b>Caution:</b> See the <b>line 10 instructions</b> for the required additional statement you must attach.				
For Privacy Act and Paperwork Reduction Act Notice, see separate instructions. Cat. No. 62292K Form <b>8233</b> (Rev. 9-2018)				

# Form W-8BEN pre-employment tax document

- Used for claiming treaty benefits on scholarship income, royalties or other passive income
- If you are receiving a separate non compensatory scholarship during your study and are eligible to claim a tax treaty benefit the W-8BEN can be used to claim
- Examples of non compensatory: Tuition, Books, equipment related to course of study
- Examples of compensatory: Grants provided in return for services performed e.g. Teaching assistant in order to receive housing allowance

Form **W-8BEN** Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding and Reporting (Individuals)  
 (Rev. July 2017) Department of the Treasury Internal Revenue Service OMB No. 1545-1621

► For use by individuals. Entities must use Form W-8BEN-E.  
 ► Go to [www.irs.gov/FormW8BEN](http://www.irs.gov/FormW8BEN) for instructions and the latest information.  
 ► Give this form to the withholding agent or payer. Do not send to the IRS.

**Do NOT use this form if:**

- You are NOT an individual
- You are a U.S. citizen or other U.S. person, including a resident alien individual
- You are a beneficial owner claiming that income is effectively connected with the conduct of trade or business within the U.S. (other than personal services)
- You are a beneficial owner who is receiving compensation for personal services performed in the United States
- You are a person acting as an intermediary

**Instead, use Form:**

- W-8BEN-E
- W-9
- W-8ECI
- 8233 or W-4
- W-8IMY

**Note:** If you are resident in a FATCA partner jurisdiction (i.e., a Model 1 IGA jurisdiction with reciprocity), certain tax account information may be provided to your jurisdiction of residence.

**Part I Identification of Beneficial Owner** (see instructions)

1 Name of individual who is the beneficial owner 2 Country of citizenship

3 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

4 Mailing address (if different from above)  
 City or town, state or province. Include postal code where appropriate. Country

5 U.S. taxpayer identification number (SSN or ITIN), if required (see instructions) 6 Foreign tax identifying number (see instructions)

7 Reference number(s) (see instructions) 8 Date of birth (MM-DD-YYYY) (see instructions)

**Part II Claim of Tax Treaty Benefits** (for chapter 3 purposes only) (see instructions)

9 I certify that the beneficial owner is a resident of \_\_\_\_\_ within the meaning of the income tax treaty between the United States and that country.

10 **Special rates and conditions** (if applicable—see instructions): The beneficial owner is claiming the provisions of Article and paragraph \_\_\_\_\_ of the treaty identified on line 9 above to claim a \_\_\_\_\_ % rate of withholding on (specify type of income):  
 Explain the additional conditions in the Article and paragraph the beneficial owner meets to be eligible for the rate of withholding: \_\_\_\_\_

**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 individual that is the beneficial owner (or am authorized to sign for the individual that is the beneficial owner) of all the income to which this form relates or am using this form to document myself for chapter 4 purposes.
- The person named on line 1 of this form is not a U.S. person.
- The income to which this form relates is:
  - (a) not effectively connected with the conduct of a trade or business in the United States,
  - (b) effectively connected but is not subject to tax under an applicable income tax treaty, or
  - (c) the partner's share of a partnership's effectively connected income.
- The person named on line 1 of this form is a resident of the treaty country listed on line 9 of the form (if any) within the meaning of the income tax treaty between the United States and that country, 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. I agree that I will submit a new form within 30 days if any certification made on this form becomes incorrect.

**Sign Here** ► \_\_\_\_\_ Date (MM-DD-YYYY) \_\_\_\_\_  
 Signature of beneficial owner (or individual authorized to sign for beneficial owner)

# Form I-9 pre-employment document

- Used for employment eligibility
- Section 1 is for the employee to fill out whilst section 2 is for the employer
- If nonresident for tax purposes you will check box number 4 outlining the expiration date for your employment eligibility
- You will need to outline your USCIS number, Form I-94 admission number or the number from your passport
- This needs to then be signed by the employee and provided to your employer

		<b>Employment Eligibility Verification</b> Department of Homeland Security U.S. Citizenship and Immigration Services		<b>USCIS</b> <b>Form I-9</b> <small>OMB No. 1615-0047 Expires 10/31/2022</small>	
<p>▶ <b>START HERE:</b> Read instructions carefully before completing this form. The instructions must be available, either in paper or electronically, during completion of this form. Employers are liable for errors in the completion of this form.</p> <p><b>ANTI-DISCRIMINATION NOTICE:</b> It is illegal to discriminate against work-authorized individuals. Employers <b>CANNOT</b> specify which document(s) an employee may present to establish employment authorization and identity. The refusal to hire or continue to employ an individual because the documentation presented has a future expiration date may also constitute illegal discrimination.</p>					
<b>Section 1. Employee Information and Attestation</b> <i>(Employees must complete and sign Section 1 of Form I-9 no later than the first day of employment, but not before accepting a job offer.)</i>					
Last Name (Family Name)		First Name (Given Name)		Middle Initial	Other Last Names Used (if any)
Address (Street Number and Name)			Apt. Number	City or Town	State ZIP Code
Date of Birth (mm/dd/yyyy)	U.S. Social Security Number	Employee's E-mail Address		Employee's Telephone Number	
<p>I am aware that federal law provides for imprisonment and/or fines for false statements or use of false documents in connection with the completion of this form.</p> <p>I attest, under penalty of perjury, that I am (check one of the following boxes):</p> <p><input type="checkbox"/> 1. A citizen of the United States</p> <p><input type="checkbox"/> 2. A noncitizen national of the United States (See instructions)</p> <p><input type="checkbox"/> 3. A lawful permanent resident (Alien Registration Number/USCIS Number): _____</p> <p><input type="checkbox"/> 4. An alien authorized to work until (expiration date, if applicable, mm/dd/yyyy): _____ Some aliens may write "N/A" in the expiration date field. (See instructions)</p> <p>Aliens authorized to work must provide only one of the following document numbers to complete Form I-9: An Alien Registration Number/USCIS Number OR Form I-94 Admission Number OR Foreign Passport Number.</p> <p>1. Alien Registration Number/USCIS Number: _____ <b>OR</b></p> <p>2. Form I-94 Admission Number: _____ <b>OR</b></p> <p>3. Foreign Passport Number: _____ Country of Issuance: _____</p>					
Signature of Employee				Today's Date (mm/dd/yyyy)	
<p><b>Preparer and/or Translator Certification (check one):</b></p> <p><input type="checkbox"/> I did not use a preparer or translator. <input type="checkbox"/> A preparer(s) and/or translator(s) assisted the employee in completing Section 1. <i>(Fields below must be completed and signed when preparers and/or translators assist an employee in completing Section 1.)</i></p> <p>I attest, under penalty of perjury, that I have assisted in the completion of Section 1 of this form and that to the best of my knowledge the information is true and correct.</p>					
Signature of Preparer or Translator				Today's Date (mm/dd/yyyy)	
Last Name (Family Name)		First Name (Given Name)			
Address (Street Number and Name)			City or Town	State	ZIP Code

