U.S. Income Tax Workshop for Foreign Students & Scholars
Rice University
Office of International Students & Scholars
February 22, 2017
Presented by
Crystal C. Gates, Tax Principal
Kelley C. Heng, Tax Supervisor
Workshop Objectives

• To review U.S. tax filing requirements for international students and scholars
  – Determination of residency status
  – Filing required Form 8843 – Statement for Exempt Individuals
  – Tax treatment of scholarships, fellowships, stipends, and other income
  – Filing Form 1040NR – U.S. Nonresident Alien Income Tax Return
  – Effect of tax treaties
Target Audience

• Students with F-1 or J-1 visas who have been in the U.S. for five years or less

• Scholars with J-1 visas who have been in the U.S. for two years or less
Internal Revenue Service

• Agency of the United States Department of Treasury
  – Enforcement of Internal Revenue Code
    • Nation’s tax collection agency
  – Process income tax and other information returns
RETURN OF ANNUAL NET INCOME OF INDIVIDUALS.
(As provided by Act of Congress, approved October 3, 1913.)

RETURN OF NET INCOME RECEIVED OR ACCRUED DURING THE YEAR ENDED DECEMBER 31, 191...
(FOR THE YEAR 1913, FROM MARCH 1, TO DECEMBER 31)

1. **GROSS INCOME** (see page 2, line 12) $..............................

2. **GENERAL DEDUCTIONS** (see page 3, line 7) $..............................

3. **NET INCOME** $..............................

Deductions and exemptions allowed in computing income subject to the normal tax of 1 per cent.

4. Dividends and net earnings received or accrued, of corporations, etc., subject to like tax. (See page 2, line 11) $..............................

5. Amount of income on which the normal tax has been deducted and withheld at the source. (See page 2, line 9, column A) $..............................

6. Specific exemption of $3,000 or $4,000, as the case may be. (See Instructions 3 and 19) $..............................

Total deductions and exemptions. (Items 4, 5, and 6) $..............................

7. **TAXABLE INCOME** on which the normal tax of 1 per cent is to be calculated. (See Instruction 3) $..............................

8. When the net income shown above on line 3 exceeds $20,000, the additional tax thereon must be calculated as per schedule below:

<table>
<thead>
<tr>
<th>INCOME</th>
<th>TAX</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 per cent on amount over $20,000 and not exceeding $50,000</td>
<td>$..............................</td>
</tr>
<tr>
<td>2 per cent on $50,000</td>
<td>$75,000</td>
</tr>
<tr>
<td>3 per cent on $75,000</td>
<td>$100,000</td>
</tr>
<tr>
<td>4 per cent on $100,000</td>
<td>$250,000</td>
</tr>
<tr>
<td>5 per cent on $250,000</td>
<td>$500,000</td>
</tr>
<tr>
<td>6 per cent on $500,000</td>
<td>$..............................</td>
</tr>
</tbody>
</table>

Total additional or super tax $..............................

Total normal tax (1 per cent of amount entered on line 7) $..............................

Total tax liability $..............................
U.S. Tax Overview

• United States taxes individuals based on their residency status
  – U.S. Citizens and Resident Aliens
    • Taxed on worldwide income
  – Nonresident Aliens
    • Taxed only on U.S. source income

• Individuals report income earned on calendar year basis (January through December)
Determination of Residency Status

- Resident Aliens
  - Substantial Presence Test
  - Green Card Test
  - “First-Year Choice” Election

- Nonresident Aliens (“NRA”)
  - Individuals who fail to meet the above residency standards
Substantial Presence Test

- Days physically present in the U.S.
  - 31 days during the year (2016); and
  - At least 183 days during the last three years (2016, 2015, and 2014)
  - Counting number of days for 2016: all days in 2016 + 1/3 of your days in 2015 + 1/6 of your days in 2014

- Example: Jane spent 100 days in the US in 2016, 180 days in the US in 2015, and 180 days in the US in 2014. Jane’s number of days in the US for the substantial presence test is 100 days for 2016 + 60 days for 2015 (180 days x 1/3) + 30 days for 2014 (180 days x 1/6) for a total of 190 days. Does Jane meet the substantial presence test for 2016?
Substantial Presence Test

• Exception for students, scholars, teachers, and trainees → considered “exempt individuals”

• Days are not counted toward the 183 days when present in the U.S. while under an “F,” “J,” “M,” or “Q visa

• Exception discussed in detail later
Green Card Test

- Lawful Permanent Resident
- U.S. Citizenship and Immigration Service (USCIS) issues an alien registration card
- Resident status continues until you voluntarily abandon this status or if a federal court terminates your status
“First-Year Choice” Election

- Must be present for at least 31 consecutive days in 2016 and be present for at least 75% of the number of days beginning with the first day you’re in the U.S. and ending with December 31st

- Election can be made by attaching a statement to your tax return

- Once you make this election, it cannot be revoked
Form 8843: Statement for Exempt Individuals and Individuals with a Medical Condition

- Explains basis for claim of excluding days of presence in the U.S. for purposes of the substantial presence test

- Must be filed annually with the IRS
  - Filed with income tax return (Form 1040NR or 1040NR-EZ)
  - If not filing a return, Form 8843 must be filed separately

- Failure to file could result in being considered a U.S. resident under the substantial presence test
Exempt Individuals

• Students and scholars
  – Individual who is temporarily present in the U.S. under an “F,” “J,” “M,” or “Q” visa
  – Must also substantially comply with the requirements of the visa
  – Generally, cannot claim the exception if you were previously exempt as a student, teacher, or trainee for more than five years
Exempt Individuals

• Teachers, trainees, and researchers
  – Individual who is temporarily present in the U.S. under a “J” or “Q” visa (other than as a student)
  – Must also substantially comply with the requirements of the visa
  – Generally, cannot exclude days if you were exempt as a teacher, trainee, or student for any part of two of the six prior years
Exempt Individuals and Form 8843

• Students and scholars
  – Part I – General Information
  – Part III – Student Information
  – If you have a “Q” visa, complete Part I and ONLY lines 10-14 of Part III

• Teachers, trainees, and researchers
  – Part I – General Information
  – Part II – Teacher/Trainee/Researcher Information
  – If you have a “Q” visa, complete Part I and ONLY lines 6-8 of Part II
Spouse & Dependent Form 8843 Filing Requirements

- Spouses and dependents with F-2 visas must file their own Form 8843.
- Spouses and dependents with J-2 visas must file their own Form 8843 and either Form 1040NR or Form 1040NR-EZ.
Statement for Exempt Individuals and Individuals
With a Medical Condition
For use by alien individuals only.

Information about Form 8843 and its instructions is at www.irs.gov/form8843.

For the year January 1—December 31, 2016, or other tax year
beginning ________, 2016, and ending ________, 20____

Your first name and initial

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

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 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:

2016 ________ 2015 ________ 2014 ________

b Enter the number of days in 2016 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 2016.

6. For trainees, enter the name, address, and telephone number of the director of the academic or other specialized program you participated in during 2016.

