



# Tax Filing Information for Nonresident International Students

William Armstrong, Alicia Dandeneau, and Kendra Zafiratos  
International Tax Office



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# What are income tax returns?

- Income tax returns are forms submitted by taxpayers to report income and to calculate and reconcile personal tax liability.
- We file federal income tax returns with the IRS during the first part of each calendar year to report our earnings and reconcile our taxes for the previous year.
  - Tax year = January 1 - December 31
- In Colorado, we also file a state income tax return.
  - Individuals with income received while living in another state should refer to that state's taxing authority for information on their filing requirement.
- In 2021, those who are required will fill out and submit 2020 income tax returns.



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# U.S. tax status

- Resident for tax:
    - U.S. citizens
    - U.S. legal permanent residents (the “Green Card Test”)
    - Anyone who has met the Substantial Presence Test
  - Nonresident for tax:
    - Not a citizen or legal permanent resident
- AND*
- Has not met the Substantial Presence Test



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# How can I determine my U.S. tax status for 2020?

- If you were a legal permanent resident or U.S. citizen during any part of the year, you were a tax resident.
- If you met the Substantial Presence Test in 2020, you were a tax resident.
  - The Substantial Presence Test adds up:
    - All days present in current calendar year
    - 1/3 days present in previous calendar year
    - 1/6 days present in second previous calendar year
  - If the sum of days equals 183 or more, and if you were present at least 31 days during the year being tested, you were a tax resident.\*\*

**\*\*DO NOT** count “EXEMPT” days toward the Substantial Presence Test!



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# What days are exempt from substantial presence while I am in a student status?

- Any days spent in the U.S. as a student in F, J, Q or M immigration status during your first five calendar years in the U.S.
  - This includes prior visits in these statuses, even as a dependent child. Your entire history of U.S. presence may affect your tax status during your current visit.



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# Question about your tax status? Contact the International Tax Office:

[IntlTax@cu.edu](mailto:IntlTax@cu.edu)



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# I'm a nonresident for tax purposes. Do I have to file 2020 income tax returns?

- If you received *any* U.S. income during 2020, you are required to file a U.S. federal income tax return.
  - Examples include, but may not be limited to, income exempt from tax due to a tax treaty, nonqualified scholarship/stipend, and prizes/awards.
  - IRS Form 1040NR



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# Compensation

- Compensation earned for work performed as an employee or independent contractor must be reported on income tax returns.



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# Scholarships

- NQ scholarship income reported on Form 1042-S (income code 16) must be reported on your income tax return, but certain qualified expenses may be excluded, provided they were not paid on your behalf.
  - You cannot reduce the amount of nonqualified scholarship reported on Form 1042-S by tuition waivers or credits
- U.S.-sourced scholarships applied toward tuition, mandatory fees, and course-related expenses are not taxable to nonresidents.
- Scholarships originating from outside the U.S. are not taxable to nonresidents.



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# Do I get tax benefits for being married or having dependents?

- Nonresidents do not qualify for marital tax benefits.
- You might be eligible for additional tax credits for your eligible dependents if you are:
  - A resident of Mexico or Canada
  - A resident of South Korea
  - A student from India
- See Chapter 5 of [IRS Publication 519](#) for more information.



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# Do nonresident aliens qualify to use the Standard Deduction?

- No, unless you are an eligible student from India.
- See Chapter 5 of [IRS Publication 519](#).



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# Do I need to file a State of Colorado tax return?

- You must file a Colorado tax return if you were:
  - A full-year resident of Colorado; or
  - A part-year resident of Colorado who received taxable income while residing here; or
  - Not a resident of Colorado but received income from sources within Colorado;  
*-and-*
  - You are required to file a federal income tax return; or
  - You will have a Colorado income tax liability for the year
- Colorado Form [DR 0104](#)

\*\*Individuals with income from another state should refer to that state's taxing authority for information on their filing requirement.



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# Determining Colorado residency status

- The State of Colorado does not differentiate between residency or nonresidency for the purpose of calculating Colorado withholding
- Refer to Colorado Department of Revenue [Income Tax Topic: Part-Year Residents & Nonresidents](#), for definitions.
  - Individuals with income in more than one state will need to complete Colorado Form 104PN to determine the amount of federal taxable income that must be reported on their Colorado income tax return.



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# What other forms do I need to file?

- IRS [Form 8843](#), “Statement for Exempt Individuals and Individuals With a Medical Condition.”
  - Even if you did not receive any U.S. income, you are required to file in F, J, Q or M exempt years
  - Used to explain why you excluded days from the Substantial Presence Test
  - [Form 8843 Resource Guide](#)



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# What other forms do I need to file?

- Possibly, IRS Form [W-7](#), “Application for IRS Individual Taxpayer Identification Number.”
  - Submitted by individuals who are not eligible for a U.S. Social Security Number to apply for a taxpayer ID.
    - NQ scholarship recipients
    - Eligible dependents



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# Applying for an ITIN

- Form and instructions can be downloaded from [www.irs.gov](http://www.irs.gov).
- Glacier Tax Prep software
- IRS [Certifying Acceptance Agent](#)
- IRS [Taxpayer Assistance Centers](#)



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# When can I start my income tax returns?

- Generally, once you have received all relevant forms reporting the amounts of U.S. income you received in 2020, you can file.
  - Form W-2
    - Reports annual taxable wages and corresponding amounts of withheld taxes
  - Form 1042-S
    - Reports tax treaty exempt income, nonqualified scholarship/stipend, prizes/awards, and independent services income
- <https://www.cu.edu/employee-services/payroll/get-tax-forms>



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# Will I receive any other forms?

- Possibly, Form 1098-T from the Bursar's Office.
  - Reports tuition payments
  - Used by tax residents to claim tuition tax benefits
  - Nonresident aliens aren't eligible for these benefits and can keep the form for their records
- You may receive additional forms if you had income from other sources
  - Contact the source directly with questions about what you should expect, if anything.



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# When are income tax returns due?

- The deadline to submit 2020 income tax returns is April 15, 2021.
- If you cannot file by the due date, you can file a request to extend your deadline.
  - [IRS Form 4868](#)
  - State of Colorado grants an automatic 6 month extension, with no special form to submit, unless you owe a liability
  - Filing an extension does not extend the time to pay any tax liability



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# Where can I get forms and publications?

- Internal Revenue Service (federal)
  - <https://www.irs.gov/Forms-&-Pubs>
- Colorado Department of Revenue (state)
  - <https://tax.colorado.gov/individual-income-tax-forms>
- Taxing authorities by state
  - <https://www.taxadmin.org/state-tax-agencies>



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# What resources are available to me?

- Glacier Tax Prep Software licenses will be available to international students who had an active SEVIS record with CU in 2020.
  - Employee Services email sent February 16th, 2021
    - “Get tax filing support through the International Tax Office”
  - While supplies last
  - Submit a license request form to see what resources are available based on your circumstances. Using this program is optional.



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# What resources are available to me?

- You may purchase [Glacier Tax Prep](#) or [Sprintax](#), out-of-pocket, if desired.
- Complete forms by hand, following provided instructions.
- Nonresidents should **not** use TurboTax or any other software programs designed for residents!



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# Questions?

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