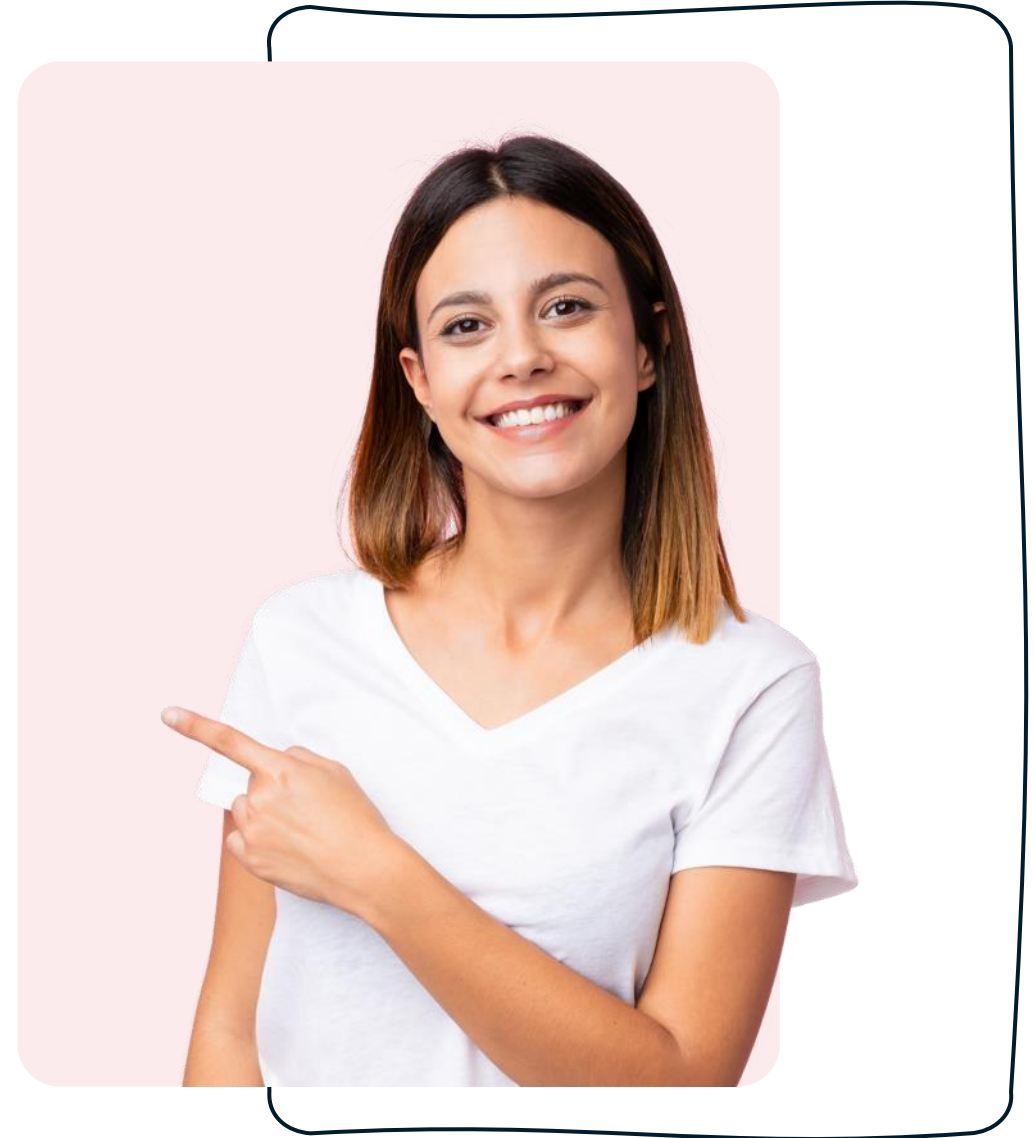
# Tax filing obligations for J1s





# Important dates for tax filing

- ✘ Tax filing season is for income from 1st January – 31st December
- ✘ Filing deadline: Typically **April 15th of the following tax year**



# Who must file?



Every nonresident who is an exempt individual must complete Form 8843 – irrespective of income or days of presence



As there is no personal exemption amount currently for NRAs, any nonresidents who have received taxable earnings or income over \$0 will have a federal filing requirement (1040-NR)



Even if you were only present in the US for a short period, you will still need to file for that year



# Form 8843 – minimum filing requirement for all

Form **8843** Statement for Exempt Individuals and Individuals With a Medical Condition  
For use by alien individuals only.  
Go to [www.irs.gov/Form8843](https://www.irs.gov/Form8843) for the latest information.

OMB No. 1545-0074  
**2024**  
Attachment Sequence No. **102**

Department of the Treasury Internal Revenue Service  
For the year January 1—December 31, 2024, or other tax year beginning \_\_\_\_\_, 2024, and ending \_\_\_\_\_, 20\_\_\_\_.

