



# US Tax Compliance For Immigrants And Employers: The Lawyer's Complete Guide

Editor: Paula N. Singer, Esq.  
Contributing Author: Gary P. Singer

**Shipping Now!**

---

## Book Outline

---

### TABLE OF CONTENTS

#### PREFACE

#### PART I. INTERNATIONAL ASPECTS OF INDIVIDUAL U.S. TAX RETURNS

##### Background Information

###### Chapter 1. Introduction

- 1.1 Immigration Basics
- 1.2 U.S. Tax Residency Rules
- 1.3 Conflicting Definitions of "Resident" and "Nonresident"
- 1.4 Impact of Incorrect Returns on Immigration Benefits

###### Chapter 2. Who Must File, What, and When?

- 2.1 U.S. Citizens and Residents
- 2.2 Nonresidents
- 2.3 Dual-Status Taxpayers
- 2.4 Sailing Permit Requirement
- 2.5 Income from U.S. Possessions
- 2.6 Taxpayer Identification Numbers
- 2.7 Tax Year
- 2.8 Due Dates
- 2.9 Where to File
- 2.10 Payments
- 2.11 Timely Filing and Paying
- 2.12 Amended Returns
- 2.13 Designees and Agents
- 2.14 Form 1042 and 1042 S Filing Obligations

###### Chapter 3. Resident or Nonresident?

- 3.1 Residency Status Based on Immigrant Status
- 3.2 Residency Status Based on U.S. Presence
- 3.3 The Closer Connection Exception
- 3.4 U.S. Days That Do Not Count
- 3.5 Exempt Individuals
- 3.6 Foreign Government-Related Individuals
- 3.7 Teachers and Trainees
- 3.8 Students
- 3.9 Changing to Another Nonimmigrant Status
- 3.10 Individuals from Former Trust Territories

###### Chapter 4. Residency Start and End Dates

- 4.1 Residency Start Date
- 4.2 Residency Termination Date
- 4.3 Residency Start and End Dates for Immigrants



# US Tax Compliance For Immigrants And Employers: The Lawyer's Complete Guide

Editor: Paula N. Singer, Esq.  
Contributing Author: Gary P. Singer

**Shipping Now!**

---

## **Chapter 5. Residency and Nonresidency Elections**

- 5.1 First-Year-Choice Election
- 5.2 Residency Election Based on Marriage
- 5.3 Residency Election Based on a Tax Treaty
- 5.4 The Closer Connection Extension
- 5.5 Nonresidency Election Under a Treaty Tie-Breaker Rule

## **Chapter 6. Tax Returns for Citizens and Residents**

- 6.1 Currency Translations
- 6.2 Real Estate Transactions
- 6.3 Travel Expenses
- 6.4 Foreign Retirement Plans
- 6.5 Filing Status and Personal Exemptions
- 6.6 Deductions, Adjustments, and Credits
- 6.7 Avoidance of Double Taxation
- 6.8 Treaty Claims
- 6.9 Dual-Status Taxpayers

## **Chapter 7. Tax Returns for Nonresidents**

- 7.1 U.S.-Source Income
- 7.2 Fixed or Determinable Income
- 7.3 Effectively Connected Income
- 7.4 Filing Status and Personal Exemptions
- 7.5 Deductions, Adjustments, and Credits
- 7.6 Form 1040NR or 1040NR-EZ
- 7.7 Form 8843 Requirement
- 7.8 Treaty Claims by Nonresidents
- 7.9 E-filing

## **Chapter 8. Required Disclosures**

- 8.1 Foreign Financial Accounts
- 8.2 Cross-Border Asset Transfers
- 8.3 Ownership Interests in Certain Foreign Entities
- 8.4 Other Disclosures

## **Chapter 9. Expatriate Returns**

- 9.1 Section 911 Foreign-Earned Income Exclusions
- 9.2 Qualifying Taxpayers
- 9.3 Foreign-Earned Income
- 9.4 The Foreign-Earned Income Exclusion
- 9.5 The Housing-Cost Exclusion/Deduction
- 9.6 Exclusions for Certain Employer-Provided Housing
- 9.7 Impact on State Income Taxes

## **Chapter 10. Tax Treaty Benefits**

- 10.1 How Tax Treaties Work
- 10.2 Articles Conferring Benefits
- 10.3 Impact of U.S. and Foreign Residency Status
- 10.4 Earnings from Personal Services



# US Tax Compliance For Immigrants And Employers: The Lawyer's Complete Guide

Editor: Paula N. Singer, Esq.  
Contributing Author: Gary P. Singer  
**Shipping Now!**

- 10.5 Treaty Benefits for Scholarships and Fellowships
- 10.6 Treaty Benefits for Retirement Payments and Contributions
- 10.7 Treaty Benefits for Social Security Payments
- 10.8 Treaty Benefits for FDAP Income
- 10.9 Form 8833 Requirement
- 10.10 Competent Authority

## **Chapter 11. Tax Expatriates**

- 11.1 Expatriation After June 3, 2004
- 11.2 Expatriation on or Before June 3, 2004
- 11.3 Form 8854
- 11.4 Expatriation Tax

## **Chapter 12. Social Security and Medicare Taxes**

- 12.1 Employment Performed Abroad
- 12.2 U.S. Self-Employment Tax
- 12.3 Social Security and Medicare Tax Refunds
- 12.4 Refund of NRA Taxes Withheld in Error on Benefits

