

International Tax Seminar

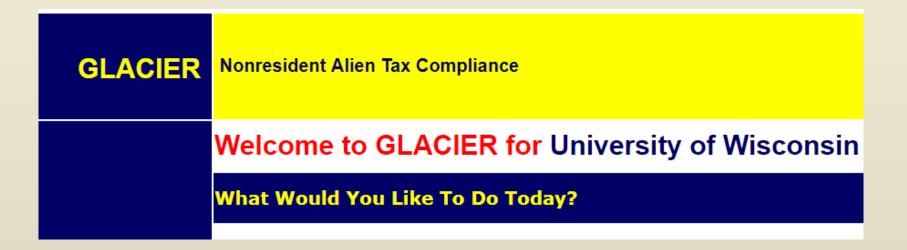
Payroll Services Office of Human Resources UW-Madison

- Glacier
- Determining Your Tax Status
- US Tax Filing Requirements
- Required Documents
- Tax Return Forms
- Tax Filing Avenues
- Glacier Tax Prep
- Tax Treaty



Glacier

Glacier is online tax compliance software for Nonresident Aliens (NRA).



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Glacier Tax Prep (GTP) is an optional service within your Glacier account which helps prepare an NRA federal tax return.

Internationals who do not have access to GTP in their Glacier accounts are likely Resident Aliens for tax purposes.



How you can file taxes and which forms to use depend on your tax status.

U.S. Tax Statuses for Non-U.S. Citizens: Resident Alien Nonresident Alien



Resident Alien: Files taxes like a U.S. person or U.S. Citizen.

Nonresident Alien: Files taxes as a foreign person (Form 8843 in addition to other forms) if you were exempt from or did not pass the Substantial Presence Test (SPT).



How do I know what my tax status is?



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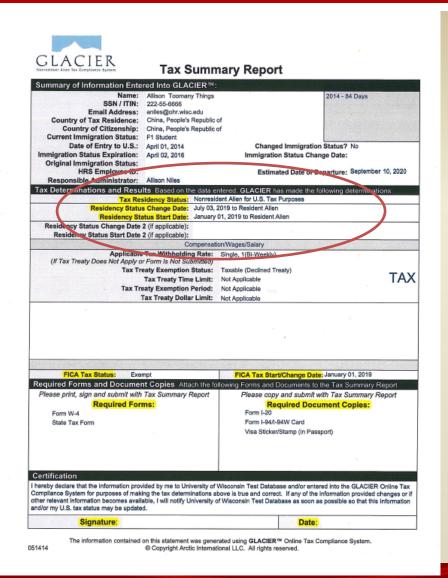
Check your Glacier account

- Log in and verify that your individual Glacier record is correct and up to date.
- Review your Tax Summary Report from your Glacier account, which lists your residency status as well as your status change date if you have one.



This is your Tax Summary Report (TSR) from Glacier.

Your Tax Residency Status is listed on the form. If you make changes to your account, you should sign and deliver a new TSR to your Glacier Administrator.





If you don't have a Glacier account and you received income from UW-Madison, you should email <u>Glacier@ohr.wisc.edu</u> to get a Glacier account.

The Internal Revenue Service (IRS) sets the rules that determine your tax status. You can visit <u>www.irs.gov</u> for more information and to determine your tax status if you do not have a Glacier account.

www.irs.gov/individuals/international-taxpayers/determining-alien-tax-status

If you are an alien (not a U.S. citizen), you are considered a <u>nonresident alien</u> unless you meet one of two tests. You are a <u>resident alien</u> of the United States for tax purposes if you meet either the <u>green card test</u> or the <u>substantial presence test</u> for the calendar year (January 1-December 31).

Certain rules exist for determining the <u>Residency Starting and Ending Dates</u> for aliens.



US Tax Filing Requirements

Many people are required to file U.S. tax returns annually, while others choose to file in order to claim credits or other benefits.



