**Non-Resident Alien (NRA) Frequently Asked Questions**

**Who do I call if I have questions or problems regarding my “visa”?**

* The Office of International Education Services (IES), is here to assist you on any school-related visa issues not directly related to payroll. ADM 224, 410-455-2624, or email ies@umbc.edu with your question or to schedule an appointment.

**Am I considered a “non-resident alien (NRA)” or a “resident alien” for tax purposes?**

* An NRA is a foreign national on a temporary visa who is not making a permanent home in the US. To determine whether you are a “resident” or “non-resident alien”, see <https://www.irs.gov/pub/irs-pdf/p515.pdf> and [https://www.irs.gov/pub/irs-pdf/p519.pdf.](https://www.irs.gov/pub/irs-pdf/p519.pdf.%20) For further questions, go to the IRS web site, or call 1-800-829-1040.

**When can I began working?**

* The date of entry, status at entry and authorized duration of stay are all needed to approve any payment to Non-U.S. Citizen (along with proper completion of supporting documentation <https://hr.umbc.edu/payroll/payroll-non-resident-alien/>).
* No non-resident alien may accept employment in the United States unless they have been authorized to do so (**payment cannot be processed prior to your eligible authorized date to work in the US**).

**My visa/status or work authorization has expired. May I continue to work?**

* **NO.** Under no circumstances may you continue to work unless you submit a proof of extension or an application for an extension. **An application for an extension of the Employment Authorization Card is not acceptable**. Also, if you are changing your visa type, you may not work in the interval between the expiration of the prior visa type and the receipt of INS approval for the new visa type. If you are changing to or from a school related visa category such as F, J, or H-1B you should initiate your paperwork through IES well in advance of (preferably 8 months or earlier) prior to the expiration date of the current visa.
* Bring your new document to your departmental payroll preparer as soon as you receive it to ensure your pay is not interrupted.
* The following documents require re-verification upon expiration:
* I-20 (F-1 visa)
* DS-2019 (J-1 visa)
* I-797 (H-1B visa; O-1 visa)
* I-94 Card showing TN (Trade-Nafta), Canada or Mexico only
* INS stamp “In process for I-551”
* I-766, I-688, I-688A, or I-688 Cards (usually held by those with asylum paroled into the US, in process for residency, F-1 practical training, and J-2 visa holders)
* “Conditional” Resident Alien Cards (valid only for 2 years from issue**)**

**As a non-resident alien student am I limited on the hours I may work (F1, & J1 student visas)?**

* An NRA on a student visa (F1 & J1) may work a maximum of 20 hours per week while school is in session. When school is not in session (i.e. winter break, summer if not enrolled) an NRA student may work any number of hours. Working in excess of 20 hours per week while school is in session is prohibited by the U.S. Department of Justice, and could endanger your visa status.

**Is withholding required with respect to scholarship or fellowship payments made to NRAs?**

* **Yes.** Withholding may be required on scholarship/fellowship payments made to non-resident aliens, unless the payment qualifies as a non-taxable scholarship or fellowship or is excludable under a tax treaty. **Form W-8BEN must be filed to claim NRA tax status for scholarship or fellowship.**

**Are NRAs automatically exempt from FICA and Disability taxes?**

* No. Your visa type determines what taxes you must pay:

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| **VISA TYPES** | FICA | DISABILITY |
| **F-1** | Exempt for the first 5 years from date of entry; thereafter may be exempt based on student enrollment. | Exemption based on enrollment status. |
| **J-1 Students** | Exempt for the first 5 years from date of entry; thereafter may be exempt based on student enrollment. | Exemption based on enrollment status. |
| **J-1 Scholars, Researchers** | Exempt for either the first 2 calendar years in the US, or 2 out of the first 6 calendar years in the US regardless of visa status | Must pay Disability. |
| **H-1B, O-1** | Must pay FICA. | Must pay Disability. |
| **J-2, H-2** | Must pay FICA. | Must pay Disability. |

**What is an NRA W-4 Form and how do I fill it out?**

* You must file an NRA W-4 form to declare your Federal tax withholding status. When completing the NRA W-4, you:
* May **not** claim “Married”
* May **not** claim “Exempt”
* May **not** claim more than “01” allowance (unless you are a resident of Canada, Japan, Mexico, or the Republic of Korea, in which case you may claim any number of allowances.)
* If you are exempt due to a tax treaty, you must also submit Form 8233, and Revenue Procedure Letter (REP Letter) in most cases, to allow UMBC payroll to report you as “exempt” from Federal Income Tax.