## **Chapter 13. State Income Tax Returns**

- 13.1 State Tax Residency Status
- 13.2 State Residents Working Abroad
- 13.3 Income Tax Treaty Exemptions

## **Chapter 14. Taxpayer Identification Numbers**

- 14.1 Individuals Eligible for ITINs
- 14.2 Documentation Requirements
- 14.3 Application Submission Procedures
- 14.4 Pre-Tax Return Submissions
- 14.5 Acceptance Agents
- 14.6 Acceptance Agent Application Procedures

## **Chapter 15. Common Mistakes to Avoid**

- 15.1 Filing the wrong tax return
- 15.2 Filing using married-filing-jointly status incorrectly
- 15.3 Failing to include all income in the return
- 15.4 Claiming incorrect personal exemptions.
- 15.5 Incorrectly claiming a tax treaty benefit
- 15.6 Claiming improper temporarily-away-from-home expense deductions
- 15.7 Excluding certain taxable capital gains on stock sales on Form 1040NR
- 15.8 Failing to file disclosure forms
- 15.9 Failing to file a federal tax return
- 15.10 Failing to file a state income tax return

## **Chapter 16. Resources**

- 16.1 Websites
- 16.2 IRS Publications

## **PART II. A GUIDE FOR FILING IRS FORMS 1042 AND 1042-S**



# US Tax Compliance For Immigrants And Employers: The Lawyer's Complete Guide

Editor: Paula N. Singer, Esq.  
Contributing Author: Gary P. Singer

**Shipping Now!**

## Background Information

### Chapter 1. Introduction to Forms 1042 and 1042-S

- 1.1 Withholding Agent Obligations
- 1.2 Who Must File Form 1042-S
- 1.3 Reporting Rules for Form 1042 S
- 1.4 Interest Payments to Residents of Canada
- 1.5 Form 1042 S Information
- 1.6 Taxpayer Identification Number Requirement
- 1.7 Foreign Address Requirement
- 1.8 Form 1042 S Recipient Rules
- 1.9 Multiple Withholding Agent Rule
- 1.10 Form 1042 S Vendor List

### Chapter 2. When to File Forms 1042 and 1042-S

- 2.1 Timely Filed Returns
- 2.2 Extending the Time to File 2.3 Penalty for Failure to Timely File Forms 1042-S

### Chapter 3. How and Where to File Forms 1042-S

- 3.1 Submitting Paper Forms 1042-S
- 3.2 Form 4419: Applying to File Information Returns Electronically
- 3.3 Applying for a Waiver from Filing Electronically
- 3.4 New Instructions for Filing Electronically
- 3.5 Submitting Forms 1042-S Electronically
- 3.6 Providing Form 1042-S Recipient Statements
- 3.7 Retention of Forms 1042-S

### Chapter 4. Preparing Electronic Files

- 4.1 Test Files
- 4.2 Original Files
- 4.3 Common Form 1042-S Processing Errors 4.4 TIN Requirement
- 4.5 Replacement Files
- 4.6 Amended Files

### Chapter 5. Filing Electronically

- 5.1 Preparing the File
- 5.2 Connecting to the FIRE System
- 5.3 Electronic Requests for Extension of Time to File
- 5.4 The Most Common Problems of Electronic Filers

### Chapter 6. Service Center Processing and Validity Checks

- 6.1 Validation of Recipient "Q" Record Fields
- 6.2 Validation of Form 1042-S Data
- 6.3 Validation of "T," "W," "C," and "F" Records
- 6.4 Validation of Extension of Time Records

### Chapter 7. Correcting Errors

- 7.1 Making Paper Corrections



# US Tax Compliance For Immigrants And Employers: The Lawyer's Complete Guide

Editor: Paula N. Singer, Esq.  
Contributing Author: Gary P. Singer

**Shipping Now!**

- 7.2 Making Electronic Corrections
- 7.3 Correcting Forms 1042-S Recipient Statements

## **Chapter 8. Depositing Withheld Taxes**

- 8.1 Frequency of Deposits
- 8.2 Making Deposits
- 8.3 EIN Requirement
- 8.4 Timely Deposits
- 8.5 Penalty for Late Deposits
- 8.6 Adjusting for Over Withholding

## **Chapter 9. Form 1042 Tax Return**

- 9.1 Extending the Time to File Form 1042
- 9.2 Penalties and Interest
- 9.3 Amended Form 1042

## **Chapter 10. A Strategy for Filing Forms 1042 and 1042-S**

- 10.1 File Electronically
- 10.2 Request a TCC Number for Form 1042-S Submissions
- 10.3 Inform Recipients to Expect Their Form 1042-S Recipient Statements
- 10.4 Prepare Form 1042-S Recipient Statements Early
- 10.5 Provide Form 1042-S Recipient Statements with Multiple Income Lines
- 10.6 Request an Extension of Time to File Your IRS Submission
- 10.7 Request an Extension of Time to Submit Your Form 1042
- 10.8 Do Not Request an Extension of Time to Furnish Form 1042 S Recipient Statements
- 10.9 Review Your File for Errors Before Submitting It to the IRS

## **Chapter 11. Contacting IRS/ECC-MTB**

- 11.1 Information Reporting Program/Customer Service Section
- 11.2 Numbers and Sites for Other Information