7. Enter the type of U.S. visa (J or Q) you held during: 2010 _______ 2011 _______. 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 (2010 through 2015)? _______ 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.
**Form 8843, Part III: Students**

<table>
<thead>
<tr>
<th>Line</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>9</td>
<td>Enter the name, address, and telephone number of the academic institution you attended during 2016 ▶</td>
</tr>
<tr>
<td>10</td>
<td>Enter the name, address, and telephone number of the director of the academic or other specialized program you participated in during 2016 ▶</td>
</tr>
<tr>
<td>11</td>
<td>Enter the type of U.S. visa (F, J, M, or Q) you held during: ▶ 2010 □ □ □ □ □ 2011 □ □ □ □ □ 2012 □ □ □ □ □ 2013 □ □ □ □ □ 2014 □ □ □ □ □ 2015 □ □ □ □ □. 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.</td>
</tr>
<tr>
<td>12</td>
<td>Were you present in the United States as a teacher, trainee, or student for any part of more than 5 calendar years? □ Yes □ No</td>
</tr>
<tr>
<td></td>
<td>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.</td>
</tr>
<tr>
<td>13</td>
<td>During 2016, 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</td>
</tr>
<tr>
<td>14</td>
<td>If you checked the “Yes” box on line 13, explain ▶</td>
</tr>
</tbody>
</table>
• You must sign and date Form 8843 if submitting this form alone (i.e. without your tax return). Without your signature, the form is considered incomplete.
U.S. Income:
Scholarships and Fellowships

• Generally, no work is required
  – **Nontaxable** (“tuition waiver”)
    • The student is pursuing a degree AND
    • Used for tuition, fees, books, supplies and equipment required for courses
    • No longer required to be reported on Form 1042-S (issued by University)
U.S. Income:
Scholarships and Fellowships

• Generally, no work is required
  – **Taxable** (“room and board waiver”)
    • Used for room & board
    • In exchange for teaching or research
      – Can be exempted by tax treaty
    • Reported on Form 1042-S (issued by University)
<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>16</td>
<td>Scholarship or fellowship grants</td>
</tr>
<tr>
<td>17</td>
<td>Compensation for independent personal services</td>
</tr>
<tr>
<td>18</td>
<td>Compensation for dependent personal services</td>
</tr>
<tr>
<td>19</td>
<td>Compensation for teaching</td>
</tr>
<tr>
<td>20</td>
<td>Compensation during studying and training</td>
</tr>
</tbody>
</table>
U.S. Income: Stipend

- Generally, recipient performs work
  - Taxable
    ("Teaching or Research Assistant" Stipend)
    - May be eligible for treaty benefits
    - Reported on Form W-2
U.S. Income: Other Compensation

• Work outside the University

• Taxable wages – performance of services as an employee
  – Reported on Form W-2
  – Subject to U.S. tax withholding
    • May have exemption from withholding under a tax treaty (discussed in detail later)
Form W-2: Wage and Tax Statement

<table>
<thead>
<tr>
<th>Employee’s social security number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employer Identification number (EIN)</td>
</tr>
<tr>
<td>Employer’s name, address, and ZIP code</td>
</tr>
<tr>
<td>Control number</td>
</tr>
<tr>
<td>Employee’s first name and initial</td>
</tr>
<tr>
<td>Employee’s address and ZIP code</td>
</tr>
</tbody>
</table>

| 1 | Wages, tips, other compensation |
|---------------------------------|
| 2 | Federal income tax withheld |

| 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 |
| 9 | Verification code |
| 10 | Dependent care benefits |
| 11 | Nonqualified plans |
| 12 | See instructions for box 12 |
| 13 | Social security taxable SBA employee retirement plan third-party sick pay |
| 14 | Other |
| 15 | State |
| 16 | Employer’s state ID number |
| 17 | State income tax |
| 18 | Local wages, tips, etc. |
| 19 | Local income tax |
| 20 | Locality name |

Form W-2 Wage and Tax Statement 2016

Copy B—To Be Filed With Employee’s FEDERAL Tax Return.
This information is being furnished to the Internal Revenue Service.

Trust Counts

Briggs & Veselka Co. CPAs and Business Advisors
Form 1099-MISC: Miscellaneous Income

<table>
<thead>
<tr>
<th>Item</th>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Rents</td>
<td>$</td>
</tr>
<tr>
<td>2</td>
<td>Royalties</td>
<td>$</td>
</tr>
<tr>
<td>3</td>
<td>Other income</td>
<td>$</td>
</tr>
<tr>
<td>4</td>
<td>Federal income tax withheld</td>
<td>$</td>
</tr>
<tr>
<td>5</td>
<td>Fishing boat proceeds</td>
<td>$</td>
</tr>
<tr>
<td>6</td>
<td>Medical and health care payments</td>
<td>$</td>
</tr>
<tr>
<td>7</td>
<td>Nonemployee compensation</td>
<td>$</td>
</tr>
<tr>
<td>8</td>
<td>Substituted payments in lieu of dividends or interest</td>
<td>$</td>
</tr>
<tr>
<td>9</td>
<td>Payer made direct sales of $5,000 or more of consumer products to a buyer (recipient) for resale</td>
<td>$</td>
</tr>
<tr>
<td>10</td>
<td>Crop insurance proceeds</td>
<td>$</td>
</tr>
<tr>
<td>11</td>
<td>Excess golden parachute payments</td>
<td>$</td>
</tr>
<tr>
<td>12</td>
<td>Gross proceeds paid to an attorney</td>
<td>$</td>
</tr>
<tr>
<td>13</td>
<td>State tax withheld</td>
<td>$</td>
</tr>
<tr>
<td>14</td>
<td>State/Payer's state no.</td>
<td>$</td>
</tr>
<tr>
<td>15</td>
<td>State income</td>
<td>$</td>
</tr>
</tbody>
</table>

For more information, visit www.irs.gov/form1099misc.
### Form 1098-T: Tuition Statement

<table>
<thead>
<tr>
<th>CORRECTED</th>
<th>FILER’S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone number</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1 Payments received for qualified tuition and related expenses $</td>
</tr>
<tr>
<td></td>
<td>2 Amounts billed for qualified tuition and related expenses $</td>
</tr>
<tr>
<td>2016</td>
<td>OMB No. 1545-1574</td>
</tr>
</tbody>
</table>

### Tuition Statement

<table>
<thead>
<tr>
<th>FILER’S federal identification no.</th>
<th>STUDENT’S taxpayer identification no.</th>
<th>3 If this box is checked, your educational institution has changed its reporting method for 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>STUDENT’S name</td>
<td>4 Adjustments made for a prior year $</td>
<td></td>
</tr>
<tr>
<td>Street address (including apt. no.)</td>
<td>5 Scholarships or grants $</td>
<td></td>
</tr>
<tr>
<td>City or town, state or province, and ZIP or foreign postal code</td>
<td>6 Adjustments to scholarships or grants for a prior year $</td>
<td></td>
</tr>
<tr>
<td>Service Provider/Acct. No. (see instr.)</td>
<td>7 Checked if the amount in box 1 or 2 includes amounts for an academic period beginning January – March 2017</td>
<td></td>
</tr>
<tr>
<td>8 Check if at least half-time student</td>
<td>9 Checked if a graduate student $</td>
<td></td>
</tr>
<tr>
<td>10 Ins. contract reimb./refund $</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Copy B For Student**

This is important tax information and is being furnished to the Internal Revenue Service. This form must be used to complete Form 8863 to claim education credits. Give it to the tax preparer or use it to prepare the tax return.

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**Trust Counts**

Briggs & Veselka Co. CPAs and Business Advisors
Form 1095-B: Health Coverage

- Informational form issued by insurance provider that shows the IRS a person has health insurance.

- Health insurance is not a requirement for nonresident taxpayers.
Form 1095-C: Employer-Provided Health Insurance Offer & Coverage

- Informational form issued by employer that shows the IRS a person has health insurance.

- Health insurance is not a requirement for nonresident taxpayers.
Individual Tax Returns

• Filing Requirement
  – Only required if you have U.S. Source Income that was more than $4,050 in 2016 and/or
  – You would like to claim a refund of over-withheld taxes
  – Now able to submit 1040NR electronically (“e-file”)

• Form 1040NR – paper file or e-file
  – Due date for filing is April 18, 2017

• Form 1040NR-EZ – paper file
  – Due date for filing is April 18, 2017
Individual Tax Returns

• If you are paper filing, attach Form W-2 and/or Form 1042-S to your tax return.