Nonresident Aliens present in the U.S. on an F-1 or J-1 visa must file Form 8843:

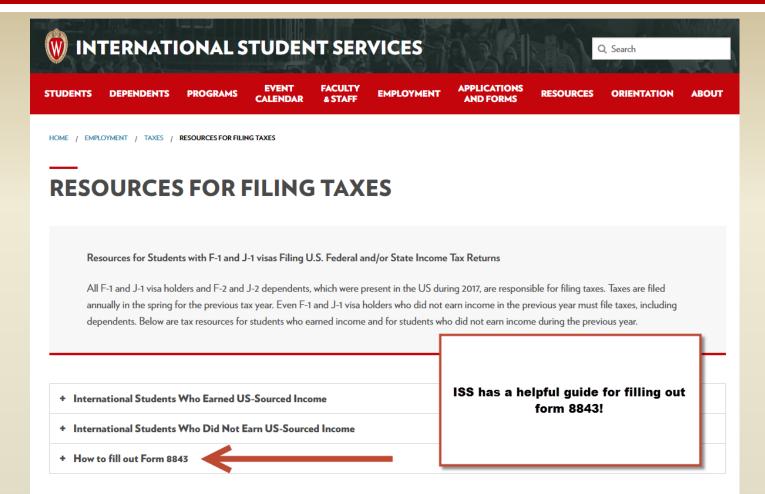
"Statement for Exempt Individuals and Individuals with a Medical Condition"

Even if you did not have any income



Form 8843: http://www.irs.gov/pub/ irs-pdf/f8843.pdf

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8	Were you present in the United States as a teacher, trainee, or student for any part of 2 of the 6 prior										
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https://iss.wisc.edu/employment/taxes/resources-for-filing-taxes/



The due date for form 8843 is the same as the tax filing deadline, make sure your form is postmarked by:

April 15th.

Dependent forms must be mailed to the IRS separately.



Internal Revenue Service www.irs.gov

IRS Resources for Internationals https://www.irs.gov/individuals/internationalindividuals

Wisconsin Department of Revenue www.revenue.wi.gov

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What do I need to prepare my tax return?

- 1. Social Security Number or ITIN
- 2. Tax documents from your Employer
- 3. Tax document from your educational institution if you are a student



Individual Taxpayer Identification Number (ITIN) or Social Security Number (SSN)

- Employees need a SSN
- Non-employees with income need an ITIN
 ✓Fellows
 ✓Scholars



Social Security Number

SSN Identification number that is assigned to people who are authorized to work in the United States.

SSN Resources: <u>http://iss.wisc.edu/resources/social-</u> <u>security</u>

Application Process: <u>https://uwservice.wisc.edu/docs/publications/pay- ssn-itin-process-a.pdf</u>

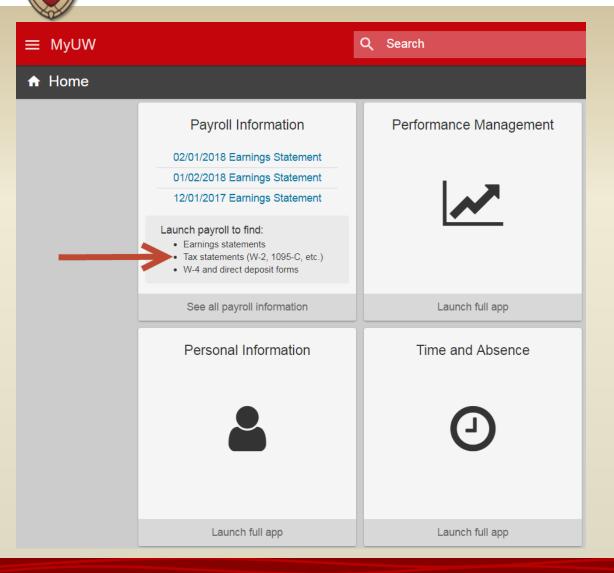


Individual Taxpayer Identification Number

ITIN tax processing number issued to Nonresident Aliens (NRA) who need to file a US income tax return but are not eligible to obtain a SSN.

ITIN Resources: http://iss.wisc.edu/employment/itin

Application Process: <u>https://uwservice.wisc.edu/docs/publications/pay- ssn-itin-process-a.pdf</u>



Payroll related tax documents are available in your MyUW Portal and Glacier.