## **PART III. U.S. TAXATION OF H-1B SPECIALTY WORKERS**

### **Chapter 1. Introduction**

- 1.1 Work Authorization
- 1.2 Taxpayer Identification Number

### **Chapter 2. U.S. Tax Residency Rules**

- 2.1 Residency Status Based on U.S. Presence
- 2.2 Nonresidency Status Claims Based on an Income Tax Treaty

### **Chapter 3. Residency Start and Termination Dates**

- 3.1 Residency Start Date
- 3.2 Tax Residency Elections
- 3.3 Residency Termination Date

### **Chapter 4. Changes to H 1B Status**

- 4.1 Change of Status from J 1 Nonstudent to H-1B
- 4.2 Changes from F 1 or J 1 Student Status



# US Tax Compliance For Immigrants And Employers: The Lawyer's Complete Guide

Editor: Paula N. Singer, Esq.  
Contributing Author: Gary P. Singer  
**Shipping Now!**

## **Chapter 5. Federal Income Tax Rules**

- 5.1 Tax Rules for Nonresidents
- 5.2 Tax Rules for Residents
- 5.3 Tax Rules for Dual-Status Aliens
- 5.4 Stock Ownership in a Foreign Corporation

## **Chapter 6. Income Tax Treaty Benefits**

- 6.1 U.S.-Source Income
- 6.2 Employment Compensation
- 6.3 Compensation of Teachers and Researchers
- 6.4 Special Considerations for Research Scholars

## **Chapter 7. State Income Taxes**

- 7.1 Domicile
- 7.2 Residence
- 7.3 State Tax Rules
- 7.4 Income Tax Treaty Exemptions

## **Chapter 8. Withholding and Reporting**

- 8.1 Benefits in Kind
- 8.2 Special Withholding Rules for Nonresidents
- 8.3 Treaty-Exempt Compensation
- 8.4 Social Security and Medicare Taxes
- 8.5 State Income Taxes

## **Chapter 9. U.S. Tax Returns**

- 9.1 Sailing Permit Requirement
- 9.2 Federal Tax Return
- 9.3 Treaty Claims
- 9.4 State Tax Returns

## **Chapter 10. Individual Taxpayer Identification Numbers**

- 10.1 Individuals Eligible for ITINs
- 10.2 Documentation Requirements
- 10.3 Application Submission Procedures
- 10.4 Acceptance Agents
- 10.5 Acceptance Agent Application Procedures

## **Chapter 11. Resources**

- 11.1 Websites
- 11.2 IRS Publications

## **PART IV. U.S. TAXATION OF B-1 BUSINESS VISITORS**

### **Background Information**

#### **Chapter 1. Introduction**

- 1.1 Work Authorization



# US Tax Compliance For Immigrants And Employers: The Lawyer's Complete Guide

Editor: Paula N. Singer, Esq.  
Contributing Author: Gary P. Singer

**Shipping Now!**

2.2 Taxpayer Identification Number

## **Chapter 2. Payments to B Visitors**

- 2.1 Reimbursed Business Expenses
- 2.2 B Honoraria
- 2.3 Directors' Fees
- 2.4 Payments to Accompanying Servants

## **Chapter 3. U.S. Tax Residency Rules**

- 3.1 Residency Status Based on U.S. Presence
- 3.2 Nonresidency Status Claims Based on an Income Tax Treaty
- 3.3 Residency Start Date
- 3.4 Residency Termination Date

## **Chapter 4. Federal Income Tax Rules**

- 4.1 Commercial Traveler Rule
- 4.2 U.S.-Source Income
- 4.3 Effectively Connected Income
- 4.4 Income Tax Treaty Exemptions
- 4.5 Compensation Paid to Certain Residents of Canada or Mexico.
- 4.6 Compensation of Employees of Foreign Governments or International Organizations
- 4.7 Withholding and Reporting on Payments for Services
- 4.8 Nonresident Tax Return
- 4.9 B-1 Visitors Who Become Residents
- 4.10 Tax Rules for Dual-Status Aliens
- 4.11 Stock Ownership in Foreign Corporations

## **Chapter 5. Payments to a Foreign Corporation for U.S. Services**

- 5.1 Income Effectively Connected to a U.S. Trade or Business
- 5.2 Payments to a Foreign Corporation for Services
- 5.3 Combined Payments
- 5.4 Personal Holding Companies
- 5.5 Exemption from Withholding Under an Income Tax Treaty
- 5.6 Exemption for Payments to Foreign Tax-Exempt Organizations

## **Chapter 6. Payments for Self-Employment Services**

- 6.1 Required Withholding Taxes and Reporting
- 6.2 Lack of a Valid Withholding Certificate
- 6.3 Exemption from Withholding Under an Income Tax Treaty
- 6.4 Payments to Agents and Intermediaries

## **Chapter 7. Social Security and Medicare Taxes**

- 7.1 Exemption from Tax Under a Social Security Agreement
- 7.2 Self-Employment Tax

## **Chapter 8. State Income Taxes**

- 8.1 Domicile
- 8.2 Residence
- 8.3 State Tax Rules



# US Tax Compliance For Immigrants And Employers: The Lawyer's Complete Guide

Editor: Paula N. Singer, Esq.  
Contributing Author: Gary P. Singer

**Shipping Now!**

---

## 8.4 Income Tax Treaty Exemptions

### **Chapter 9. Individual Taxpayer Identification Numbers**

- 9.1 Individuals Eligible for ITINs
- 9.2 Documentation Requirements
- 9.3 Application Submission Procedures
- 9.4 Acceptance Agents
- 9.5 Acceptance Agent Application Procedures