Your first name and initial \_\_\_\_\_ Last name \_\_\_\_\_ Your U.S. taxpayer identification number (TIN), 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 \_\_\_\_\_

**Part I General Information**

**1a** Type of U.S. visa (for example, F, J, M, Q, etc.) and date you entered the United States: \_\_\_\_\_  
**b** Current nonimmigrant status. If your status has changed, also enter date of change and previous status. See instructions. \_\_\_\_\_

**2** Of what country or countries were you a citizen during the tax year? \_\_\_\_\_

**3a** What country or countries issued you a passport? \_\_\_\_\_  
**b** Enter your passport number(s): \_\_\_\_\_

**4a** Enter the actual number of days you were present in the United States during:  
2024 \_\_\_\_\_ 2023 \_\_\_\_\_ 2022 \_\_\_\_\_  
**b** Enter the number of days in 2024 you claim you can exclude for purposes of the substantial presence test: \_\_\_\_\_

**Part II Teachers and Trainees**

**5** For teachers, enter the name, address, and telephone number of the academic institution where you taught in 2024: \_\_\_\_\_

**6** For trainees, enter the name, address, and telephone number of the director of the academic or other specialized program you participated in during 2024: \_\_\_\_\_

**7** Enter the type of U.S. visa (J or Q) you held during: 2018 \_\_\_\_\_ 2019 \_\_\_\_\_  
2020 \_\_\_\_\_ 2021 \_\_\_\_\_ 2022 \_\_\_\_\_ 2023 \_\_\_\_\_. 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 exempt as a teacher, trainee, or student for any part of 2 of the preceding 6 calendar years (2018 through 2023)?  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 in the instructions.

**Part III Students**

**9** Enter the name, address, and telephone number of the academic institution you attended during 2024: \_\_\_\_\_

**10** Enter the name, address, and telephone number of the director of the academic or other specialized program you participated in during 2024: \_\_\_\_\_

**11** Enter the type of U.S. visa (F, J, M, or Q) you held during: 2018 \_\_\_\_\_ 2019 \_\_\_\_\_  
2020 \_\_\_\_\_ 2021 \_\_\_\_\_ 2022 \_\_\_\_\_ 2023 \_\_\_\_\_. 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.

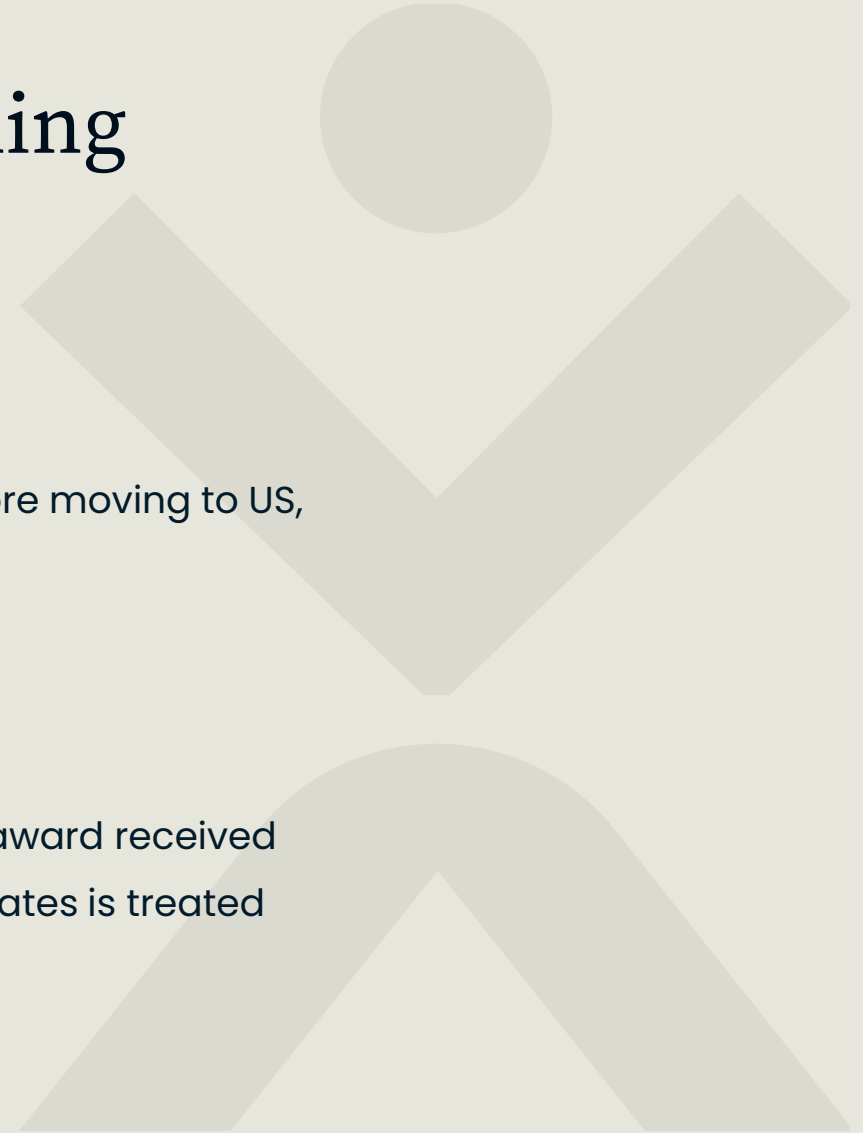
**12** Were you exempt as a teacher, trainee, or student for any part of more than 5 calendar years?  Yes  No  
If you checked the "Yes" box on line 12, you must provide sufficient facts on an attached statement to establish that you do not intend to reside permanently in the United States.

**13** During 2024, 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: \_\_\_\_\_

# Income which does not trigger a filing requirement for nonresidents

- ✘ Money transferred from parents/relatives overseas
- ✘ Income 'earned' in home country (investment income, rent, job before moving to US, etc.)
- ✘ Interest on regular savings account
- ✘ A scholarship, fellowship, grant, targeted grant, or an achievement award received by a nonresident alien for activities conducted outside the United States is treated as foreign source income. (Pub. 515)



# Income documents

**W2** – Deadline to receive – January 31st

- ✘ Outlines Wages, Salary, Compensation from the entire year (Employment Earnings)

**1042-S** – Deadline to receive – March 15th

- ✘ Taxable Scholarships/Stipends/Non-Degree Aid
- ✘ Income exempt by a tax treaty
- ✘ Royalty Payments
- ✘ Prize/Award/Miscellaneous foreign payments

**1099 Series** – Deadline to receive – typically by end of March

- ✘ Rental income
- ✘ Investment Income
- ✘ Commissions
- ✘ Independent Contractor Services

