

Frequently Asked Tax Questions

1. What happens if I fail to file my taxes?

If you owe taxes and don't file, the IRS can assess penalty and interest and seize U.S. bank assets for repayment. Fines and penalties can often amount to more than the original tax debt.

There can also be immigration consequences for failing to file taxes. Applicants for permanent residency "green cards" are frequently asked to show proof of tax filing for previous years in the U.S.

2. I'm an F-1 or J-1 student and I had no U.S. earned income or scholarships for 2007. Do I need to file?

Yes. You must file IRS Form 8843. Dependents in F-2 and J-2 status must also file Form 8843.

3. I only arrived in the U.S. in December of 2007 and I didn't work. Do I still have to file Form 8843?

Yes. If you were in the U.S. even 1 day in 2007, you must file Form 8843.

4. I had bank interest on my checking or savings accounts, is that earned income and must I file other tax forms?

No. Simple bank interest and interest on CD's are not considered earned income for non-resident aliens, and therefore are not reportable. Your bank generally reports this interest on Form 1099-intand you should retain this form for your records, Georgia State University not mail it with your tax filing. If you file taxes as a "resident" for tax purposes, bank interest is taxable income.

5. I only worked for a very short time in 2007 and I didn't earn very much. Do I still have to file?

It's possible. If the total sum of your U.S. source income was less than the personal exemption (\$3,300 for 2007) you are not required to file IRS Form 1040NR-EZ or Form 1040NR. However, if you had any taxes withheld, you should file IRS Form 1040NR-EZ or Form 1040NR to get a refund of these taxes and you must still file Form 8843.

You are required to fill a Georgia income tax return Form GA-500.

6. I'm married and have a child who was born in the U.S. Can I claim personal exemptions for my wife and child?

Generally, no. Only students & scholars from certain countries can claim exemptions for their dependents (Mexico, Canada, Korea, Japan. and India.) Specific requirements are outlined in Publication 519.

7. I tried to get a Social Security number for my spouse or dependent child and was refused. What do I do?

For dependents not eligible for a Social Security number, you must apply for an Individual Taxpayer Identification Number (ITIN). Completed forms W-7(s) and supporting documents can be included with your tax return. ITIN numbers are for tax filing purposes only.

8. I am from one of the countries that can claim an exemption for my spouse and/or child. Can I claim them if they don't have a social security number or an ITIN?

No. In order to claim personal exemptions for dependents they must have a valid social security number or an ITIN (Individual Taxpayer Identification Number). To apply for an ITIN for your dependents, fill out Form W-7 and prepare the required documentation to the Austin IRS office. Completed forms W-7(s) and supporting documents are then included with your tax return.

9. My young children live with me. Can I claim the Child Care Tax Credit?

Not as a rule. Only those students and scholars in non-resident tax status who are from one of the countries that can claim dependents (Mexico, Canada, Korea, Japan and India) can claim the Child Care Tax Credit.

10. I am a non-resident for tax purposes. Can I claim the HOPE or Tuition Tax Credit or the Earned Income Credit?

No. Non-resident aliens can not claim the HOPE or Tuition Tax Credit or the Earned Income Credit. Once you qualify to file as a resident alien for tax purposes, you may be eligible to claim these credits.

11. I have a student ID has nine digit number that looks just like a social security number. Can I use this number as my tax payer identification number?

No. You must have a valid social security number or an ITIN (Individual Tax Payer Identification Number) issued by the US federal government.

12. I just received my W-2 for the wages I earned in 2007. Can I file my taxes now?

Not necessarily. If you are from a country which has a tax treaty with the U.S., or you received a U.S. based scholarship or fellowship, you may also receive Form 1042-S via GLACIER. This form is mailed as much as six weeks later than Form W-2 and you will need to have both forms before you can file.

13. My country has a tax treaty with the U.S. and I earned below \$5000, which is the amount of wages exempt by my treaty. Do I still need to file?

Yes. You must file Form 1040NR-EZ or Form 1040NR. In the case where you earned more than the exempt amount of your treaty, you may receive both a Form W-2 and a Form 1042-S or you may just receive only a Form 1042-S.