### **Chapter 10. Resources**

- 10.1 Websites
- 10.2 IRS Publications

## **PART V. U.S. TAXATION OF FOREIGN STUDENTS**

### **Chapter 1. Introduction**

- 1.1 Student Immigration Categories
- 1.2 Students in Other Immigration Categories
- 1.3 Work Authorization
- 1.4 Social Security Numbers
- 1.5 Payments to Foreign Students

### **Chapter 2. U.S. Tax Residency Rules**

- 2.1 Residency Status Based on U.S. Presence
- 2.2 U.S. Days That Do Not Count
- 2.3 Exempt Individuals
- 2.4 Closer Connection to a Foreign Country
- 2.5 Residency Start and Termination Dates
- 2.6 Tax Residency Elections
- 2.7 Changing to Another Nonimmigrant Status
- 2.8 Foreign Students Married to a U.S. Citizen or Immigrant

### **Chapter 3. Federal Income Tax Rules**

- 3.1 Tax Rules for Tax Nonresidents
- 3.2 Tax Rules for Tax Residents
- 3.3 Tax Rules for Dual-Status Aliens

### **Chapter 4. Compensation for Services**

- 4.1 Benefits in Kind
- 4.2 Distinguishing Compensation from Other Payments
- 4.3 Source of Income for Services
- 4.4 Special Withholding Rules for Tax Nonresidents
- 4.5 Social Security and Medicare Taxes

### **Chapter 5. Scholarships and Fellowships**

- 5.1 Grants Requiring Services
- 5.2 Distinguishing Scholarships and Fellowships
- 5.3 Source of Income from Grants
- 5.4 Qualified Scholarships and Fellowships



# US Tax Compliance For Immigrants And Employers: The Lawyer's Complete Guide

Editor: Paula N. Singer, Esq.  
Contributing Author: Gary P. Singer

**Shipping Now!**

- 5.5 Qualified Tuition Reductions
- 5.6 Nonqualified Scholarships
- 5.7 Taxation of Nonqualified Scholarships and Fellowships
- 5.8 Making Tax Deposits
- 5.9 Reporting Requirements
- 5.10 Other Students

## **Chapter 6. Income Tax Treaty Benefits**

- 6.1 How Tax Treaties Work
- 6.2 Remittances and Allowances from Abroad
- 6.3 Benefits for Scholarship and Fellowship Grants
- 6.4 Benefits for Compensation for Services
- 6.5 Unique Benefits for Certain Foreign Students
- 6.6 Benefits for Other Types of Income
- 6.7 Withholding Certificates for Treaty Exempt Income

## **Chapter 7. Form 1042 and 1042 S Reporting**

- 7.1 Form 1042 S Information Return
- 7.2 Coordinating Form 1042-S with Form W 2 Reporting
- 7.3 Form 1042 Tax Return

## **Chapter 8. State Income Taxes**

- 8.1 Domicile
- 8.2 Residence
- 8.3 State Tax Rules
- 8.4 Income Tax Treaty Exemptions

## **Chapter 9. U.S. Tax Returns**

- 9.1 Federal Tax Returns for Tax Nonresidents
- 9.2 Elections
- 9.3 Federal Tax Returns for Tax Residents
- 9.4 Dual-Status Tax Return
- 9.5 VITA Programs
- 9.6 Sailing Permit Requirement
- 9.7 State Tax Returns

## **Chapter 10. Individual Taxpayer Identification Numbers**

- 10.1 Individuals Eligible for ITINs
- 10.2 Documentation Requirements
- 10.3 Application-Submission Procedures
- 10.4 Acceptance Agents
- 10.5 Acceptance Agent Application Procedures

## **Chapter 11. Resources**

- 11.1 Websites
- 11.2 IRS Publications

## **PART VI. L-1 INTRACOMPANY TRANSFEREES ON U.S. ASSIGNMENT**



# US Tax Compliance For Immigrants And Employers: The Lawyer's Complete Guide

Editor: Paula N. Singer, Esq.  
Contributing Author: Gary P. Singer  
**Shipping Now!**

---

## Chapter 1. Introduction

- 1.1 Work Authorization
- 1.2 Taxpayer Identification Numbers

## Chapter 2. U.S. Tax Residency Rules

- 2.1 Residency Status Based on U.S. Presence
- 2.2 Nonresidency Status Claims Based on an Income Tax Treaty

## Chapter 3. Residency Start and Termination Dates

- 3.1 Residency Start Date
- 3.2 Tax Residency Elections
- 3.3 Residency Termination Date

## Chapter 4. Federal Income Tax Rules

- 4.1 Tax Rules for Nonresidents
- 4.2 Tax Rules for Residents
- 4.3 Tax Rules for Dual-Status Aliens
- 4.4 Stock Ownership in a Foreign Corporation

## Chapter 5. Income Tax Treaty Benefits

- 5.1 U.S.-Source FDAP Income
- 5.2 Employment Compensation
- 5.3 Pension Contributions

## Chapter 6. State Income Taxes

- 6.1 Domicile
- 6.2 Residence
- 6.3 State Tax Rules
- 6.4 Income Tax Treaty Exemptions