Tax documents you MIGHT need:

- -W-2 (MyUW Portal or mailed)
- 1042-S (MyUW Portal, Glacier & mailed)
- Scholar/Fellow Letter (MyUW Portal & mailed)
- 1098-T (mailed)
- 1095-C (MyUW Portal & mailed)



Tax Filing Resources

Descriptions of the various tax forms as well as other helpful tax information can be found here:

https://uwservice.wisconsin.edu/tax/filing-resources.php

Year-End Tax Statements and Help Documents

W-2 | Explanation of the W-2 | W-2 Overview and Earnings Statement Comparison Individuals who receive reportable earned income will receive a W-2 from each employer.

1042-S | Explanation of the 1042-S

Foreign Nationals may receive a 1042-S if they received a scholarship/fellowship stipend, tax treaty benefit, o

Fellowship/Scholarship Information Letter | Explanation of the Fellowship/Scholarship Information Letter Advanced Opportunity Fellow; Fellow; Grad Intern or Trainee; Post-Doc Fellow, Scholar or Trainee; Scholar; Trainee; For



W-2: Wage and Tax Statement

https://uwservice.wisc.edu/docs/publications/tax-w2-explanation.pdf

University of Wisconsin Service Center

Human Resource Sys

Form W-2 Wage and Tax Statement 2018	7 Social security tips	1 Wages, tips, other compensation	2 Federal income tax withhe	
Employer's name, address, and ZIP code	8 Allocated tips	3 Social security wages	4 Social security tax withhe	
	9 Verification code	5 Medicare wages and tips	6 Medicare tax withheid	
	10 Dependent care benefits	11 Nonqualified plans	12a See instructions for b	
Employee's name, address, and ZIP code	13 Statutory Retrement Third party plan bits poy b Employer identification number (EIN)	14 Other	12b 12c	
	a Employee's social security number	1	12d	

W-2

- Reports taxable income (Not tax treaty or scholarship/fellowship income).
- Use this form as a reference when preparing your income tax return.
- Attach this form to your federal and state income tax returns before you mail them.
- All employers will issue this form to employees (OPT, CPT, etc.) You may have more than one W-2.



1042-S :"Foreign Person's U.S. Source Income Subject to Withholding" Form

https://uwservice.wisc.edu/docs/publications/itx-1042s-explanation.pdf

Form 1042-S Department of the Treasury Internal Revenue Service Foreign Person's U.S. Source Income Sub Go to www.irs.gov/Form1042S for instructions an UNIQUE FORM IDENTITY					and the latest information.			OMB No. 1545 Copy for Recipie		
	2 Gross income	3 Chapter indicator. Enter "3" or "4"			13e Recipient's U.S. TIN, if			13f Ch. 3 status code		
code		3a Exemption code	4a Exemption code	13g Ch. 4 status code						
		3b Tax rate .	4b Tax rate .	13h Rec	ipient's Gl	IN			tax identification	13j LOB code
5 Withholding allowance							number, if any			
6 Net inco	ome			1						
7a Federal tax withheld				13k Recipient's account number						
7b Check	if federal tax withh	eld was not deposited with	h the IRS because	1						
escrow procedures were applied (see instructions)				13I Recipient's date of birth (YYYYMMDD)						
8 Tax with	held by other ager	nts								
9 Overwith	held tax repaid to rec	ipient pursuant to adjustment	procedures (see instructions)	1 🗆						
(14a Primary Withholding Agent's Name (if applicable)						

1042-S

- Reports income covered by tax treaty and scholarship/fellowship income to Nonresident Aliens
- Use this form as a reference when preparing your income tax return
- Attach this form to your federal and state income tax returns
- Only Nonresident Aliens receiving scholarship/fellowship income or individuals who had treaty applied to payroll receive this form (NRA & RA)



Scholarship/Fellowship Letter

https://uwservice.wisconsin.edu/docs/publications/tax-fellowship-explanation.pdf

Fellowship/Scholarship Payments

The amount shown above was paid to you through the **University payroll as** a **Fellowship/Scholarship**. These payments were issued under the Internal Revenue Code Section 117 and do not constitute wages. Therefore, no social security or Medicare deductions are required, since these payments are not for services rendered.

Any non-payroll scholarships, such as Pell Grants or Supplemental Equal Opportunity Grants, are **not** included in the above total. If you received any of these grants, please refer to your award notice for the scholarship amounts.

