



2021 International Tax Presentation

*Presented by The Drexel University Office of
Tax Compliance*

NONRESIDENT ALIEN

VERSUS

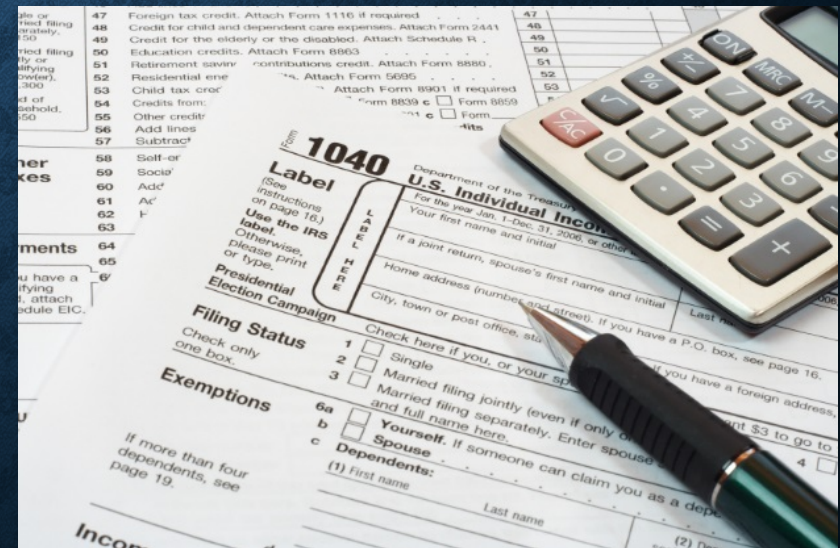
RESIDENT ALIEN

NONRESIDENT ALIEN

- A student present in the U.S. for less than 5 calendar years under an F, J, M, or Q visa.
- A J-1 scholar, teacher, trainee, professor, or short-term visitor present in the U.S. for less than 2 years.

RESIDENT ALIEN

- An individual who is not a U.S. citizen, but is a lawful permanent resident (green card holder) or meets the requirements of the IRS Substantial Presence Test.
- File taxes using Form 1040 like U.S. citizens. This presentation doesn't apply.



NONRESIDENT ALIENS WITH U.S. SOURCE INCOME ARE REQUIRED TO FILE FORM 1040NR APRIL 15, 2021.

Form **1040-NR** Department of the Treasury—Internal Revenue Service ⁽⁹⁹⁾ **2020** OMB No. 1545-0074 IRS Use Only—Do not write or staple in this space.

Filing Status
 Single Married filing separately (MFS) (formerly Married) Qualifying widow(er) (QW)
 Check only one box. If you checked the QW box, enter the child's name if the qualifying person is a child but not your dependent ▶ _____

Your first name and middle initial _____ Last name _____ **Your identifying number** (see instructions) _____

Home address (number and street or rural route). If you have a P.O. box, see instructions. _____ Apt. no. _____ Check if: Individual Estate or Trust

City, town, or post office. If you have a foreign address, also complete spaces below. State _____ ZIP code _____

Foreign country name _____ Foreign province/state/county _____ Foreign postal code _____

At any time during 2020, did you receive, sell, send, exchange, or otherwise acquire any financial interest in any virtual currency? Yes No

Dependents (see instructions):	(1) First name	Last name	(2) Dependent's identifying number	(3) Dependent's relationship to you	(4) <input checked="" type="checkbox"/> if qualifies for (see instr.): Child tax credit	Credit for other dependents
If more than four dependents, see instructions and check here ▶ <input type="checkbox"/>					<input type="checkbox"/>	<input type="checkbox"/>
					<input type="checkbox"/>	<input type="checkbox"/>
					<input type="checkbox"/>	<input type="checkbox"/>
					<input type="checkbox"/>	<input type="checkbox"/>

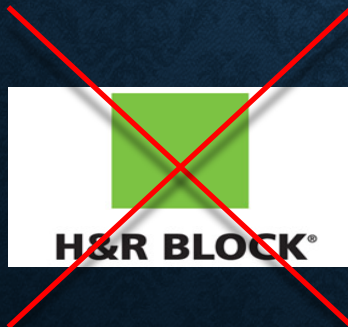
Income Effectively Connected

1a	Wages, salaries, tips, etc. Attach Form(s) W-2	1a	
b	Scholarship and fellowship grants. Attach Form(s) 1042-S or required statement. See instructions	1b	
c	Total income exempt by a treaty from Schedule OI (Form 1040-NR), Item		

FAQ

IS IT OKAY TO USE TURBOTAX?