## Chapter 7. Withholding and Reporting

- 7.1 Temporarily-Away-From-Home Expenses vs. Relocation Expenses
- 7.2 Other Payments
- 7.3 Federal Income Tax Withholding
- 7.4 Social Security and Medicare Taxes
- 7.5 State Income Taxes

## Chapter 8. U.S. Tax Returns

- 8.1 Sailing Permits
- 8.2 Federal Tax Returns
- 8.3 State Tax Returns

## Chapter 9. Individual Taxpayer Identification Numbers

- 9.1 Individuals Eligible for ITINs
- 9.2 Documentation Requirements
- 9.3 Application Submission Procedures
- 9.4 Acceptance Agents
- 9.5 Acceptance Agent Application Procedures



# US Tax Compliance For Immigrants And Employers: The Lawyer's Complete Guide

Editor: Paula N. Singer, Esq.  
Contributing Author: Gary P. Singer

**Shipping Now!**

---

## Chapter 10. Resources

- 10.1 Websites
- 10.2 IRS Publications

## PART VII. WHAT YOU NEED TO KNOW ABOUT EXCHANGE VISITORS

### Chapter 1. Introduction

- 1.1. Program Participants
- 1.2 J Program Categories
- 1.3 Admission Procedures
- 1.4 Documentation Requirements
- 1.5 Two-Year Home Residency Requirement
- 1.6 Other Requirements

### Chapter 2. Work Authorization

- 2.1 J 1 Students
- 2.2 J 1 Non-Students
- 2.3 J 2 Dependents
- 2.4 Employment Eligibility Verification

### Chapter 3. U.S. Income Taxes

- 3.1 Taxation of Residents
- 3.2 Taxation of Nonresidents
- 3.3 Federal Tax Returns
- 3.4 State Income Taxes

### Chapter 4. Employment Taxes

- 4.1 Special Rules for Nonresidents
- 4.2 Social Security and Medicare Exemptions
- 4.3 Au Pairs

### Chapter 5. Income Subject to Tax

- 5.1 Compensation for Services
- 5.2 Source of Income for Services
- 5.3 Scholarship and Fellowship Grants
- 5.4 Prizes and Awards
- 5.5 Royalties

### Chapter 6. Resident or Nonresident?

- 6.1 Days That Do Not Count
- 6.2 Exempt Individuals
- 6.3 The Closer-Connection Exception
- 6.4 Residency Start and Termination Dates

### Chapter 7. Tax Administration

- 7.1 Employment Compensation
- 7.2 Self-Employment Income
- 7.3 Scholarship and Fellowship Grants
- 7.4 Wage-Withholding Election



# US Tax Compliance For Immigrants And Employers: The Lawyer's Complete Guide

Editor: Paula N. Singer, Esq.  
Contributing Author: Gary P. Singer  
**Shipping Now!**

- 7.5 Personal Exemption Amount Reduction
- 7.6 Travel-Expense Reimbursements
- 7.7 U.S. AID Per Diems
- 7.8 Other Income Payments
- 7.9 Depositing Withheld Taxes
- 7.10 U.S. Taxpayer Identification Numbers
- 7.11 Form 1042 Tax Return

## **Chapter 8. Tax Treaty Benefits**

- 8.1 Taxes Covered
- 8.2 Tax Residency Requirement
- 8.3 Income Eligible for Benefits
- 8.4 Benefit Limitations
- 8.5 IRS Policy Limitations
- 8.6 Saving Clause and Exceptions
- 8.7 Treaty Claims
- 8.8 Reporting

## **Chapter 9. Resources**

- 9.1 Websites
- 9.2 IRS Publications

## **PART VIII. J-1 NON-STUDENT EXCHANGE VISITORS PERFORMING U.S. SERVICES**

### **Chapter 1. Introduction**

- 1.1 Work Authorization
- 1.2 Taxpayer Identification Numbers

### **Chapter 2. U.S. Tax Residency Rules**

- 2.1 Residency Status Based on U.S. Presence
- 2.2 U.S. Days That Do Not Count
- 2.3 Two-out-of-Seven Calendar-Year Rule
- 2.4 Nonresidency Under the Closer Connection Exception
- 2.5 Nonresidency Status Based on an Income Tax Treaty

### **Chapter 3. Residency Start and Termination Dates**

- 3.1 Residency Start Date
- 3.2 Tax Residency Elections
- 3.3 Residency Termination Date

### **Chapter 4. Changing to Another Immigration Status**

- 4.1 Changes to H-1B Status
- 4.2 Changes to F-1 or J-1 Student Status

### **Chapter 5. Federal Income Tax Rules**

- 5.1 Tax Rules for Tax Nonresidents
- 5.2 Tax Rules for Tax Residents
- 5.3 Tax Rules for Dual-Status Aliens
- 5.4 Stock Ownership in a Foreign Corporation



# US Tax Compliance For Immigrants And Employers: The Lawyer's Complete Guide

Editor: Paula N. Singer, Esq.  
Contributing Author: Gary P. Singer

**Shipping Now!**

## **Chapter 6. Income Tax Treaty Benefits**

- 6.1 How Tax Treaties Work
- 6.2 Fellowship Grant vs. Compensation
- 6.3 Student/Trainee Articles
- 6.4 Teacher/Researcher Articles
- 6.5 Income from Self-Employment Article
- 6.6 Income from Employment Article