• You must sign and date your tax return. Without your signature, your return is considered incomplete. Below is the signature line on Form 1040NR.
Form 1040NR-EZ:
U.S. Income Tax Return for Certain Nonresident
Aliens With No Dependents

• Who can file Form 1040NR-EZ?
  – Do not claim any dependents
  – Taxable income is less than $100,000
  – Do not claim any itemized deductions
    • Except state and local income taxes
  – Receive only wages, tips and scholarship or fellowship grants
  – Other reasons (see Publication 519 or Form 1040NR-EZ instructions)
Form 1040NR:
U.S. Nonresident Alien Income Tax Return

• Who should file Form 1040NR?
• Nonresident aliens who do not qualify to file Form 1040NR-EZ
• Spousal/dependency exemptions
  – Generally cannot be claimed by nonresident aliens
Form 1040NR: U.S. Nonresident Alien Income Tax Return

• Exceptions – Available spousal exemptions
  – Married individuals from Canada, Mexico or South Korea
  – Married individuals who are students and are from India

• Exceptions – Available dependency exemptions
  – Individuals from Canada, Mexico or South Korea can claim children who live with them as dependents
  – Individuals from Canada and Mexico can also claim children who do not live with them as dependents
  – Students from India may be able to claim exemptions for children born in the U.S.
What if you are married and you don’t qualify for any spousal exemptions? Check the applicable box below on the tax return you qualify to file.

Form 1040NR-EZ

- 1  Single nonresident alien
- 2  Married nonresident alien

or

Form 1040NR

- 1  Single resident of Canada or Mexico or single U.S. national
- 2  Other single nonresident alien
- 3  Married resident of Canada or Mexico or married U.S. national
- 4  Married resident of South Korea
- 5  Other married nonresident alien
- 6  Qualifying widow(er) with dependent child (see instructions)
Updates to Form 1040NR

• You can now file Form 1040NR electronically (e-file) beginning with 2016 (unable to e-file 2015 and earlier).

• There is a new option for taxpayers whose only option is to pay their taxes in cash. Visit www.officialpayments.com/fed for more information.
**Form 1040NR (page 1)**

**U.S. Nonresident Alien Income Tax Return**

Information about Form 1040NR and its separate instructions is at www.irs.gov/form1040nr.

For the year January 1 – December 31, 2016, and ending 20

**Identifying number (see instructions)**

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

City, town or post office, state, and ZIP code. If you have a foreign address, also complete spaces below (see instructions).

Foreign country name

Foreign province/state/county

Foreign postal code

**Filing Status**

Check only one box.

1 Single resident of Canada or Mexico or single U.S. national
2 Other single nonresident alien
3 Married resident of Canada or Mexico or married U.S. national
4 Married resident of South Korea
5 Other married nonresident alien
6 Qualifying widow(er) with dependent child (see instructions)

If you checked box 3 or 4 above, enter the information below.

(i) Spouse’s identifying number

(ii) Spouse’s first name and initial

(iii) Spouse’s last name

**Exemptions**

Boxes checked on 7a and 7b

No. of children on 7c who:

- live with you
- did not live with you due to divorce or separation (see instructions)

* Dependent(s): (see instructions)

<table>
<thead>
<tr>
<th>(1) First name</th>
<th>(2) Last name</th>
<th>(3) Spouse’s identifying number</th>
<th>(4) Dependent’s relationship to you</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(If more than four dependents, see instructions)

- Total number of exemptions claimed

**Income Effectively Connected With U.S. Trade/Business**

Attach Form(s): W-2, 1099-S, SSA-1042S, RR6-1042S, and S886-A here. Also attach Form(s) 1099-R if tax was withheld.

<table>
<thead>
<tr>
<th>8</th>
<th>Wages, salaries, tips, etc. Attach Form(s) W-2</th>
</tr>
</thead>
<tbody>
<tr>
<td>9a</td>
<td>Taxable interest</td>
</tr>
<tr>
<td>9b</td>
<td>Tax-exempt interest. Do not include on line 8a</td>
</tr>
<tr>
<td>10a</td>
<td>Ordinary dividends</td>
</tr>
<tr>
<td>10b</td>
<td>Qualified dividends (see instructions)</td>
</tr>
<tr>
<td>11</td>
<td>Taxable refunds, credits, or offsets of state and local income taxes (see instructions)</td>
</tr>
<tr>
<td>12</td>
<td>Scholarship and fellowship grants. Attach Form(s) 1042-S or required statement (see instructions)</td>
</tr>
<tr>
<td>13</td>
<td>Business income or (loss). Attach Schedule C or C-EZ (Form 1040)</td>
</tr>
<tr>
<td>14</td>
<td>Capital gain or (loss). Attach Schedule D (Form 1040) if required. If not required, check here</td>
</tr>
<tr>
<td>15</td>
<td>Other gains or (losses). Attach Form 4797</td>
</tr>
<tr>
<td>16a</td>
<td>IRA distributions</td>
</tr>
<tr>
<td>16b</td>
<td>Taxable amount (see instructions)</td>
</tr>
<tr>
<td>17a</td>
<td>Pensions and annuities</td>
</tr>
<tr>
<td>17b</td>
<td>Taxable amount (see instructions)</td>
</tr>
<tr>
<td>18</td>
<td>Rental real estate, royalties, partnerships, trusts, etc. Attach Schedule E (Form 1040)</td>
</tr>
<tr>
<td>19</td>
<td>Farm income or (loss). Attach Schedule F (Form 1040)</td>
</tr>
<tr>
<td>20</td>
<td>Unemployment compensation</td>
</tr>
<tr>
<td>21</td>
<td>Other income. List type and amount (see instructions)</td>
</tr>
<tr>
<td>22</td>
<td>Total income exempt by a treaty from page 5, Schedule O, Item L (11)(e)</td>
</tr>
<tr>
<td>23</td>
<td>Combine the amounts in the far right column for lines 8 through 21. This is your total effectively connected income</td>
</tr>
</tbody>
</table>

**Adjusted Gross Income**

- Add lines 24 through 34

**Line 35**

- Subtract line 35 from line 23. This is your adjusted gross income
### Tax and Credits

<table>
<thead>
<tr>
<th>Line</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>37</td>
<td>Amount from line 36 (adjusted gross income)</td>
</tr>
<tr>
<td>38</td>
<td>Itemized deductions from page 3, Schedule A, line 15</td>
</tr>
<tr>
<td>39</td>
<td>Subtract line 36 from line 37</td>
</tr>
<tr>
<td>40</td>
<td>Exemptions (see instructions)</td>
</tr>
<tr>
<td>41</td>
<td>Taxable income. Subtract line 40 from line 39. If line 40 is more than line 39, enter -0-</td>
</tr>
<tr>
<td>42</td>
<td>Tax (see instructions). Check if any tax is from: ( a ) Form(s) 8814 ( b ) Form(s) 8972</td>
</tr>
<tr>
<td>43</td>
<td>Alternative minimum tax (see instructions). Attach Form 6251</td>
</tr>
<tr>
<td>44</td>
<td>Excess advance premium tax credit repayment. Attach Form 9962</td>
</tr>
<tr>
<td>45</td>
<td>Add lines 42, 43, and 44</td>
</tr>
<tr>
<td>46</td>
<td>Foreign tax credit. Attach Form 1118 if required</td>
</tr>
<tr>
<td>47</td>
<td>Credit for child and dependent care expenses. Attach Form 2441</td>
</tr>
<tr>
<td>48</td>
<td>Retirement savings contributions credit. Attach Form 8880</td>
</tr>
<tr>
<td>49</td>
<td>Child tax credit. Attach Schedule 8812, if required</td>
</tr>
<tr>
<td>50</td>
<td>Residential energy credits. Attach Form 8869</td>
</tr>
<tr>
<td>51</td>
<td>Other credits from Form: ( a ) 860b ( b ) 8831 ( c ) 1096</td>
</tr>
<tr>
<td>52</td>
<td>Add lines 46 through 51. These are your total credits</td>
</tr>
<tr>
<td>53</td>
<td>Subtract line 52 from line 45. If line 52 is more than line 45, enter -0-</td>
</tr>
</tbody>
</table>