**What is a tax treaty, and how does it apply with respect to wages paid to NRAs?**

* A tax treaty is an agreement entered into between governments under which each country agrees to limit or modify the application of its domestic tax laws in an attempt to avoid double taxation of income – that is, having the same income taxed by both countries. Tax treaties vary, but they generally limit or exempt U.S. taxation of compensation made to residents of the foreign country. Some tax treaties are limited to an amount of time per year, and/or a limited dollar amount per year. Wages earned beyond either limit are subject to federal income tax. See IRS Publication 901 “US Tax Treaties” at the [https://www.irs.gov/](https://www.irs.gov/%20) for additional information.

 **What is an 8233 NRA Withholding Exemption Form and when do I have to submit it?**

* Form 8233 allows you to claim “exempt” from federal withholding on earnings as allowed by certain tax treaties. You have to submit an 8233 form when you are hired/rehired, whenever you change job types or visa types, and each December for the upcoming calendar year if the tax treaty is to be applied. **If an 8233 is not filed, the tax treaty will not be applied, and no tax refund will be granted if taxes are withheld.**

**How do I complete Form 8233?**

* Print or download Form 8233 (<https://hr.umbc.edu/files/2013/09/f8233.pdf>). You will also find both the official IRS instructions, as well as simplified instructions, on completing the 8233. Be sure all fields are completed appropriately. See your payroll preparer for assistance to determine whether a Revenue Procedure Letter (REP Letter) is needed.

**What is a Revenue Procedure Letter (REP Letter)?**

* A “REP Letter” is a supporting statement to the Form 8233 and is required by the IRS for most, but not all, tax treaties. The REP Letter is a series of statements dictated by the IRS used in justifying your eligibility for exemption from Federal tax withholding. If the tax treaty for your country of residence requires a REP Letter, you must sign the REP Letter, and submit it along with Form 8233. If you cannot complete the REP Letter because the statements on the REP does not apply, then you cannot claim benefits from the tax treaty provisions. (<https://hr.umbc.edu/payroll/payroll-non-resident-alien/>) Additional Forms.

If your country’s tax treaty requires a “Rep Letter”, your payroll preparer will supply you with the appropriate one for your tax country. This letter justifies your eligibility to be exempt from Federal tax withholding. Fill out the REP Letter and submit it with the Form 8233. **If Form 8233 and REP Letter (if applicable) are not submitted fully completed, Federal income tax will be withheld, and no refund of any Federal taxes will be granted.**

**If I am exempt per a treaty, why is a W-4 also required?**

* When the tax treaty provisions expire, Payroll Services will begin taxing you per the W-4 on file.

**With which countries does the U.S. currently have a tax treaty?**

* See IRS Publication 901 (<https://www.irs.gov/pub/irs-pdf/p901.pdf>). For further questions, go to the IRS web site, or call 1-800-829-1040.

**When do I have to submit Citizenship Status Form (CSF)?**

* A Non-Resident Alien CSF is an information form UMBC Payroll requires to ensure that you are reported and taxed correctly. You have to submit a CSF when you are hired/rehired, whenever you change visa types, during the NRA renewal period.

**What is Form W-8BEN?**

* Form W-8BEN “Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding” is a form filed by non-resident aliens receiving a fellowship, scholarship, or stipend, to claim tax status.

**What is Form W-9 and when can I file it?**

* Form W-9 is a tax document which declares you to be a “resident alien for tax purposes.” Filing a W-9 has two immediate consequences:
* It negates all tax treaty protections and provisions.
* It gives you more options in what you want to claim on your W-4 (any marital status, number of allowances, or “exempt”)

Generally, you should file a W-9 only after you have been in the U.S. for at least the periods of time noted for the following visa types, and then only if you feel it is appropriate:

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| **F-1, J-1 Student** | After 5 years in the U.S. |
| **J-1 Scholar** | After 2 years in the U.S. |
| **H-1** | After 183 days in the U.S. |

The University cannot give specific tax advice outside of guidelines required of a Non-Resident Alien.