**Note:** Au Pairs likely will not receive an income document – they should keep records of the payments made to them by host family

Form **1042-S** Foreign Person's U.S. Source Income Subject to Withholding **2024** OMB No. 1545-0096  
 Department of the Treasury Internal Revenue Service  
 Go to [www.irs.gov/Form1042S](http://www.irs.gov/Form1042S) for instructions and the latest information.  
 Copy A for Internal Revenue Service

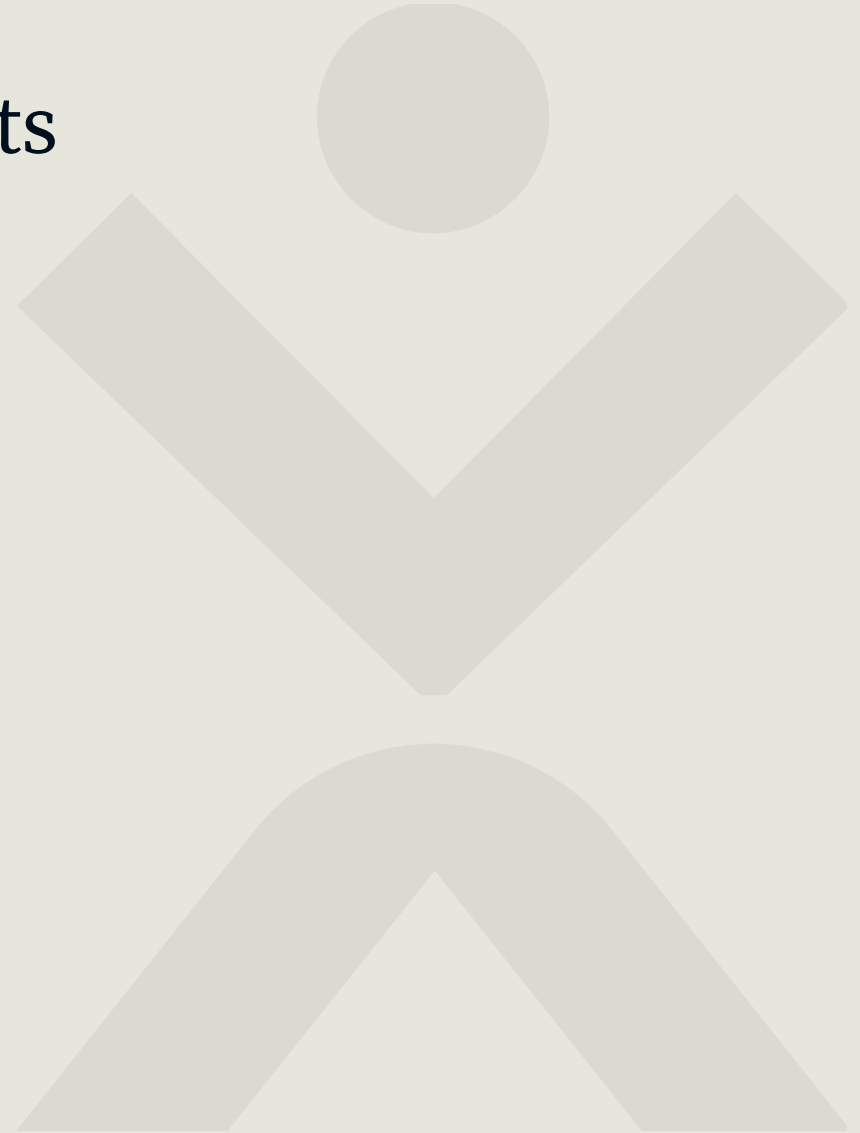
1 Income code		2 Gross income		3 Chapter indicator. Enter "3" or "4"		13e Recipient's U.S. TIN, if any		13f Ch. 3 status code	
3a Exemption code		4a Exemption code		3b Tax rate		4b Tax rate		13g Ch. 4 status code	
5 Withholding allowance		6 Net income		7a Federal tax withheld		13h Recipient's GIN		13i Recipient's foreign tax identification number, if any	
7b Check if federal tax withheld was not deposited with the IRS because escrow procedures were applied (see instructions)		7c Check if withholding occurred in subsequent year with respect to a partnership interest		8 Tax withheld by other agents		9 Overwithheld tax repaid to recipient pursuant to adjustment procedures (see instructions)		13j LGB code	
10 Total withholding credit (combine boxes 7 a, 8, and 9)		11 Tax paid by withholding agent (amounts not withheld) (see instructions)		12a Withholding agent's EIN		12b Ch. 3 status code		12c Ch. 4 status code	
12d Withholding agent's name		12e Withholding agent's Global Intermediary Identification Number (GIN)		12f Country code		12g Foreign tax identification number, if any		13k Recipient's account number	
12h Address (number and street)		12i City or town, state or province, country, ZIP or foreign postal code		12j Address (number and street)		12k City or town, state or province, country, ZIP or foreign postal code		13l Recipient's date of birth (YYYYMMDD)	
13a Recipient's name		13b Recipient's country code		13c Address (number and street)		13d City or town, state or province, country, ZIP or foreign postal code		14a Primary Withholding Agent's Name (if applicable)	
13e Recipient's U.S. TIN, if any		13f Ch. 3 status code		13g Ch. 4 status code		13h Recipient's GIN		13i Recipient's foreign tax identification number, if any	
13j LGB code		13k Recipient's account number		13l Recipient's date of birth (YYYYMMDD)		13m Recipient's foreign tax identification number, if any		13n Recipient's date of birth (YYYYMMDD)	
13o Recipient's foreign tax identification number, if any		13p Recipient's date of birth (YYYYMMDD)		13q Recipient's date of birth (YYYYMMDD)		13r Recipient's date of birth (YYYYMMDD)		13s Recipient's date of birth (YYYYMMDD)	
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For Privacy Act and Paperwork Reduction Act Notice, see instructions. Cat. No. 11386R Form **1042-S** (2024)

# Nonresident spouse and dependents

## Same filing requirements as visa holder:

- ✘ No joint returns for nonresidents
  
- ✘ Obligations
  - ✘ Minimum is Form 8843
  - ✘ 1040-NR if applicable
  - ✘ Each dependent should mail them in separate envelopes
  
- ✘ Nonresident can elect to file as resident – when married to a tax resident – but do the math on both options first!