### Other Taxes

<table>
<thead>
<tr>
<th>Line</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>54</td>
<td>Tax on income not effectively connected with a U.S. trade or business from page 4, Schedule NEC, line 15</td>
</tr>
<tr>
<td>55</td>
<td>Self-employment tax. Attach Schedule SE (Form 1040)</td>
</tr>
<tr>
<td>56</td>
<td>Unreported social security and Medicare tax from Form: ( a ) 4137 ( b ) 9819</td>
</tr>
<tr>
<td>57</td>
<td>Additional tax on IRAs, other qualified retirement plans, etc. Attach Form 5329 if required</td>
</tr>
<tr>
<td>58</td>
<td>Transportation tax (see instructions)</td>
</tr>
<tr>
<td>59a</td>
<td>Household employment taxes from Schedule H (Form 1040)</td>
</tr>
<tr>
<td>60</td>
<td>First-time homebuyer credit repayment. Attach Form 5405 if required</td>
</tr>
<tr>
<td>61</td>
<td>Taxes from: ( a ) Form 8969 ( b ) Instructions; enter code(s)</td>
</tr>
<tr>
<td>62</td>
<td>Add lines 53 through 60. This is your total tax</td>
</tr>
</tbody>
</table>

### Payments

<table>
<thead>
<tr>
<th>Line</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>62</td>
<td>Federal income tax withheld from: ( a ) Form(s) W-2 and 1000 ( b ) Form(s) 8805 ( c ) Form(s) 8288-A ( d ) Form(s) 1042-S</td>
</tr>
<tr>
<td>63</td>
<td>2016 estimated tax payments and amount applied from 2016 return</td>
</tr>
<tr>
<td>64</td>
<td>Additional child tax credit. Attach Schedule 8812</td>
</tr>
<tr>
<td>65</td>
<td>Not premium tax credit. Attach Form 8962</td>
</tr>
<tr>
<td>66</td>
<td>Amount paid with request for extension to file (see instructions)</td>
</tr>
<tr>
<td>67</td>
<td>Excess social security and tier 1 RITA tax withheld (see instructions)</td>
</tr>
<tr>
<td>68</td>
<td>Credit for federal tax paid on fuels. Attach Form 4136</td>
</tr>
<tr>
<td>69</td>
<td>Credit from form(s) 8439 ( a ) Reversed ( b ) 8885 ( c ) 8887 ( d ) 8888</td>
</tr>
<tr>
<td>70</td>
<td>Credit for amount paid with Form 1040-C</td>
</tr>
<tr>
<td>71</td>
<td>Add lines 62a through 70. These are your total payments</td>
</tr>
</tbody>
</table>

### Refund

<table>
<thead>
<tr>
<th>Line</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>72</td>
<td>If line 71 is more than line 61, subtract line 61 from line 71. This is the amount you overpaid</td>
</tr>
<tr>
<td>73a</td>
<td>Amount of line 72 that you want refunded to you. If Form 8866 is attached, check here</td>
</tr>
<tr>
<td>74</td>
<td>If line 74 is more than line 61, subtract line 61 from line 74. This is the amount you applied to your 2017 estimated tax</td>
</tr>
</tbody>
</table>

### Amount You Owe

<table>
<thead>
<tr>
<th>Line</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>75</td>
<td>Amount you owe. Subtract line 71 from line 61. For details on how to pay, see instructions</td>
</tr>
<tr>
<td>76</td>
<td>Estimated tax penalty (see instructions)</td>
</tr>
</tbody>
</table>

### Third Party Designee

- **Do you want to allow another person to discuss this return with the IRS?** See instructions
  - **Yes, Complete below.**
  - **No**

**Sign Here**

- **Keep a copy of this return for your records.**
- **Under penalties of perjury, I declare that I have examined the return, and any and all 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**

**If the IRS sent you an Identity Protection PIN, enter it here (see inst.)**

**Print/Type preparer's name**
- **Preparer's signature**
- **Date**

**Personal identification number (PIN)**

**Firm's name**
- **Firm's EIN**
- **Firm's address**
- **Phone no.**

**Under penalties of perjury, I declare that I have examined this return and any 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**

**If the IRS sent you an Identity Protection PIN, enter it here (see inst.)**

**Print/Type preparer's name**
- **Preparer's signature**
- **Date**

**Firm's name**
- **Firm's EIN**
- **Firm's address**
- **Phone no.**
### Schedule A—Itemized Deductions (see instructions)

**Taxes You Paid**

1. State and local income taxes

2. Gifts by cash or check. If you made any gift of $250 or more, see instructions.

3. Other than by cash or check. If you made any gift of $250 or more, see instructions. You must attach Form 8283 if the amount of your deduction is over $500.

4. Carryover from prior year

5. Add lines 2 through 4

**Casualty and Theft Losses**

6. Casualty or theft loss(es). Attach Form 4664. See instructions.

**Job Expenses and Certain Miscellaneous Deductions**

7. Unreimbursed employee expenses—job travel, union dues, job education, etc. You must attach Form 2106 or Form 2106-EZ if required. See instructions.

8. Tax preparation fees.

9. Other expenses. See instructions for expenses to deduct here. List type and amount.

10. Add lines 7 through 9

11. Enter the amount from Form 1040NR, line 37.

12. Multiply line 11 by 2% (0.02)

13. Subtract line 12 from line 10. If line 12 is more than line 10, enter 0.

**Other Miscellaneous Deductions**

14. Other—see instructions for expenses to deduct here. List type and amount.

**Total Itemized Deductions**

15. Is Form 1040NR, line 37, over the amount shown below for the filing status box you checked on page 1 of Form 1040NR?

- $311,300 if you checked box 6;
- $259,400 if you checked box 1 or 2;
- $155,650 if you checked box 3, 4, or 5?

☐ No, Your deduction is not limited. Add the amounts in the far right column for lines 1 through 14. Also enter this amount on Form 1040NR, line 38.

☐ Yes, Your deduction may be limited. See the Itemized Deductions Worksheet in the instructions to figure the amount to enter here and on Form 1040NR, line 38.
### Schedule NEC — Tax on Income Not Effectively Connected With a U.S. Trade or Business (see instructions)

#### Nature of income

<table>
<thead>
<tr>
<th>Nature of income</th>
<th>Enter amount of income under the appropriate rate of tax (see instructions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dividends paid by:</td>
<td></td>
</tr>
<tr>
<td>a U.S. corporations</td>
<td></td>
</tr>
<tr>
<td>b Foreign corporations</td>
<td></td>
</tr>
<tr>
<td>Interest:</td>
<td></td>
</tr>
<tr>
<td>a Mortgage</td>
<td></td>
</tr>
<tr>
<td>b Paid by foreign corporations</td>
<td></td>
</tr>
<tr>
<td>c Other</td>
<td></td>
</tr>
<tr>
<td>Industrial royalties (patents, trademarks, etc.)</td>
<td></td>
</tr>
<tr>
<td>Motion picture or T.V. copyright royalties</td>
<td></td>
</tr>
<tr>
<td>Other royalties (copyrights, recording, publishing, etc.)</td>
<td></td>
</tr>
<tr>
<td>Real property income and natural resources royalties</td>
<td></td>
</tr>
<tr>
<td>Pensions and annuities</td>
<td></td>
</tr>
<tr>
<td>Social security benefits</td>
<td></td>
</tr>
<tr>
<td>Capital gain from line 18 below</td>
<td></td>
</tr>
<tr>
<td>Gambling — Residents of Canada only. Enter net income in column (c). If zero or less, enter -0-.</td>
<td></td>
</tr>
<tr>
<td>a Winnings</td>
<td></td>
</tr>
<tr>
<td>b Losses</td>
<td></td>
</tr>
<tr>
<td>Gambling winnings — Residents of countries other than Canada. Note: Losses not allowed</td>
<td></td>
</tr>
<tr>
<td>Other (specify)</td>
<td></td>
</tr>
</tbody>
</table>

#### Tax on income not effectively connected with a U.S. trade or business

Add lines 1a through 12 in columns (a) through (d).

