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Nonresident Alien Basics [1]

The information on this page is relevant to **nonresident aliens**. Resident aliens should visit our information page for resident aliens [2].

International employees and international students who meet certain requirements are classified as nonresident aliens.

The International Tax Office exists to help international employees and students make sense of their U.S. tax obligations. A crucial first step in understanding the U.S. tax obligations of international employees is distinguishing between nonresident and resident alien taxpayers.

Please note: The terms “resident” and “nonresident,” as used on this page, refer to tax obligation and do not reflect residency status requirements for immigration, tuition or other purposes.

In the United States, a nonresident alien [3] for tax purposes is an individual who is not a U.S. citizen and **does not** meet either the Substantial Presence Test [4] or the Green Card Test [5]. These tests are detailed in IRS Publication 519 [6].

What nonresident aliens need to know

The International Tax Guide for Nonresident Aliens [3] is a comprehensive guide to requirements and resources of the International Tax Office, necessary tax forms and deadlines, filing resources, information on international tax treaties, frequently asked questions and more.

Find information on important documents, tax forms and deadlines in the Tax Documents and Deadlines page [7].

Remember to keep in touch with the International Tax Office because your tax residency status can change when your circumstances change:

- Immigration status changes and extensions
- F and J students in their sixth U.S. tax year
- J-1 scholars and their dependents in their their third U.S. tax year

What nonresident aliens can expect

You've arrived in the U.S. and submitted your current immigration details and history of presence in the U.S. through Sprintax Calculus [8]. The green card and substantial presence

tests were applied to your circumstances to determine that you are a nonresident alien for tax purposes this year. Now what?

- The U.S. tax code includes distinct rules that CU is obliged to apply to all payments made to nonresident aliens. Section 1441 establishes a default withholding level of 30% on U.S. income for nonresident aliens but exceptions apply.
  - Wage payments are taxed at graduated withholding rates based on Form W-4.
  - Certain individuals may qualify for reduced withholding, or exemption from withholding, under a tax treaty the U.S. has with the government of their country of tax residency.
- Is it better to be taxed as a resident or nonresident? One status is not necessarily better than the other, they're just different. For example:
  - Nonresident aliens are taxed in the U.S only on their U.S. sourced income.
  - Nonresident aliens on F-1 or J-1 visas are not required to pay certain taxes and deductions that U.S. citizens and resident aliens are subject to because their stay in the U.S. is expected to be temporary.
  - Nonresident aliens are generally eligible for fewer opportunities to reduce their



[9]



[7]

Additional help

If you have additional questions or concerns — or if you think your tax residency status may have changed — reach out to the International Tax Office at intltax@cu.edu [10].

Groups audience:
Employee Services
Right Sidebar:
ES: International Tax Contact NEW

Source URL:https://www.cu.edu/employee-services/nonresident-alien

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[4] https://www.irs.gov/individuals/international-taxpayers/substantial-presence-test
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