14. I had a teaching assistantship or graduate research assistantship at GSU. Is this the same as a scholarship or fellowship?

No. TA and GRA salary payments are not considered scholarships or fellowships. Income from TA and GRA positions and tuition remission is considered earned income and is taxable.

15. Can I deduct the cost of a computer as a valid educational expense?

Normally, no. Equipment, such as a computer or educational supplies that are not required course items, are not deductible expenses. If it is required for everyone in a particular class or major, then the expense would be deductible.

16. I am a student from India. Can I claim the standard deduction?

Yes. Due to a tax treaty provision, ONLY students from India may claim the standard deduction on the non-resident forms. For 2007 the standard deduction is \$5,150 for those filing as single or married filing separately. Note: Visiting Scholars and Researchers from India cannot claim the standard deduction.

17. Can students and scholars claim itemized deductions?

Yes, but there are limited itemized deductions for nonresident aliens. You can claim itemized deductions for state & local taxes, charitable contributions to churches or charities, casualty and theft losses, certain un-reimbursed job expenses and tax preparation fees. For those claiming only deduction for state and local taxes, you may use Form 1040NR-EZ. For those claiming other itemized deductions, you must use Form 1040NR.

18. Should I keep copies of my tax return and other tax forms?

Yes. Always keep copies of your tax return, W-2, 1042-S, 1099 bank interest statements and any other pertinent forms as proof that you have filed. The IRS can audit individual returns for up to 3 years following the filing deadline and your tax records are essential in proving your case.

19. What is the deadline for filing my tax return?

If you are filing Form 1040NR-EZ or Form 1040NR, the deadline to file is April 16. If you are filing Form 8843 only, the deadline to file is June 15.

20. If I owe tax, to whom do I make the check payable?

If you owe taxes, make checks payable to United States Treasury. Make sure that your social security number is on the check and that in the memo section you write, "For 2007 income taxes"

21. Where do I mail my tax return?

Forms 1040NR-EZ, 1040NR and Forms 8843 should be mailed to:
Internal Revenue Service Center Austin, TX 73301-0215 USA

22. I'm unable to file by the deadline, what do I do?

File Form 4868, "Extension of Time to File", which extends the deadline to file till August 15. If you owe any taxes though, you must still mail your estimated tax payment by April 16 or you will be assessed penalty and interest as of April 16, on any payment owed.

23. I need tax forms or additional help or information. Where can I get the necessary forms or assistance?

For questions about refund checks call 1-800-829-4477 or 1-215-516-2000 (not toll free). For problem resolution, call Technical Services Division of the IRS at 1-800-829-1040 To download tax forms and publications, go to the IRS web site at www.irs.gov.

24. I am leaving the country before I can file my taxes. What should I do?

Make sure the Payroll Office has your foreign address so that your Form W-2 and/or Form 1042-S can be mailed to you. Download the appropriate forms and instructions and file your U.S. taxes from abroad. Save copies of all forms submitted for your records.

25. My employer withheld Social Security and Medicare taxes from my salary. Can I get this refunded?

Yes. F and J visa holders are not subject to Social Security or Medicare taxes as long as they are considered a "non-resident alien for tax purposes" (IRS Publication 519). Refund of these taxes may be requested from your employer. If your employer is unable to refund these taxes, you may file Form 843 and Form 8316 for a refund from the IRS. Continue to read the International Student and Scholar Services newsletters for assistance in February/March of the following year.

26. My address in Atlanta has changed since I began working at Georgia State University, or I am on Curricular Practical Training and now living in another city, how do I notify Payroll of my address change so that I will receive my W-2 and/or 1042-S?

To notify Payroll of your address change contact Human Resources at 404-413-3308 or visit their website at <http://www2.gsu.edu/~wwwhre/forms/index.htm> to download the **Personal Data Update form**.

27. I worked or attended university in another state and paid state taxes. How do I report this on my federal tax return and am I required to file a state tax return?

You may claim an itemized deduction on Form 1040NR-EZ (line 11) or Form 1040NR (line 37) for any state taxes withheld. You may also be required to file a state income tax return in addition to the Federal Income Tax Return.