Multiply line 13 by rate of tax at top of each column.

The tax on income not effectively connected with a U.S. trade or business. Add columns (a) through (d) of line 14. Enter the total here and on Form 1040NR, line 54.

### 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.

Add columns (f) and (g) of line 16.

Capital gain. Combine columns (f) and (g) of line 17. Enter the net gain here and on line 9 above. If a loss, enter -0-.
Schedule OI—Other Information (see instructions)
Answer all questions

A Of what country or countries were you a citizen or national during the tax year? __________________________________________

B In what country did you claim residence for tax purposes during the tax year? _________________________________________

C Have you ever applied to be a green card holder (lawful permanent resident) of the United States? □ Yes □ No

D Were you ever:
   1. A U.S. citizen? □ Yes □ No
   2. A green card holder (lawful permanent resident) of the United States? □ Yes □ No
   If you answer “Yes” to (1) or (2), see Pub. 519, chapter 4, for expatriation rules that apply to you.

E If you had a visa on the last day of the tax year, enter your visa type. If you did not have a visa, enter your U.S. immigration status on the last day of the tax year.

F Have you ever changed your visa type (nonimmigrant status) or U.S. immigration status? □ Yes □ No
   If you answered “Yes,” indicate the date and nature of the change. ▶

G List all dates you entered and left the United States during 2016 (see instructions).
   Notice: If you are a resident of Canada or Mexico AND commute to work in the United States at frequent intervals, check the box for Canada or Mexico and skip to Item H. □ Canada □ Mexico
   
<table>
<thead>
<tr>
<th>Date entered United States mm/dd/yy</th>
<th>Date departed United States mm/dd/yy</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Date entered United States mm/dd/yy</th>
<th>Date departed United States mm/dd/yy</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

   H Give number of days (including vacation, nonworkdays, and partial days) you were present in the United States during:
   2014 __________________________________________ 2015 __________________________________________ and 2016 __________________________________________

I Did you file a U.S. income tax return for any prior year? □ Yes □ No
   If “Yes,” give the latest year and form number you filed ▶

J Are you filing a return for a trust? □ Yes □ No
   If “Yes,” did the trust have a U.S. or foreign owner under the grantor trust rules, make a distribution or loan to a U.S. person, or receive a contribution from a U.S. person? □ Yes □ No

K Did you receive total compensation of $250,000 or more during the tax year? □ Yes □ No
   If “Yes,” did you use an alternative method to determine the source of this compensation? □ Yes □ No

L Income Exempt from Tax—If you are claiming exemption from income tax under a U.S. income tax treaty with a foreign country, complete (i) through (3) below. See Pub. 901 for more information on tax treaties.
1. Enter the name of the country, the applicable tax treaty article, the number of months in prior years you claimed the treaty benefit, and the amount of exempt income in the columns below. Attach Form 8833 if required (see instructions).

<table>
<thead>
<tr>
<th>(a) Country</th>
<th>(b) Tax treaty article</th>
<th>(c) Number of months claimed in prior tax years</th>
<th>(d) Amount of exempt income in current tax year</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

   (e) Total. Enter this amount on Form 1040NR, line 22. Do not enter it on line 8 or line 12. □ Yes □ No

2. Were you subject to tax in a foreign country on any of the income shown in (d) above? □ Yes □ No

3. Are you claiming treaty benefits pursuant to a Competent Authority determination? □ Yes □ No
   If “Yes,” attach a copy of the Competent Authority determination letter to your return.
Tax Treaties

- Under tax treaties, residents of foreign countries are taxed at a reduced rate or are exempt from U.S. income taxes on certain types of U.S. sourced income.

- There are over 60 tax treaties in place.

- See IRS Publication 901: U.S. Tax Treaties

- Relevant forms
  - Form 8233: Exemption From Withholding on Compensation for Independent (and Certain Dependent) Personal Services of a Nonresident Alien Individual
  - Form W-8BEN: Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding and Reporting
### Exemption From Withholding on Compensation for Independent (and Certain Dependent) Personal Services of a Nonresident Alien Individual

**Who Should Use This Form?**

<table>
<thead>
<tr>
<th>Decision</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>IF you are a nonresident alien individual who is receiving...</td>
<td>THEN, if you are the beneficial owner of that income, use this form to claim...</td>
</tr>
<tr>
<td>Compensation for independent personal services performed in the United States</td>
<td>A tax treaty withholding exemption (Independent personal services, Business profile) for part or all of that compensation and/or to claim the daily personal exemption amount.</td>
</tr>
<tr>
<td>Compensation for dependent personal services performed in the United States</td>
<td>A tax treaty withholding exemption for part or all of that compensation. Notes: Do not use Form 8233 to claim the daily personal exemption amount.</td>
</tr>
<tr>
<td>Noncompensatory scholarship or fellowship income and personal services income from the same withholding agent</td>
<td>A tax treaty withholding exemption for part or all of both types of income.</td>
</tr>
</tbody>
</table>

**DO NOT Use This Form...**

<table>
<thead>
<tr>
<th>Decision</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>IF you are a beneficial owner who is...</td>
<td>INSTEAD, use...</td>
</tr>
<tr>
<td>Receiving compensation for dependent personal services performed in the United States and you are not claiming a tax treaty withholding exemption for that compensation</td>
<td>Form W-4 (See page 2 of the Instructions for Form 6233 for how to complete Form W-4.)</td>
</tr>
<tr>
<td>Receiving noncompensatory scholarship or fellowship income and you are not receiving any personal services income from the same withholding agent</td>
<td>Form W-8BEN or, if elected by the withholding agent, Form W-4 for the noncompensatory scholarship or fellowship income.</td>
</tr>
<tr>
<td>Claiming only foreign status or treaty benefits with respect to income that is not compensation for personal services</td>
<td>Form W-8BEN</td>
</tr>
</tbody>
</table>

This exemption is applicable for compensation for calendar year ___________ or other tax year beginning ___________ and ending ___________.

### Part I Identification of Beneficial Owner

<table>
<thead>
<tr>
<th>Field</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Name of individual who is the beneficial owner</td>
</tr>
<tr>
<td>2</td>
<td>U.S. taxpayer identifying number</td>
</tr>
<tr>
<td>3</td>
<td>Foreign tax identifying number, if any optional</td>
</tr>
</tbody>
</table>

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.

**Notes:** Citizens of Canada or Mexico are not required to complete lines 7a and 7b.

<table>
<thead>
<tr>
<th>Field</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>6</td>
<td>U.S. visa type</td>
</tr>
<tr>
<td>7a</td>
<td>Country issuing passport</td>
</tr>
<tr>
<td>7b</td>
<td>Passport number</td>
</tr>
</tbody>
</table>

8 Date of entry into the United States

9a Current nonimmigrant status

9b Data your current nonimmigrant status expires

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.
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 10 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 13a above within the meaning of the income tax treaty between the United States and that country.