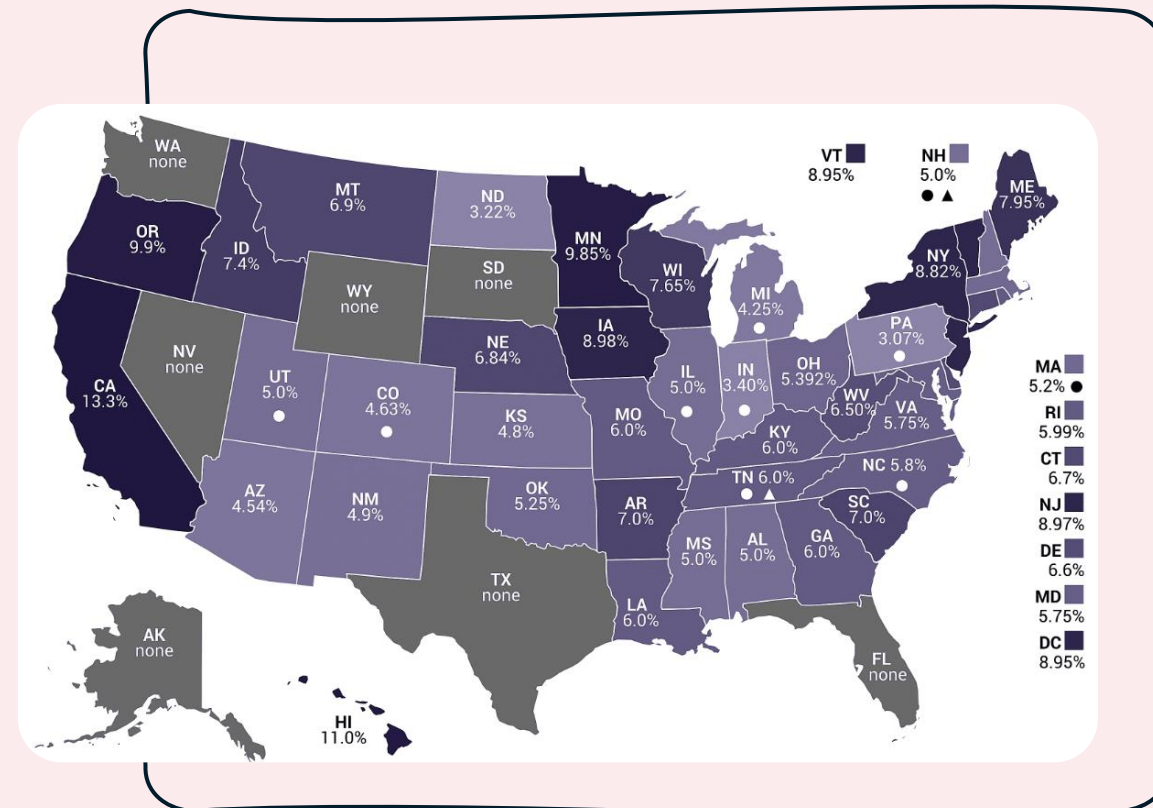
# State taxes

✘ Resident, part-year resident and nonresident status

✘ Forms and rules vary from state to state

✘ Federation of Tax Administrators website

[www.taxadmin.org/state-tax-forms](http://www.taxadmin.org/state-tax-forms)



# What if I don't have an SSN when filing? - Individual Taxpayer Identification Number (ITIN)

## ✘ Instructions for applying for an ITIN while filing your tax return:

- ✘ When nonresidents are filing an ITIN application alongside a tax return, the responsible officer at the institution can no longer certify the documents they are providing unless they are a certified acceptance agent.
- ✘ The following steps are advised if nonresidents are applying for an ITIN alongside your tax return. When mailing ITIN application, include:
  - ✘ 1040 NR (Your Federal tax return)
  - ✘ ITIN application (Form W-7 signed)
  - ✘ Attach a certified copy of the applicant's passport.
- ✘ If including a photocopy of their passport, it must be certified by one of the following\*:
  - ✘ Certified Acceptance Agent or IRS official
  - ✘ The governmental department that issued the identification document.
  - ✘ The United States Embassy or Consulate (make a reservation before visit).

**Form W-7**  
 (Rev. August 2019)  
 Department of the Treasury  
 Internal Revenue Service

**Application for IRS Individual Taxpayer Identification Number**  
 ▶ For use by individuals who are not U.S. citizens or permanent residents.  
 ▶ See separate instructions.

OMB No. 1545-0074

**An IRS individual taxpayer identification number (ITIN) is for U.S. federal tax purposes only.**  
**Before you begin:**  
 • **Don't submit this form if you have, or are eligible to get, a U.S. social security number (SSN).**

Application type (check one box):  
 Apply for a new ITIN  
 Renew an existing ITIN

**Reason you're submitting Form W-7.** Read the instructions for the box you check. **Caution:** If you check box b, c, d, e, f, or g, you must file a U.S. federal tax return with Form W-7 unless you meet one of the exceptions (see instructions).

a  Nonresident alien required to get an ITIN to claim tax treaty benefit  
 b  Nonresident alien filing a U.S. federal tax return  
 c  U.S. resident alien (based on days present in the United States) filing a U.S. federal tax return  
 d  Dependent of U.S. citizen/resident alien } If d, enter relationship to U.S. citizen/resident alien (see instructions) ▶ \_\_\_\_\_  
 e  Spouse of U.S. citizen/resident alien } If d or e, enter name and SSN/ITIN of U.S. citizen/resident alien (see instructions) ▶ \_\_\_\_\_  
 f  Nonresident alien student, professor, or researcher filing a U.S. federal tax return or claiming an exception  
 g  Dependent/spouse of a nonresident alien holding a U.S. visa  
 h  Other (see instructions) ▶ \_\_\_\_\_

Additional information for a and f. Enter treaty country ▶ \_\_\_\_\_ and treaty article number ▶ \_\_\_\_\_