## **Chapter 7. State Income Taxes**

- 7.1 Domicile
- 7.2 Residence
- 7.3 State Tax Rules
- 7.4 Income Tax Treaty Exemptions

## **Chapter 8. Withholding and Reporting**

- 8.1 Benefits in Kind
- 8.2 Special Withholding Rules for Tax Nonresidents
- 8.3 Treaty-Exempt Income
- 8.4 Social Security and Medicare Taxes
- 8.5 State Income Taxes

## **Chapter 9. J 1 Nonstudents Paid by a Foreign Employer**

- 9.1 Section 872(b)(3) Exceptions
- 9.2 Commercial Traveler Exception
- 9.3 Social Security and Medicare Taxes

## **Chapter 10. U.S. Tax Returns**

- 10.1 Sailing Permit Requirement
- 10.2 Federal Tax Return
- 10.3 Treaty Claims
- 10.4 State Tax Returns

## **Chapter 11. Individual Taxpayer Identification Numbers**

- 11.1 Individuals Eligible for ITINs
- 11.2 Documentation Requirements
- 11.3 Application Submission Procedures
- 11.4 Acceptance Agents
- 11.5 Acceptance Agent Application Procedures

## **Chapter 12. Resources**

- 12.1 Websites
- 12.2 IRS Publications

## **PART IX. TAX TREATY BENEFITS FOR FOREIGN NATIONALS PERFORMING U.S. SERVICES**

### **Background Information**

#### **Chapter 1. Introduction**

- 1.1 Source of Authority



# US Tax Compliance For Immigrants And Employers: The Lawyer's Complete Guide

Editor: Paula N. Singer, Esq.  
Contributing Author: Gary P. Singer

**Shipping Now!**

- 1.2 The Treaty Negotiation Process
- 1.3 Current U.S. Income Tax Treaties
- 1.4 Application to Territories
- 1.5 Where to Find Tax Treaties
- 1.6 Treaty Interpretations
- 1.7 Competent Authority

## **Chapter 2. Treaty Structure**

- 2.1 Treaty Terms
- 2.2 How Tax Treaties Work
- 2.3 Articles Conferring Benefits
- 2.4 Other Provisions Limiting Benefits

## **Chapter 3. Residency**

- 3.1 Tax Residence
- 3.2 Residency Definition
- 3.3 Dual Residents
- 3.4 Timing of Treaty Country Residence
- 3.5 Saving Clause
- 3.6 Exceptions to the Saving Clause

## **Chapter 4. Taxes Covered**

- 4.1 Definition
- 4.2 Social Security Taxes
- 4.3 State Income Taxes

## **Chapter 5. Special Tax Rules**

- 5.1 Remittance Tax Rule
- 5.2 Withholding Provisions
- 5.3 Computation of Tax

## **Chapter 6. Income from Self-employment and Employment**

- 6.1 Income from Self-employment
- 6.2 Income from Self-employment Treated as Business Profits
- 6.3 Honoraria
- 6.4 Directors' Fees
- 6.5 Income from Employment
- 6.6 Income from Stock Options
- 6.7 International Shipping and Air Transportation
- 6.8 Technical Workers from India
- 6.9 Governmental Service
- 6.10 Pension Payments
- 6.11 Relationship to Other Articles

## **Chapter 7. Artists and Athletes**

- 7.1 Scope of Tax Exemption
- 7.2 Amounts Covered
- 7.3 Limitations
- 7.4 Special Rules for Canadian Athletes