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 ▶
Form W-8BEN
Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding and Reporting (Individuals)

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-3
- W-8ECI
- W-9

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)

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 __________________________ type of income; explain the additional conditions in the Article and paragraph the beneficial owner must 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 other exchanges, the beneficial owner is an except 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
__________________________
Signature of beneficial owner (or individual authorized to sign for beneficial owner)

__________________________
Date (MM-DD-YYYY)

Print name of signer
Capacity in which acting (if form is not signed by beneficial owner)
ARTICLE 20 Students and Trainees

A student, business apprentice or trainee who is, or was immediately before visiting a Contracting State (“U.S.”), a resident of the other Contracting State (“China”) and who is present in the first-mentioned Contracting State (“U.S.”) solely for the purpose of his education, training or obtaining special technical experience shall be exempt from tax in that Contracting State (“U.S.”) with respect to:

- a) payments received from abroad for the purposes of his maintenance, education, study, research or training;
- b) grants or awards from a government, scientific, educational or other tax-exempt organization; and
- c) income from personal services performed in that Contracting State (U.S) in an amount not in excess of 5,000 United States dollars or its equivalent in Chinese Yuan for any taxable year.

The benefits provided under this Article shall extend only for such period of time as is reasonably necessary to complete the education or training.

Note: This is only an excerpt of the U.S.-China tax treaty.
Social Security & Medicare Taxes

- Generally, services performed by a nonresident alien temporarily in the U.S. as a nonimmigrant in “F,” “J,” “M,” or “Q” immigration status are not covered under the social security program if the services are performed to carry out the purpose for which you were admitted to the U.S.
  - This means that there will be no withholding of Social Security or Medicare taxes from the pay you receive for these services
  - Exemption from FICA (Social Security and Medicare taxes)
  - If resident for tax purposes, usually subject to FICA taxes
Form 843: Claim for Refund and Request for Abatement

- When withheld in error:
  - Ask the employer to refund
  - If not refunded, use IRS Form 843 to request a refund
    - Required attachments: Copy of W-2 and a letter from employer stating refund will not be issued
Form 843

Claim for Refund and Request for Abatement

See separate instructions.

Use Form 843 if your claim or request involves:
(a) a refund of one of the taxes (other than income taxes or an employer's claim for FICA tax, RRTA tax, or income tax withholding) or a fee, shown on line 3,
(b) an abatement of FUTA tax or certain excise taxes, or
(c) a refund or abatement of interest, penalties, or additions to tax for one of the reasons shown on line 5a.

Do not use Form 843 if your claim or request involves:
(i) an overpayment of income taxes or an employer's claim for FICA tax, RRTA tax, or income tax withholding (use the appropriate amended tax return),
(ii) a refund of excise taxes based on the nontaxable use or sale of fuels, or
(iii) an overpayment of excise taxes reported on Form(s) 11-1, 720, 730, or 2290.

Name(s)

Your social security number

Address (number, street, and room or suite no.)

Spouse's social security number

City of 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 or fee year.
From to

2 Amount to be refunded or abated: $

Type of tax or fee. Indicate the type of tax or fee to be refunded or abated or to which the interest, penalty, or addition to tax is related.
☐ Employment ☐ Estate ☐ Gift ☐ Excise ☐ Income ☐ Fee

3 Type of penalty. If the claim or request involves a penalty, enter the Internal Revenue Code section on which the penalty is based (see instructions). IRC section:

5a Interest, penalties, and additions to tax. Check the box that indicates your reason for the request for refund or abatement. (If none apply, go to line 5.)
☐ Interest was assessed as a result of IRS errors or delays.
☐ A penalty or addition to tax was the result of erroneous written advice from the IRS.
☐ Reasonable cause or other reason allowed under the law (other than erroneous written advice) can be shown for not assessing a penalty or addition to tax.

b Date(s) of payment(s) ▶

6 Original return. Indicate the type of fee or return, if any, filed to which the tax, interest, penalty, or addition to tax relates.
☐ 706 ☐ 709 ☐ 940 ☐ 941 ☐ 943 ☐ 945
☐ 990-DI ☐ 1065 ☐ 1120 ☐ 4720 ☐ Other (specify) ▶

7 Explanation. Explain why you believe the claim or request should be allowed and show the computation of the amount shown on line 2. If you need more space, attach additional sheets.

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 officer's title must be shown.

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. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

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

Signature (spouse, if joint return) Date

Paid Preparer Use Only
Preparer's name Preparer's signature Date

Check ☐ If self-employed PTIN

Firm's name ▶ Firm's EIN ▶
Firm's address ▶ Phone no.
Example of 1040NR-EZ

John Chang, a Chinese student, has the following items to report on his 1040NR-EZ:

– Works on campus at a restaurant and receives Form W-2 for $10,000 compensation earned

– Receives Form W-2 for a stipend in the amount of $5,000 as a research assistant

– Receives Form 1042-S for a teaching scholarship in the amount of $3,000
**Form W-2: Compensation**

<table>
<thead>
<tr>
<th>Employee’s social security number</th>
<th>OMB No. 1545-0008</th>
</tr>
</thead>
<tbody>
<tr>
<td>010-00-1010</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Employer Identification number (EIN)</th>
<th>45-6789012</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Employer’s name, address, and ZIP code</th>
</tr>
</thead>
<tbody>
<tr>
<td>DELICIOUS EATS</td>
</tr>
<tr>
<td>925 UNIVERSITY BLVD.</td>
</tr>
<tr>
<td>HOUSTON, TX 77123</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Control number</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Employee's first name and initial</th>
<th>Last name</th>
</tr>
</thead>
<tbody>
<tr>
<td>JOHN CHANG</td>
<td></td>
</tr>
<tr>
<td>123 MAIN STREET</td>
<td></td>
</tr>
<tr>
<td>HOUSTON, TX 77123</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Employee's address and ZIP code</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>State</th>
<th>Employer's state ID number</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>State wages, tips, etc.</th>
<th>State income tax</th>
<th>Local wages, tips, etc.</th>
<th>Local income tax</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**W-2 Wage and Tax Statement 2016**

*Copy B—To be Filed With Employee’s FEDERAL Tax Return.*

This information is being furnished to the Internal Revenue Service.
Form 1042-S: Taxable Scholarship