<b>Name</b> (see instructions)	<b>1a</b> First name John	Middle name	Last name Smith
	<b>1b</b> First name Name at birth if different ▶ N/A	Middle name N/A	Last name N/A

**Applicant's Mailing Address**  
 2 Street address, apartment number, or rural route number. If you have a P.O. box, see separate instructions.  
 757 3rd Ave, 20th Floor  
 City or town, state or province, and country. Include ZIP code or postal code where appropriate.  
 New York, NY 10017

**Foreign (non-U.S.) Address**  
 3 Street address, apartment number, or rural route number. Don't use a P.O. box number.  
 EAST OF KAILASH,  
 City or town, state or province, and country. Include postal code where appropriate.  
 NEW DELHI, INDIA, 110065

<b>Birth Information</b>	<b>4</b> Date of birth (month / day / year) 01 / 01 / 2000	<b>Country of birth</b> INDIA	<b>City and state or province (optional)</b> JAMMU	<b>5</b> <input checked="" type="checkbox"/> Male <input type="checkbox"/> Female
	<b>6a</b> Country of citizenship	<b>6b</b> Foreign tax ID number (if any)	<b>6c</b> Type of U.S. visa (if any), number, and expiration date	



# Implications of misfiling



# Missed a year? Filed as a resident by mistake?

Don't panic!

- ✧ but do set the record straight

Never filed...

- ✧ Catch up
- ✧ Can back file at any stage
- ✧ Can only claim a refund for previous 3 years

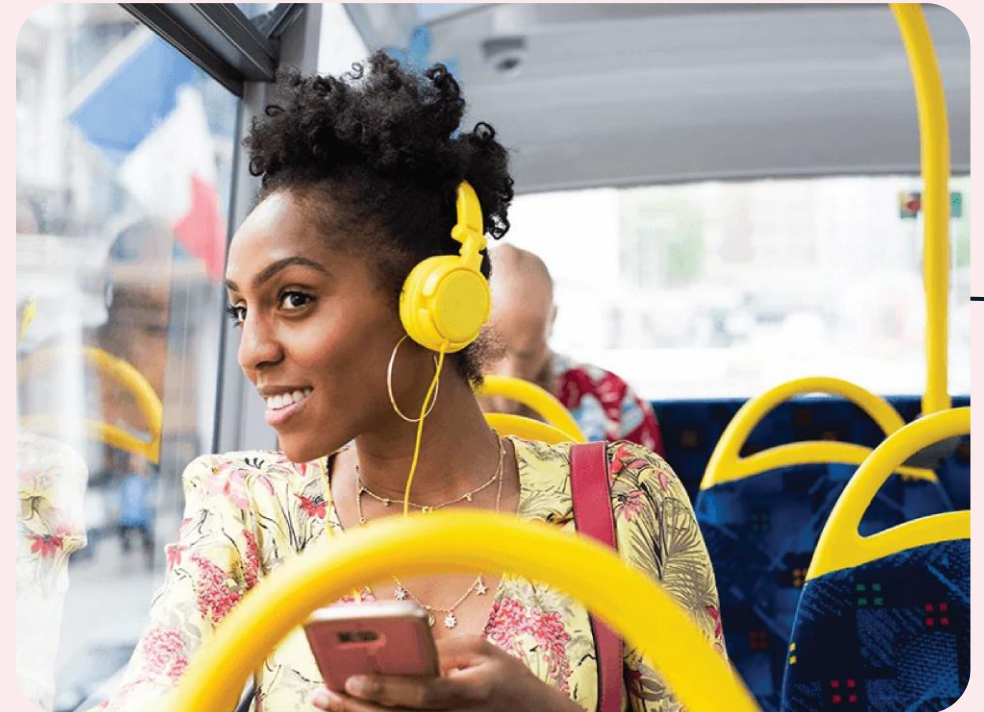
Misfiled...

- ✧ 1040X – Amended US Individual Income Tax Return
- ✧ Simple form, similar to 1040



# Implications of not filing


- ✘ Nonresidents are required to comply with all US laws, including IRS & filing tax forms (even if only 8843).
- ✘ Remaining compliant is part of maintaining visa status in the US.
- ✘ Not filing could **affect future immigration status** (like H1B, LPR)
- ✘ Fines, penalties and interest can accrue if the IRS are owed
- ✘ Might be missing out on a refund!



# Be careful about options being “recommended” to you!

- ✓ Be careful when social media groups are recommending tax companies
- ✓ Doing the research on finding legitimate NRA tax service providers is crucial
- ✓ TurboTax only supports resident returns
- ✓ We helped over 12,000 nonresidents to amend their tax returns over the last 3 years

A screenshot of a help article from TurboTax. The article title is "Does TurboTax handle Form 1040-NR for nonresident aliens?". It is marked as "SOLVED" and was updated on December 18, 2023. The article explains that TurboTax does not support IRS Form 1040-NR but has partnered with Sprintax to offer tax preparation for international students, scholars, and nonresident foreign professionals. A link to the TurboTax/Sprintax site is provided for more information.

 TurboTax Help  
Intuit

**Does TurboTax handle Form 1040-NR for nonresident aliens?**

**SOLVED** • by TurboTax • 858 • Updated December 18, 2023

Although TurboTax doesn't support IRS Form 1040-NR (U.S. Nonresident Alien Income Tax Return), we have partnered with Sprintax to offer both federal and state tax preparation for international students, scholars, and nonresident foreign professionals.

Please visit the [TurboTax/Sprintax site](#) for more info.