	Non-Degree Candidates POSTDOCTORAL FELLOWSHIPS	Degree Candidates FELLOWSHIPS				
•	Amount reported above.	•	Amount reported above.			
•	Total amount of fellowships are fully taxable for both federal and state income.	•	Educational expenses incurred can be applied to reduce the federal and state taxable income.			
•	You may need to file estimated taxes for next year. See reverse side under Tax Information and Assistance for the website address of IRS Publication 505.	•	You may need to file estimated taxes for next year. See reverse side under Tax Information and Assistance for the website address of IRS Publication 505.			



Scholarship/Fellowship Letter

- Informational letter documenting scholarship or fellowship income to <u>Resident Aliens</u> & U.S. Citizens (NRAs will not get this letter)
- Appointment Types: Advanced Opportunity Fellow; Fellow; Grad Intern or Trainee; Post-Doc Fellow, Scholar or Trainee; Scholar
- Resident aliens must determine whether their scholarship or fellowship is reportable <u>http://www.irs.gov/taxtopics/tc421.html</u>



Tax Documents You May Not Need:

W-2 You do not need a W-2 if all your income had tax treaty applied through payroll, or if you only received scholarship/fellowship income and no employee wages.



Tax Documents You May Not Need:

1042-S You do not need a 1042-S if all of your income was taxed through payroll (reported on W-2). You do not need a 1042-S if you are a Resident Alien who only received Scholarship/Fellowship income (reported on a scholar/fellow letter).



Tax Documents You May Not Need:

Scholarship/Fellowship Letter You do not need a Scholar/Fellow letter if you are a Nonresident Alien (reported on 1042-S) or you are a resident alien who did not receive scholarship/fellowship income.



1098-T Form-Bursar's office

http://www.bussvc.wisc.edu/bursar/traquery.html

1098-T form used by eligible educational institutions to report information about their students to the IRS as required by the Taxpayer Relief Act of 1997.



Tax Return Forms for Nonresident Aliens

1040NR or 1040NR-EZ

Form 1040 Department of the Internal Revenue S	Treasury ervice	► Go to www.irs.gov/	resident Alie Form1040NR for i ar January 1–Decemi , 2018, and endi Last name	nstructions and ber 31, 2018, or ing	nd the latest information other tax year , 20	n. —	OMB No. 1545-007 20 18 nber (see instruction			
Please print or type		or post office, state, and ZIP code. If				Check if: structions.	Estate of			
h and a	Forma	untry name	Form 1040 Department of the Internal Revenue S	Treasury	Nonresident Aliens With No Dependents					
			Present home	Last name and initial Last name address (number, street, and apt. no., or rural route). If you have a P.O. box, see instructions. ity, town or post office, state, and ZIP code. If you have a foreign address, also complete spaces below. See instructions reign country name Eoreign province/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/interference/in						

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Which form do I file?

Glacier Tax Prep will help determine which form to file.

You can also use the IRS website to download the forms themselves and instructions.

How you can file your federal tax return:

- Glacier Tax Prep:(NRAs only) access through your Glacier account
- Internal Revenue Service: <u>www.irs.gov</u> to download forms & mail or e-file (NRA's cannot e-file)
- Professional Accounting Services: in person and online options
- Voluntary Income Tax Assistance (VITA) Sites: (Resident Aliens) <u>https://www.revenue.wi.gov/Pages/faqs/pcs-vita.aspx#vita6</u>



Glacier Tax Prep for NRAs

Glacier Tax Prep (GTP) is web-based tax preparation software designed to help Nonresident Aliens prepare a U.S. Nonresident Alien Income Tax Return (Form 1040NR or 1040NREZ) and Form 8843.



Free Access to GTP is available for all NRAs with a Glacier account.

NRAs with Glacier accounts should receive an email when GTP becomes available in early March. Log into your Glacier account and select "Prepare my federal tax return using GTP" from the home screen.

(GTP)

- You must print, sign and MAIL your federal tax return to the IRS by April 15th.
- Keep a copy for your own records. <u>Do not</u> <u>submit your tax document to UW-Madison</u>
- Help links are available on all pages within the GTP website and you can also email Glacier Support (<u>support@online-tax.net</u>) if you have questions. UW-Madison cannot assist with tax filing.