<table>
<thead>
<tr>
<th>Field</th>
<th>Description</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>Gross Income</td>
<td>3,000.00</td>
</tr>
<tr>
<td>12a</td>
<td>Withholding agent's EIN</td>
<td>56-7890123</td>
</tr>
<tr>
<td>12d</td>
<td>Withholding agent's name</td>
<td>INTERNATIONAL UNIVERSITY</td>
</tr>
<tr>
<td>12e</td>
<td>Withholding agent's Global Intermediary Identification Number (GIIN)</td>
<td></td>
</tr>
<tr>
<td>12f</td>
<td>Country code</td>
<td>US</td>
</tr>
<tr>
<td>12g</td>
<td>Foreign taxpayer identification number, if any</td>
<td></td>
</tr>
<tr>
<td>13e</td>
<td>Recipient's U.S. TIN, if any</td>
<td>010001010</td>
</tr>
<tr>
<td>13h</td>
<td>Recipient's GIIN</td>
<td></td>
</tr>
<tr>
<td>13i</td>
<td>Recipient's foreign tax identification number, if any</td>
<td></td>
</tr>
<tr>
<td>13j</td>
<td>LOB code</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Withholding allowance</td>
<td>0.00</td>
</tr>
<tr>
<td>6</td>
<td>Net Income</td>
<td>3,000.00</td>
</tr>
<tr>
<td>7a</td>
<td>Federal tax withheld</td>
<td>0.00</td>
</tr>
<tr>
<td>8</td>
<td>Tax withheld by other agents</td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>Tax paid by withholding agent</td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>Total withholding credit</td>
<td></td>
</tr>
<tr>
<td>11</td>
<td>Amount repaid to recipient</td>
<td></td>
</tr>
<tr>
<td>12b</td>
<td>Ch. 3 status code</td>
<td></td>
</tr>
<tr>
<td>12c</td>
<td>Ch. 4 status code</td>
<td></td>
</tr>
<tr>
<td>13f</td>
<td>Ch. 3 status code</td>
<td></td>
</tr>
<tr>
<td>13g</td>
<td>Ch. 4 status code</td>
<td></td>
</tr>
<tr>
<td>13k</td>
<td>Recipient's account number</td>
<td></td>
</tr>
<tr>
<td>13l</td>
<td>Recipient's date of birth</td>
<td></td>
</tr>
<tr>
<td>14a</td>
<td>Primary Withholding Agent's Name (if applicable)</td>
<td></td>
</tr>
<tr>
<td>14b</td>
<td>Primary Withholding Agent's EIN</td>
<td></td>
</tr>
<tr>
<td>15a</td>
<td>Intermediary or flow-through entity's EIN, if any</td>
<td></td>
</tr>
<tr>
<td>15b</td>
<td>Ch. 3 status code</td>
<td></td>
</tr>
<tr>
<td>15c</td>
<td>Ch. 4 status code</td>
<td></td>
</tr>
<tr>
<td>15d</td>
<td>Intermediary or flow-through entity's name</td>
<td></td>
</tr>
<tr>
<td>15e</td>
<td>Intermediary or flow-through entity's GIIN</td>
<td></td>
</tr>
<tr>
<td>15f</td>
<td>Country code</td>
<td></td>
</tr>
<tr>
<td>15g</td>
<td>Foreign tax identification number, if any</td>
<td></td>
</tr>
<tr>
<td>16a</td>
<td>Payer's name</td>
<td></td>
</tr>
<tr>
<td>16b</td>
<td>Payer's TIN</td>
<td></td>
</tr>
<tr>
<td>16c</td>
<td>Payer's GIIN</td>
<td></td>
</tr>
<tr>
<td>16d</td>
<td>Ch. 3 status code</td>
<td></td>
</tr>
<tr>
<td>16e</td>
<td>Ch. 4 status code</td>
<td></td>
</tr>
<tr>
<td>16i</td>
<td>City or town, state or province, country, ZIP or foreign postal code</td>
<td></td>
</tr>
<tr>
<td>17a</td>
<td>State income tax withheld</td>
<td></td>
</tr>
<tr>
<td>17b</td>
<td>Payer's state tax no.</td>
<td></td>
</tr>
<tr>
<td>17c</td>
<td>Name of state</td>
<td></td>
</tr>
</tbody>
</table>

Trust Counts

Briggs & Veselka Co.
CPAs and Business Advisors
Form 1040NR-EZ  
U.S. Income Tax Return for Certain Nonresident Aliens With No Dependents

2016

Information about Form 1040NR-EZ and its instructions is at www.irs.gov/form1040nr.

Your first name and initial: JOHN  
Last name: CHANG  
Identifying number (see instructions): 010-00-1010

Please print or type.  
See separate instructions.

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

123 MAIN STREET  
City, town or post office, state, and ZIP code. If you have a foreign address, also complete spaces below (see instructions).

HOUSTON TX 77123  
Foreign country name: CHINA  
Foreign province/state/county:  
Foreign postal code:

Filing Status

1  Single nonresident alien
2  Married nonresident alien

Attach Form(s) W-2 or 1042-S here. Also attach Form(s) 1099-R if tax was withheld.

Wages, salaries, tips, etc. Attach Form(s) W-2  3  10,000.00
Taxable refunds, credits, or offsets of state and local income taxes  4
Scholarship and fellowship grants. Attach Form(s) 1042-S or required statement.  5
Total income exempt by a treaty from page 2, item 2(a)  6  6,000.00
Add lines 3, 4, and 5  7  10,000.00
Scholarship and fellowship grants excluded  8
Student loan interest deduction  9
Subtract the sum of line 6 and line 8 from line 7. This is your adjusted gross income  10  10,000.00
Itemized deductions (see instructions)  11
Subtract line 11 from line 10  12  4,050.00
Exemption (see instructions)  13
Taxable income. Subtract line 13 from line 12. If line 13 is more than line 12, enter -0-  14  5,950.00
Unreported social security and Medicare tax from Form(s): [☐] 4137  [☐] 8919  16
Add lines 15 and 16. This is your total tax  17  598.00
Federal income tax withheld from Form(s) W-2 and 1099-R  18a  750.00
Federal income tax withheld from Form(s) 1042-S  18b
Add lines 18a through 20. These are your total payments  21  1,550.00

Refund

22 If line 21 is more than line 17, subtract line 17 from line 21. This is the amount you overpaid  22  152.00
23a Amount of line 22 you want refund to you. If Form 8889 is attached, check here [☐]  23a  152.00
Routing number 1 2 3 4 5 6 7 8 9  [☐] Type: [☐] Checking  [☐] Savings  [☐] Account number 1 2 3 4 5 6 7 8 9  10
If you want your refund check mailed to an address outside the United States not shown above, enter that address here:

Amount You Owe

25 Amount you owe. Subtract line 21 from line 17. For details on how to pay, see instructions  25  
26 Estimated tax penalty (see instructions)  26

Third Party Designee

Do you want to allow another person to discuss this return with the IRS (see instructions)? [☐] Yes. Complete the following. [☐] No

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: John Chang  
Data: 2/28/17  
Your occupation in the United States: STUDENT

Paid Preparer Use Only

Print/Type preparer’s name  
Preparer’s signature  
Date  
Check if self-employed  
PTEIN

Your occupation in the United States: STUDENT
Schedule OI—Other Information (see instructions)
Answer all questions

A  Of what country or countries were you a citizen or national during the tax year?  CHINA

B  In what country did you claim residence for tax purposes during the tax year?  CHINA

C  Have you ever applied to be a green card holder (lawful permanent resident) of the United States?  
   □ Yes  □ No

D  Were you ever:
   1. A U.S. citizen?  
   2. A green card holder (lawful permanent resident) of the United States?  
   □ Yes  □ No
   If you answer “Yes” to (1) or (2), see Pub. 519, chapter 4, for expatriation rules that may apply to you.

E  If you had a visa on the last day of the tax year, enter your visa type. If you did not have a visa, enter your U.S. immigration status on the last day of the tax year.  F-1

F  Have you ever changed your visa type (nonimmigrant status) or U.S. immigration status?  
   □ Yes  □ No
   If you answered “Yes,” indicate the date and nature of the change.

G  List all dates you entered and left the United States during 2016 (see instructions).
   Note: If you are a resident of Canada or Mexico AND commute to work in the United States at frequent intervals, check the box for Canada or Mexico and skip to item H.
   □ Canada  □ Mexico

<table>
<thead>
<tr>
<th>Date entered United States</th>
<th>Date departed United States</th>
</tr>
</thead>
<tbody>
<tr>
<td>01/02/16</td>
<td>05/31/16</td>
</tr>
<tr>
<td>06/11/16</td>
<td></td>
</tr>
</tbody>
</table>

H  Give number of days (including vacation, non-workdays, and partial days) you were present in the United States during:

I  Did you file a U.S. income tax return for any prior year?  
   □ Yes  □ No
   If “Yes,” give the latest year and form number you filed  2015 FORM 1040NR-EZ

J  Income Exempt from Tax—If you are claiming exemption from income tax under a U.S. income tax treaty with a foreign country, complete (1) through (3) below. See Pub. 901 for more information on tax treaties.