# Sprintax solutions

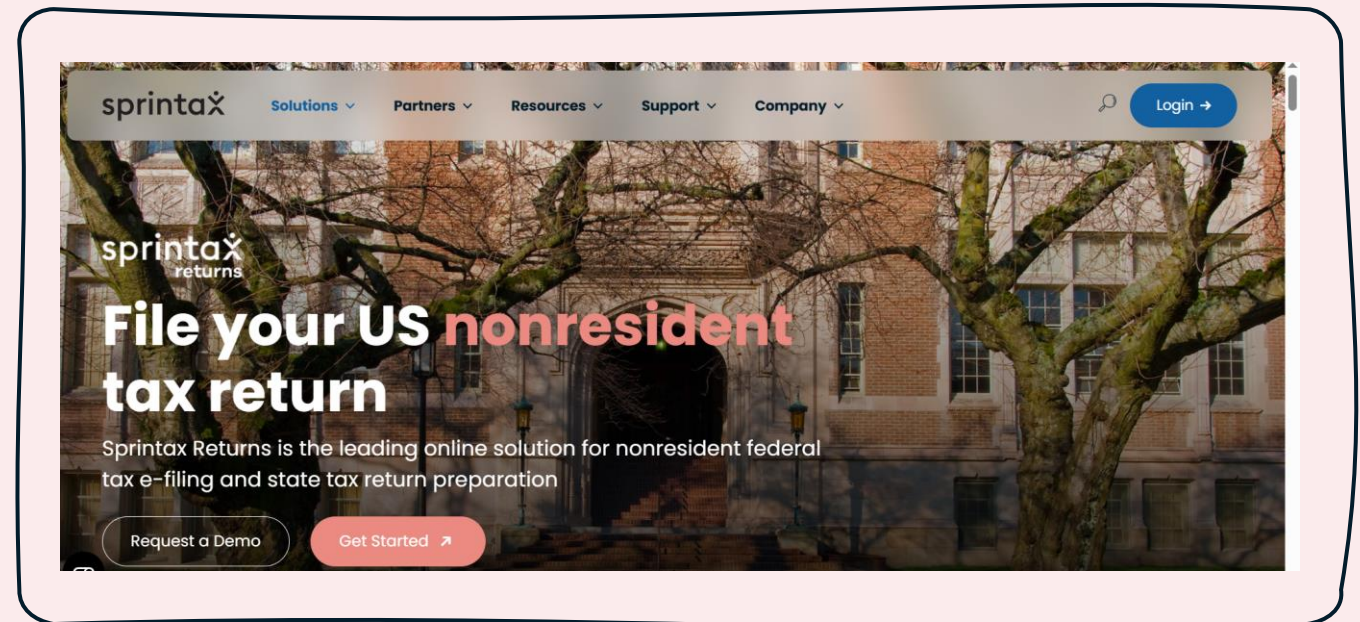


# Sprintax Returns

✓ Software to assist with their nonresident tax filing requirements

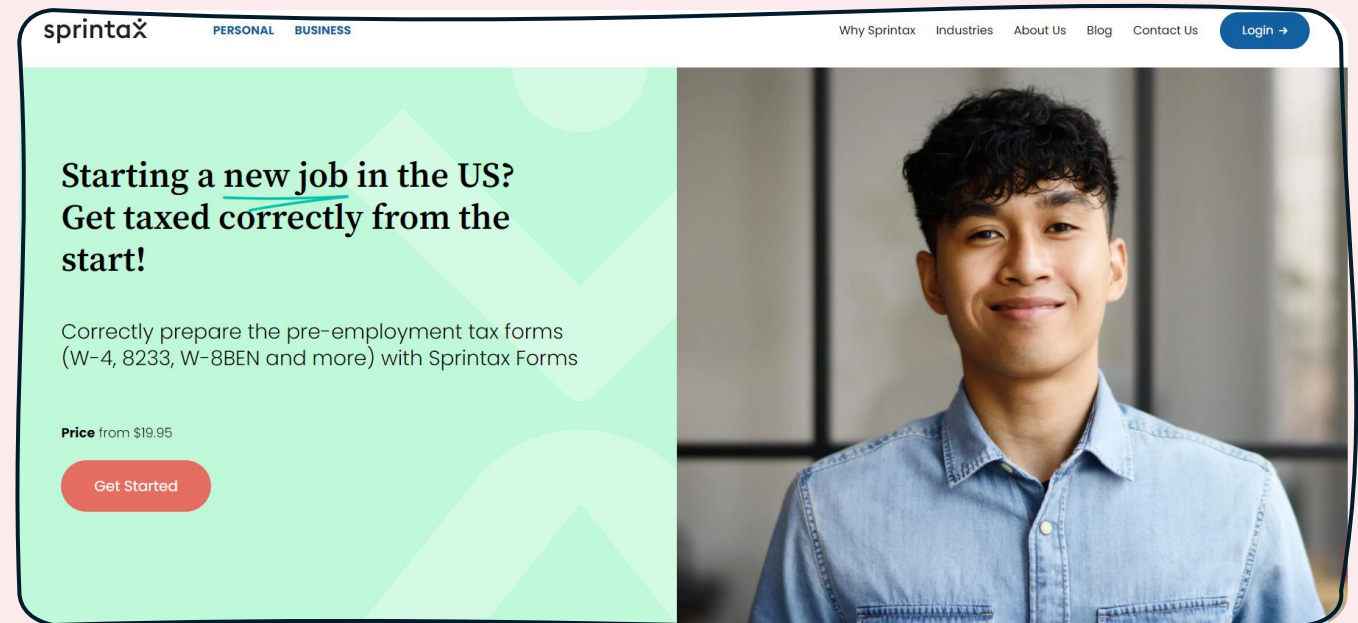
✓ Services:

- ✓ Federal return
- ✓ State return(s)
- ✓ Form 8843
- ✓ FICA return
- ✓ Amended Returns
- ✓ Post filing support
- ✓ ITIN application