Submitting Your U.S. Tax Documents

glacier tax prep

- Congratulations! Based on the info entered into GLACIER Tax Prep ("GTP"), you are due a tax refund! It may take up to 16 weeks after you mail your tax return to receive your refund. Check your tax refund status at <u>https://sa.www4.irs.gov/irfof/lang/en/irfofgetstatus.isp</u> Do not contact the GTP Support Center regarding your tax refund because we have no information about when your refund will be made.
- ✓ You must PRINT, SIGN, and MAIL your Form 1040NR OR 1040NR-EZ (your tax return) and all required attachments. Nonresident Aliens are NOT ALLOWED to electronically file an income tax return. The IRS does not allow GTP to submit your tax documents for you.
- ✓ Sign and date your tax return it is not considered a valid tax return until it is signed!
- Because you are due a refund, MAIL your signed and dated tax documents to the following address no street address is needed.

Read the instructions from GTP!

Department of the Treasury Internal Revenue Service Center Austin, TX 73301-0215 USA

If you do not attach the required forms or documents to your tax return, the IRS will likely reject your entire tax return.

- ✓ Don't forget anything! Make sure you attach all the necessary documents in the following order:
 - FIRST ✓ Copy C of each Form 1042-S (if received)- attach to the front of tax return.
 - THEN ✓ Copy B of each Form W-2 (if received) attach to the front of tax return.
 - HEN 🗸 Form 1040NR or Form 1040NR-EZ whichever tax return GTP prepared for you.
 - THEN ✓ Grant Statement if GTP prepared one for you.
 - THEN ✓ Schedule C-EZ if GTP prepared one for you.
 - THEN ✓ Form 8843 If GTP prepared one for you.

NOTES: If you received a Form 1098-T, **do not** attach it to your tax return. If you received a Form 1099, **do not** attach it your tax return **unless** there is an amount shown in box 4 (federal tax withheld).

- Submit your tax return and required attachments on time! The due date of a tax return depends:
- If you received wages/salary as an employee, file Form 1040NR or 1040NR-EZ on/before April 15, 2013.
 If you did not receive wages/salary as an employee, file Form 1040NR or 1040NR-EZ on/before June 17, 2013.
- ✓ MAKE and KEEP A COPY OF YOUR SIGNED TAX RETURN AND/OR DOCUMENTS! You must keep the copy of your signed tax return and/or documents for three calendar years after the year in which you file. Keep the copy of your tax return even after you leave the U.S., you may be asked to show proof that you complied with U.S. tax laws when applying for future entry to the U.S.
- ✓ If you had a non-working spouse and/or children present in the U.S. under an F, J, M, or Q immigration status during 2012, each is required to file Form 8843, regardless of whether any U.S. Income was received. You may use GTP to complete Form 8843. Each Form 8843 for each of your non-working spouse and/or children must be mailed to the IRS in a separate envelope, separate from your tax return.
- You may also be required to file a STATE tax return for each state in which you lived or worked during 2012. GTP does not complete state tax forms; please review the tax information on the websites of the states in which you lived and/or worked during 2012 for more information.



GTP

- UW-Madison students who DID NOT and WILL NOT be paid by UW may request a free access code for GTP <u>if they are required to file either Form 1040NR</u> <u>or Form 1040NR-EZ</u>.
- Such requests for GTP access must be emailed AFTER March 1st to <u>serviceoperations@uwss.wisconsin.edu</u>
- Follow the instructions for the GTP Access Request email on page 3 & 4 of this document:

https://uwservice.wisc.edu/docs/publications/tax-nonresident-alien-resources.pdf

Be sure to read the instructions carefully and provide all the required information in your email when you request a GTP access code.

3) Your email requesting access to GTP access must contain the subject line listed in #1 or #2 above, and also include following information:

Please include the questions, with your answers, and provide in this format):

- First/Given Name:
- Middle Name:
- Last/Surname:
- Were you a nonresident alien engaged in a trade or business in the U.S. during 2018?
- Did you receive U.S.-sourced income during 2018 (wages, salaries, tips, etc., or scholarship or fellowship grants)2.