1. Enter the name of the country, the applicable tax treaty article, the number of months in prior years you claimed the treaty benefit, and the amount of exempt income in the columns below. Attach Form 8833 if required (see instructions).

<table>
<thead>
<tr>
<th>(a) Country</th>
<th>(b) Tax treaty article</th>
<th>(c) Number of months claimed in prior tax years</th>
<th>(d) Amount of exempt income in current tax year</th>
</tr>
</thead>
<tbody>
<tr>
<td>PEOPLE’S REPUBLIC OF CHINA</td>
<td>20(C)</td>
<td>12</td>
<td>5,000.00</td>
</tr>
<tr>
<td>PEOPLE’S REPUBLIC OF CHINA</td>
<td>20(B)</td>
<td>12</td>
<td>3,000.00</td>
</tr>
</tbody>
</table>

(c) Total. Enter this amount on Form 1040NR-EZ, line 6. Do not enter it on line 3 or line 5.  8,000.00
2. Were you subject to tax in a foreign country on any of the income shown in (1)(d) above?  
   □ Yes  □ No
3. Are you claiming treaty benefits pursuant to a Competent Authority determination?  
   □ Yes  □ No
   If “Yes,” attach a copy of the Competent Authority determination letter to your return.
2016 Tax Table

- Tax Tables are included in the instructions for Form 1040NR & Form 1040NR-EZ.

<table>
<thead>
<tr>
<th>If Form 1040NR-EZ, line 14, is—</th>
<th>And you are—</th>
</tr>
</thead>
<tbody>
<tr>
<td>At least</td>
<td>But less than</td>
</tr>
<tr>
<td>5,000</td>
<td>5,050</td>
</tr>
<tr>
<td>5,000</td>
<td>5,050</td>
</tr>
<tr>
<td>503</td>
<td>508</td>
</tr>
</tbody>
</table>

Table showing tax rates for different income levels and marital statuses.
Key Points

• Form 8843 must be filed regardless if an individual income tax return is filed.

• If you are required to file Form 1040NR/NR-EZ, attach Form 8843 to return and file by April 18, 2017.

• If filing Form 8843 on its own, the due date is April 18, 2017.
  – Mailing/filing address for Form 8843:
    Department of the Treasury
    Internal Revenue Service Center
    Austin, TX 73301-0215

• Make sure to sign and date Form 8843 and/or Form 1040NR, or else the form is considered incomplete.

• Attach Form W-2 and/or Form 1042-S to your tax return.
Key Points

• Form 1040NR/1040NR-EZ is due April 18, 2017.
  – Mailing/filing address for returns with no tax due or overpayment:
    Department of the Treasury
    Internal Revenue Service
    Austin, TX  73301-0215
  – Mailing/filing address for returns with tax due:
    Internal Revenue Service
    P.O. Box 1303
    Charlotte, NC  28201-1303

• Retain a copy of your tax return
• Now able to submit 1040NR electronically ("e-file")
Reference Guide: Common Forms

- **Form 8843**: Statement for Exempt Individuals and Individuals With a Medical Condition
- **Form 1042-S**: Foreign Person’s U.S. Source Income Subject to Withholding
- **Form W-2**: Wage and Tax Statement
- **Form 1098-T**: Tuition Statement
- **Form 1040NR-EZ**: U.S. Income Tax Return for Certain Nonresident Aliens With No Dependents
- **Form 1040NR**: U.S. Nonresident Alien Income Tax Return
- **Form 8233**: Exemption From Withholding on Compensation for Independent (and Certain Dependent) Personal Services of a Nonresident Alien Individual
- **Form W-8BEN**: Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding and Reporting
- **Form 843**: Claim for Refund and Request for Abatement
Reference Guide:
Definitions and Terminology

• **Nonresident Alien:** Generally, any person who is not a U.S. citizen or resident alien

• **Student:** Person temporarily in the U.S. on an “F,” “J,” “M,” or “Q” visa

• **Teacher/trainee:** Person who is not a student & who is temporarily in the U.S. on a “J” or “Q” visa

• **Compensation/Earnings:** Wages, salaries, tips

• **Income:** Wages, salaries, tips, interest, dividends, some scholarship/fellowship grants

• **IRS:** Internal Revenue Service

• **Income Tax Return:** Statement filed (submitted) by individual taxpayer to the IRS reporting taxable income
**Reference Guide: Definitions and Terminology**

- **Withholding:** U.S. income tax automatically taken from your paycheck
- **U.S. Source Income:** All income, gain or loss from U.S. sources
- **Standard Deduction:** Standard amount that individuals may subtract from income before calculating taxes owed
- **Itemized Deductions:** Allowable amounts that individuals may subtract from income before calculating taxes owed
  - **Examples:** charitable contributions, state & local taxes withheld, etc.
    - Note: No one can have both a standard deduction and itemized deductions. Itemized deductions are only taken if the total exceeds the standard deduction.
- **Personal Exemption:** Amount deducted from income for yourself and/or spouse/dependent (generally nonresidents cannot claim spouse/dependent)
  - For 2016, exemption amount is $4,050.
Reference Guide

• Helpful sites and contact information
  – Internal Revenue Service (www.irs.gov)
    • Forms and Instructions available
    • IRS Toll Free Number – 1-(800)-829-1040
    • IRS International Taxpayer Service Call Center – (267) 941-1000
  – Useful resources
    • Publication 519 – U.S. Tax Guide for Aliens
    • Publication 901 – U.S. Tax Treaties
    • http://www.irs.gov/Individuals/International-Taxpayers/Foreign-Students-and-Scholars
It's QUESTION TIME!!

Thank you for attending!
Crystal works closely with multinational companies and their owners in providing both domestic and international tax planning, consulting and compliances services. Her broad experience enables her to provide comprehensive value-added services with an emphasis on efficient tax structure, risk management and facilitating successful growth for a client’s business at home and abroad.

Crystal has worked with firms throughout the world through her global network of professional services firms. She focuses on building a team of quality in-country advisors and specialists to collaborate in providing the best strategies for her clients in navigating the global marketplace.

In her 15 year career, she has focused her practice on middle market entrepreneurial companies working side by side with business owners in growing their businesses both domestically and abroad. Crystal’s experiences include:

- Developing and managing a substantial international tax practice for a top 10 local accounting practice in Denver, Colorado, serving domestic and multinational middle-market and large companies.
- Collaborating with in-country tax advisors in all the major global regions (North and South America, Asia, Europe, Australia and Africa) to enable global U.S. business owners to effectively manage domestic and international tax positions.
- Advising clients on the growth of their businesses through sophisticated tax planning including operations, mergers and acquisitions, and business succession.
- Working efficiently with various types of business structures from start-up companies to large multinational enterprises, consolidated groups, U.S. flow through entities and high net-worth individuals.

Crystal received a B.A. in Accounting from University of Colorado and a Masters of Taxation from the University of Denver. She is member of the AICPA and Colorado Society of CPAs. Crystal has authored and presented at various tax seminars providing continuing professional education on topics ranging from federal tax updates, IRS controversy and civil procedure and international taxation.
Kelley started her public accounting career with Briggs & Veselka in 2009, and she works with high net worth clients in the tax department. She has experience with federal and state tax returns for individuals, trusts, partnerships, S corporations, and private foundations.

She was born and raised in Houston. Her prior work experience consists of working in retail and working in the accounting and finance department of a financial services firm. Kelley received a B.B.A. in Accounting from the University of Houston in December 2008. Kelley is a Texas licensed Certified Public Accountant (CPA). She is a member of the American Institute of CPAs and the Texas Society of CPAs. Kelley is a member of the CPAs Helping Schools committee and the Accounting Career Education committee with the Houston CPA Society.