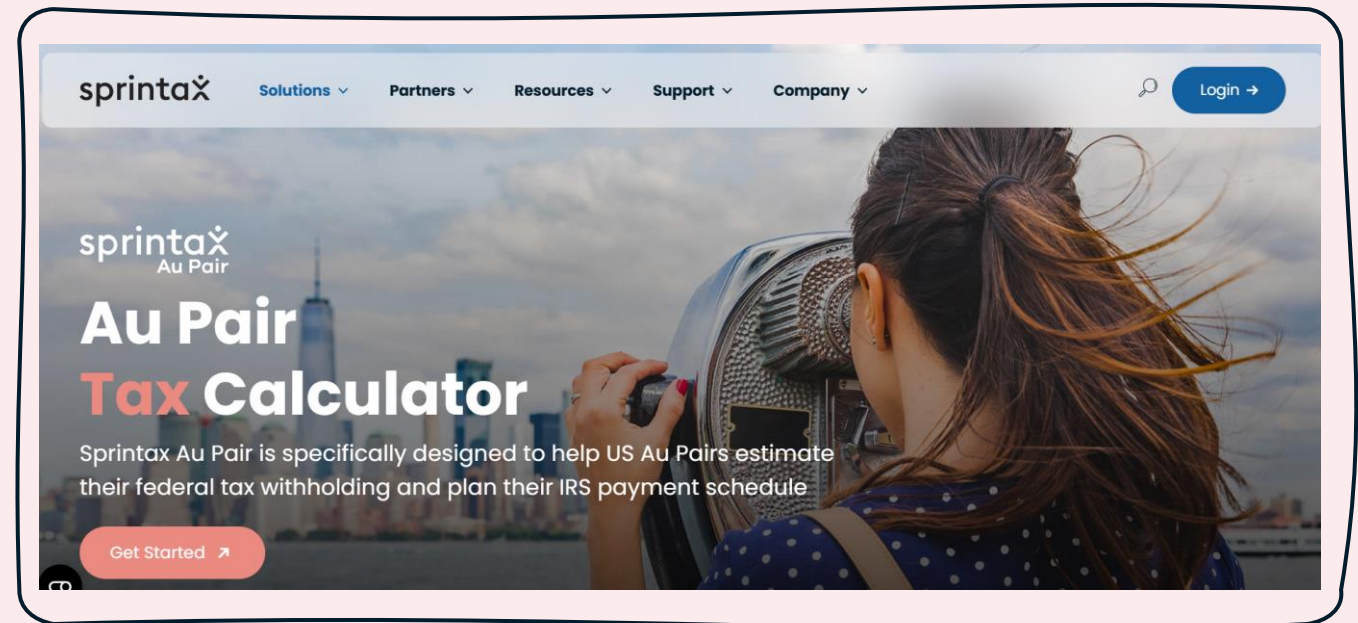
# Sprintax Forms

- ✓ Software to prepare pre-employment tax documents
- ✓ Ensuring that you are taxed correctly on your income
- ✓ Sprintax Forms will generate any applicable tax forms for JIs, such as the W4, W8BEN and 8233, all they need to do is sign and provide them to their employer
- ✓ Separate to any end of year filing



# Sprintax Au Pair

- ✓ Software to assist au pairs with calculating and paying their estimated taxes during the year
- ✓ Au pair host families are not required to withhold tax and issue a W-2, so most au pairs end up owing a large sum when filing their taxes





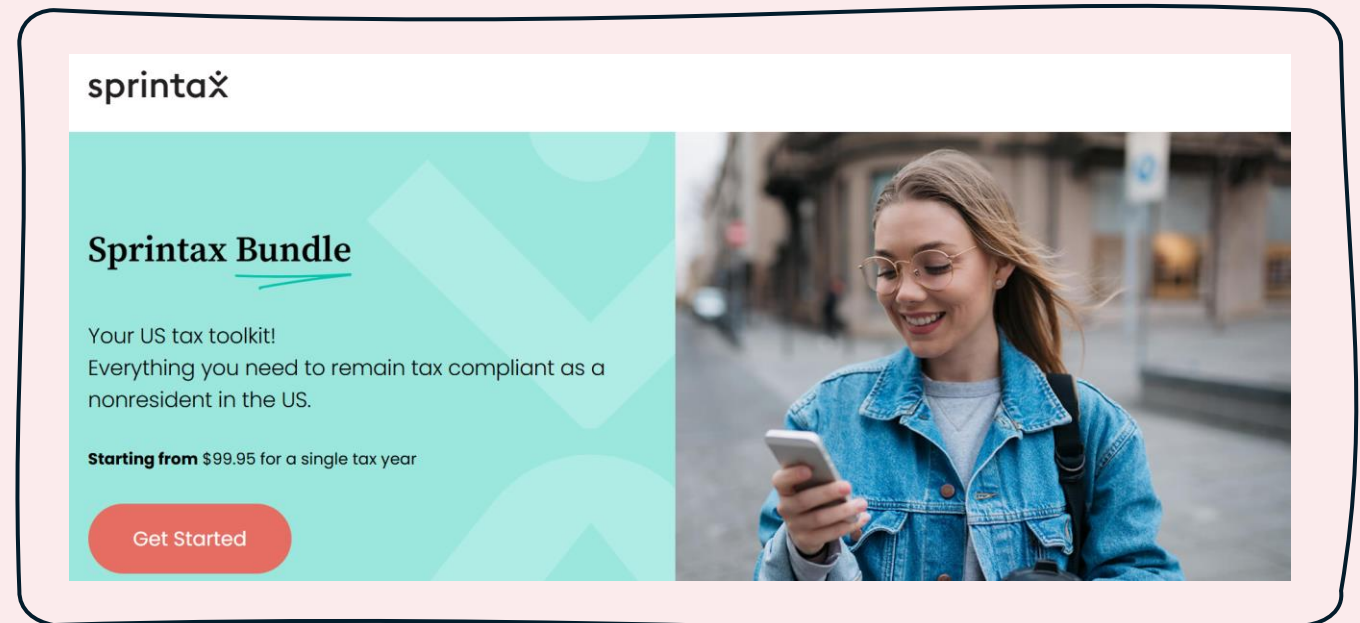
# J1 Bundle

✓ <https://taxprep.sprintax.com/lp/j1-full-service>

✓ Bulk pre-purchase of services at a discounted rate!

✓ Services:

- ✓ Federal return
- ✓ State return X2
- ✓ Post filing support
- ✓ FICA return
- ✓ Sprintax Forms

A screenshot of a Sprintax advertisement. The top left corner features the 'sprintax' logo. The main heading is 'Sprintax Bundle' in a bold, black font. Below the heading, the text reads: 'Your US tax toolkit! Everything you need to remain tax compliant as a nonresident in the US.' A red button with the text 'Get Started' is positioned at the bottom left of the ad. On the right side of the ad, there is a photograph of a young woman with glasses and a blue denim jacket, smiling and looking at her smartphone. The background of the ad is a light teal color with a subtle geometric pattern.

# More available support

- ✘ Educational tax videos on YouTube
- ✘ Blog content for tax awareness
- ✘ 24/7 live chat
- ✘ Tax workshops and webinars



sprintax

# Thanks for tuning in!

Any questions?

Access our live chat through your  
Sprintax account!