# US Tax Compliance For Immigrants And Employers: The Lawyer's Complete Guide

Editor: Paula N. Singer, Esq.  
Contributing Author: Gary P. Singer

**Shipping Now!**

7.5 Relationship to Other Articles

7.6 Withholding Requirements

## **Chapter 8. Students and Trainees**

8.1 Payments from Abroad

8.2 Purpose of the Visit

8.3 Fellowship Grant vs. Compensation

8.4 Educational Institution Requirement

8.5 Treaty Exempt Compensation

8.6 Limitations

8.7 Successive Student/Trainee Article Benefits

8.8 Student/Trainee Article Benefits Following Teacher/Researcher Article Benefits

8.9 Residency Election

8.10 Students and Apprentices from India

8.11 Scholarships and Fellowships

8.12 Relationship to Other Articles

## **Chapter 9. Professors, Teachers, and Researchers**

9.1 Purpose of the Visit

9.2 Institution Where Teaching or Research Takes Place

9.3 Limitations

9.4 Unique Benefit Periods

9.5 Teacher/Researcher Article Benefits Following Student/Trainee Article Benefits

9.6 Special Considerations for Research Scholars

## **Chapter 10. The IRS Requirement to Reestablish Residency**

10.1 Treaty Country Residence Requirement

10.2 Sources of IRS Policy

10.3 Successive Benefits

10.4 Consecutive Treaty Benefits

10.5 Certifying Statements

## **Chapter 11. Withholding, Information Returns, and Tax Returns**

11.1 Resident or Nonresident Tax Status 11.2 Residency Status Based on U.S. Presence

11.3 Individuals Exempt from Counting Days

11.4 Withholding on Compensation for Services

11.5 Code Exemptions from Withholding on Compensation for Services

11.6 Tax Treaty Exemption from Withholding on Compensation for Services

11.7 Reporting Requirements

11.8 Sailing Permit Requirement

11.9 Federal Tax Return

11.10 State Tax Return

## **Chapter 12. Payments to Parties Other Than the Individual**

12.1 Payments to Agents and Intermediaries

12.2 Payments to a Worker's Foreign Employer

12.3 Payments to a Foreign Corporation Owned by a Worker

12.4 Treaty Claims by Groups of Foreign Entertainers

12.5 Payments to Foreign Tax-exempt Entities



# US Tax Compliance For Immigrants And Employers: The Lawyer's Complete Guide

Editor: Paula N. Singer, Esq.  
Contributing Author: Gary P. Singer

**Shipping Now!**

## APPENDICES

### Immigrant Visas

Non-Immigrant Categories Table

### IRS Tax Code

Federal Income Tax Structure

Internal Revenue Code References

Exceptions for Claiming Personal Exemptions for Nonresidents

INS Honoraria Notification

Honorarium Payment Eligibility Certification

Publication 3609: Filing Information Returns Electronically

US Tax Treatment of Temporarily Away-from Home Business Expenses Permanent Establishment from Nonsales US Services

Guidelines For Expatriate Payrolls

Automobile Lease Values

Foreign-earned Income Tax Worksheets

### Residency

Tax Residency Rules Flowchart

183-Day US Tax Residency Formula and Exceptions

Residency Election

Residency Election for Wage Withholding

First-year Choice Election

### US Taxation of Foreign Students

Common Errors on Income Tax Returns of Foreign Students

Student/Trainee Articles Exempting Income While Gaining Experience

Student/Trainee Articles Exempting Scholarship and Fellowship Grants

Student/Trainee Articles Exempting Participants in U.S. Government Programs

Form 8833: Treaty-Based Return Position Disclosure Under Section 6114 or 7701(b)

Evidence of Employment For Foreign Students

### Treaties/Agreements

Income Tax Treaties in Force

Territories Covered

Territories Not Covered

Israel Income Tax Treaty Articles

Nondiscrimination Clauses

Residency and Tie-Breaker Rule Articles

Saving Clauses and Exceptions

States Not Allowing Tax Treaty Benefits

Income Remittance Rules

Income from Self-employment Articles

Directors' Fees Articles

Income from Employment Articles

Artists and Athletes Articles

Student/Trainee Articles Exempting Income While Gaining Experience



# US Tax Compliance For Immigrants And Employers: The Lawyer's Complete Guide

Editor: Paula N. Singer, Esq.  
Contributing Author: Gary P. Singer

**Shipping Now!**

---

Student/Trainee Articles Exempting Scholarship and Fellowship Grants  
Student/Trainee Articles Exempting Participants in U.S. Government Programs  
Student/Trainee Articles Exempting Earned Income of Employees of Treaty Country Residents  
Teacher/Researcher Articles  
Teacher/Researcher Articles with a One-time Use Limitation  
Teacher/Researcher and Student/Trainee Articles with a Combined Benefit Period  
Teacher/Researcher and Student/Trainee Articles with a Back-to-Back Limitation  
Noneducational Institutions Covered by Teacher/Researcher Articles  
Permanent Establishment (PE) from Nonsales U.S. Services  
North American Free Trade Agreement (NAFTA) Schedule 1 Permitted B-1 Activities  
Social Security (Totalization) Agreements  
Attachment to Form W-9 Tax Treaty Claim by a US Person  
International Organizations

## **Sample Letters**

Letter to Request a Certificate of Coverage

## **CD-ROM RESOURCE MATERIALS**

### **IRS Publications**

Publication 15, Circular E, Employer's Tax Guide  
Publication 54, Tax Guide for U.S. Citizens and Resident Aliens Abroad  
Publication 463, Travel, Entertainment, Gift, and Car Expenses  
Publication 514, Foreign Tax Credits for Individuals  
Publication 515, Withholding of Tax on Nonresident Aliens and Foreign Entities  
Publication 516, U.S. Government Civilian Employees Stationed Abroad  
Publication 517, Moving Expenses  
Publication 519, U.S. Tax Guide for Aliens  
Publication 521, Moving Expenses  
Publication 570, Tax Guide for Individuals With Income From U.S. Possessions  
Publication 901, U.S. Tax Treaties  
Publication 970, Tax Benefits for Education  
Publication 1546, The Taxpayer Advocate Service -- How to Get Help with Unresolved Tax Problems  
Publication 1586, Reasonable Cause Regulations and Requirements for Missing and Incorrect Name/TIN  
Publication 1915, Understanding Your IRS Individual Taxpayer Identification Number  
Publication 3609: Filing Information Returns Electronically

### **IRS Forms**

Form 926 and Instructions  
Form 1040 and Instructions  
Form 1040, Schedule A and B and Instructions  
Form 1040, Schedule C and Instructions  
Form 1040, Schedule H and Instructions  
Form 1040NR and Instructions  
Form 1040NR-EZ and Instructions  
Form 1040-SS and Instructions  
Form 1042 and Instructions  
Form 1042-S and Instructions  
Form 1042-T and Instructions



