

Foreign Students:

Generally, foreign students receive income connected to their studies carried out in the U.S. This income may be derived from a graduate teaching or research appointment, reported on Form W-2, scholarship/fellowship grants, reported on Forms 1042-S and/or 1098-T, or an internship with an organization separate from the educational institution, reported on Form 1099-MISC. As such, foreign students have a legal obligation to file a U.S. tax return in a timely manner.

The return you file depends on your residence status. If you are considered a resident alien for tax purposes, you will report your total world-wide income on the same forms as those used by U.S. citizens and U.S. nationals; namely, Forms 1040, 1040-A, or 1040-EZ. A resident alien is any individual who satisfies the green-card test, the substantial presence test, or is the spouse of a U.S. citizen or resident alien who elects to be treated as a resident for the entire tax year.

A nonresident (NR) alien is any individual who is NOT a resident alien. Students who are considered NR aliens will file their tax returns on Forms 1040NR or 1040NR-EZ. NR aliens will report all their U.S.-source income. Generally, foreign students are regarded as NR aliens for tax purposes.

In addition to Forms 1040NR or 1040NR-EZ, NR aliens will complete and file Form 8843, Statement for Exempt Individuals and Individuals with a Medical Condition, and any associated 'resident' state tax returns.

Prior to about the middle of the 2016 filing season, NR tax returns were not supported by the IRS Efile system; consequently, they had to be mailed-in, resulting in long turn-around times if the taxpayer was due a refund. Now, presumably, these returns can be efiled; this will provide a great convenience to taxpayers.