Voluntary Income Tax Assistance (VITA Sites)

Income tax assistance for U.S. Citizens and Resident aliens

https://www.irs.gov/Individuals/Free-Tax-Return-Preparation-for-Youby-Volunteers

https://www.revenue.wi.gov/faqs/pcs/vita.html

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How you can file your state tax return:

- Wisconsin Department of Revenue: <u>www.revenue.wi.gov</u> to download forms or file electronically (state return)
- Professional Accounting Services, in person and online options (Resident Aliens)
- Sprintax: online tax preparation software for NRAs, fee based



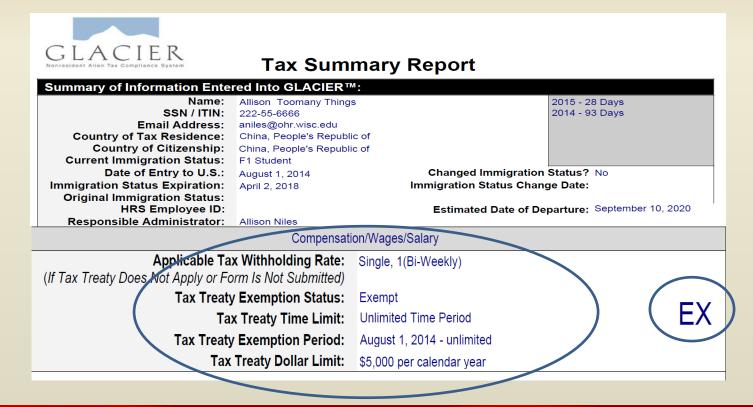
You MUST keep the copy of your tax return and all attached forms for THREE CALENDAR YEARS AFTER YOU FILE YOUR TAX RETURN. If you apply for a future visa to the U.S., you may be asked to show that you complied with all U.S. tax laws, including completing your personal tax returns.



Tax Treaty

- Certain tax treaties allow visa holders to earn some U.S. income without being subject to income taxes on those earnings in the U.S.
- If you are eligible for tax treaty, a tax return must be filed to claim the benefits of the treaty even if treaty was applied to your payroll.
- If you have already requested treaty through Glacier, you still must claim treaty when filing your tax return.

Your Glacier Tax Summary Report shows you information about your tax treaty if you are eligible and if you elected tax treaty through Glacier:





Frequently Asked Questions...

Q. If my status changed from NRA to RA, how do I file taxes?

A. If you became a resident alien, visit the IRS web site <u>https://www.irs.gov/</u> for international tax-payers and dual status aliens.

Q. Should I file Federal taxes first, or State?

A. Prepare your federal taxes first, this makes the state return easier.

Q. If I don't have any income, do I have to do anything?

A. If you are a nonresident alien, you have to file form 8843.

Q. Can my spouse use my Glacier Tax Prep account to prepare his/her return?

A. No, your Glacier account is also for payroll purposes and you cannot use it for any other individual.



Frequently Asked Questions...

Q. I am leaving the U.S. this year, will I have to file taxes?

A. Yes, you will have to file taxes from your home country as if you were in the US.

Q. If my status changed to resident alien, do I file two different tax returns?

A. Visit the IRS website to determine if you are a dual status alien: <u>https://www.irs.gov/Individuals/International-Taxpayers/Taxation-of-Dual-Status-Aliens</u>

Q. If I didn't file tax returns in previous years when I had income, do I need to do that now?

A. Yes, you should contact the IRS and DOR to find out how to file your late tax returns.



Frequently Asked Questions...

Q. I was paid by another university, how do I report that income?

A. Use all your tax forms from every university or employer to complete your tax return.

Q. Do I need a 1042-S?

A. If you are still not sure, you can email your Glacier Administrator to confirm. You can find their contact information on the second page of your tax summary report.

Q. I already filed my US tax return but I did not have my 1042-S. What do I do?

A. Once you receive your 1042-S, you may need to file an amended tax return.



Glacier Contacts:

Support@online-tax.net

Help Button on every screen of GTP

UW Contacts*:

Glacier@ohr.wisc.edu

*UW-Madison cannot offer tax advice or assist with tax returns in any way. Your tax return is a personal liability.



Reminder:

UW Service Center Tax Filing resources: <u>Https://uwservice.wisc.edu/tax/filing-resources.php</u>

International Student Services: http://www.iss.wisc.edu/taxes

Glacier Tax Prep: Help button on each screen and email: support@online-tax.net

Tax filing deadline: April 15th