# US Tax Compliance For Immigrants And Employers: The Lawyer's Complete Guide

Editor: Paula N. Singer, Esq.  
Contributing Author: Gary P. Singer

**Shipping Now!**

---

Form 1116 and Instructions  
Form 2063  
Form 2350 and Instructions  
Form 2555 and Instructions  
Form 2555-EZ and Instructions  
Form 3520 and Instructions  
Form 3520-A and Instructions  
Form 4419 and Instructions  
Form 4506 and Instructions  
Form 4506-T and Instructions  
Form 4563 and Instructions  
Form 4868 and Instructions  
Form 5074 and Instructions  
Form 5471 and Instructions  
Form 5472 and Instructions  
Form 6166 and Instructions  
Form 6251 and Instructions  
Form 7004 and Instructions  
Form 8233 and Instructions  
Form 8288 and Instructions  
Form 8288-A and Instructions  
Form 8316 and Instructions  
Form 8508 and Instructions  
Form 8621 and Instructions  
Form 8621-A and Instructions  
Form 8689 and Instructions  
Form 8802 and Instructions  
Form 8804 and Instructions  
Form 8804-C and Instructions  
Form 8805 and Instructions  
Form 8809 and Instructions  
Form 8813 and Instructions  
Form 8833 and Instructions  
Form 8840 and Instructions  
Form 8843 and Instructions  
Form 8854 and Instructions  
Form 8858 and Instructions  
Form 8865 and Instructions  
Form 8891 and Instructions  
Form 8898 and Instructions  
Form SS-4 and Instructions  
Form TD F 90-22.1 and Instructions  
Form W-2 and Instructions  
Form W-4  
Form W-7 and Instructions  
Instructions for the Requester of Forms W-8BEN, W-8ECI, W-8EXP, and W-8IMY  
Form W-8BEN and Instructions  
Form W-8ECI and Instructions  
Form W-8EXP and Instructions



# US Tax Compliance For Immigrants And Employers: The Lawyer's Complete Guide

Editor: Paula N. Singer, Esq.  
Contributing Author: Gary P. Singer  
**Shipping Now!**

Form W-8IMY and Instructions  
Instructions for Requester of Form W-9  
Form W-9

## EDITOR

[Paula N. Singer, Esq.](#), a partner with the tax law firm, Vacovec, Mayotte & Singer, LLP, Newton, Massachusetts, concentrates her practice in international tax matters for individuals, businesses, trusts, and estates. Ms. Singer has been advising employers, payers, and taxpayers on cross-border matters for over 25 years. Ms. Singer assisted the IRS with the development of Form 1040NR-EZ. Her comments on proposed regulations under Section 7701(b) (the substantial presence test) and under Section 1441 (withholding on payments to foreign persons) of the Internal Revenue Code were incorporated into the final regulations under each section. Ms. Singer has a B.A. from the University of Maine (Orono) and a J.D. from the University of Maine School of Law. She speaks and writes regularly on international tax topics. Many of her articles are posted on the Windstar Technologies, Inc. web site, , and on her law firm's web site, [www.vacovec.com](http://www.vacovec.com). Ms. Singer is the author of a series of books published under the collective title U.S. Tax Guides for Foreign Persons and Those Who Pay Them. She is the Co-chair of ABA Section of Taxation International Sub-committee, Cross-border Individual Tax Issues.

## CONTRIBUTOR

[Gary P. Singer](#) has over 35 years of experience designing, developing, and managing computerized solutions for complex applications in a number of private industry settings. His expertise includes mainframes, minis, PCs, communications, and web-based processing. Mr. Singer is co-founder with Ms. Singer of Windstar Technologies, Inc., which develops and distributes intelligent software solutions for international tax and immigration compliance. As President and CEO of Windstar, Mr. Singer has been dealing with the complexities of nonresident alien taxation and tax treaty analysis as well as the intricacies of IRS electronic filing requirements for over 10 years. Since 1996, Mr. Singer has worked with major ERPs and organizations on interfacing Windstar solutions into their HR/Payroll and other processing systems. Mr. Singer is a regular presenter on tax and immigration law panels sponsored by trade organizations and software vendor groups. He also provides accredited nonresident alien tax training for Windstar clients. Mr. Singer earned a B.A. in Mathematics from McGill University in Montreal, Canada.

## FINANCIAL AID POLICY:

- 50% discount to attorneys working for a non-profit organization, including educational institutions
- 50% discount to any attorney employed by any government agency
- 50% discount to an attorney who is unemployed
- 50% discount to attorneys with newly started attorney practices (within first 6 months of creation)
- 50% discount to any law students and interns

To avail of this discount, please contact [webmaster@ilw.com](mailto:webmaster@ilw.com).



# US Tax Compliance For Immigrants And Employers: The Lawyer's Complete Guide

Editor: Paula N. Singer, Esq.  
Contributing Author: Gary P. Singer

**Shipping Now!**

---

**Buy Now: US Tax Compliance For Immigrants And Employers: The Lawyer's Complete Guide**

Editor: Paula N. Singer - \$499

*Free Shipping And Handling (taxes included)*

---

*Disclaimer: Buying this book does not create an attorney-client relationship. Returns based on damaged books will be replaced and reshipped at no extra charge. **Orders once placed cannot be cancelled.***

**Name** (as it appears on credit card): \_\_\_\_\_

**E-mail** (required): \_\_\_\_\_ **Phone:** \_\_\_\_\_

**Credit Card:** V/M/A/D \_\_\_\_\_ **Expiry** (Month/Year): \_\_\_\_\_

**Credit Card Billing Address:** \_\_\_\_\_

**Shipping Address:** \_\_\_\_\_

**Or MAIL ORDER and include check payable to ILW.COM or FAX ORDER.**

---