No. Most tax preparation websites are not capable of preparing tax returns for nonresident aliens.



TYPES OF INCOME THAT ARE SUBJECT TO TAX IN THE U.S.

- Compensation (Salary/Wages)
- Scholarship/Fellowship Grant
- Independent Contractor Payments
- Living Allowances
- Honoraria, Consulting Fees
- Prizes and Awards
- Certain Travel Reimbursements

TAX DOCUMENTS NEEDED TO FILE YOUR INCOME TAX RETURN

- Form W-2
- Form 1042-S
- Form 1099

Note!

Not everyone will receive all of these documents. The tax documents you receive depends on the type(s) of U.S. source income you earned in the previous year.

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

Department of the Treasury Internal Revenue Service

Go to www.irs.gov/Form1042S for instructions and the latest information.

2020

AMENDED CORRECTED

RECIPIENT'S name, street address, city or town, state or province, country, ZIP postal code, and telephone no.

1 Income code 2 Gross income 3 Chapter indicator 4a Exemption code 4b Tax rate

5 Withholding allowance 6 Net income 7a Federal tax withheld 7b Tax rate

13a Recipient's U.S. TIN, if any 13b Recipient's GIIN 13c Recipient's account number 13d Recipient's date of birth (YYYYMMDD) 13e Recipient's foreign tax identification number, if any 13f Ch. 3 status code 13g Ch. 4 status code 13h Recipient's EIN 13i Recipient's date of birth (YYYYMMDD) 13j LOB code

14a Primary Withholding Agent's Name (if applicable) 14b Primary Withholding Agent's EIN 14c Intermediary or flow-through entity's EIN, if any 14d Intermediary or flow-through entity's name 14e Intermediary or flow-through entity's name 14f Country code 14g Foreign tax identification number (GIIN) 14h Address 14i Foreign tax identification number, if any

15 Check if pro-rata basis reporting

15a Country code 15b Ch. 3 status code 15c Ch. 4 status code

15d FATCA filing requirement

Form **1099-DIV** 2020

OMB No. 1545-0110

1a Total ordinary dividends \$ 1b Qualified dividends \$ 2a Total capital gain distr. \$ 2c Section 1202 gain \$ 3 Nondividend distributions \$ 5 Section 199A dividends \$ 7 Foreign tax paid \$ 9 Cash liquidation distributions \$ 11 Exempt-interest dividends \$ 12 Specified private activity bond interest dividends \$ 15 State tax withheld \$

2b Unrecap. Sec. 1250 gain \$ 2d Collectibles (28%) gain \$ 4 Federal income tax withheld \$ 6 Investment expenses \$ 8 Foreign country or U.S. possession \$ 10 Noncash liquidation distributions \$ 13 State identification no.

13a State 13b State identification no.

Form **W-2** Wage and Tax Statement 2020

OMB No. 1545-0008

Copy 2 - To Be Filed With Employee's State, City, or Local Income Tax Return

1 Wages, tips, other compensation \$ 2 3 Social security wages \$ 4 5 Medicare wages and tips \$ 6 7 Social security tips \$ 8 9 10 11 Nonqualified plans 12 13 Statutory employee Retirement plan Thrift/savings plan 14 Other 15 State Employer's state ID number 16 State wages, tips, etc. \$ 17 State income tax \$ 18 Local wages, tips, etc. \$

19 State 20 State identification no.

WHAT IS FORM W-2?

Issued annually by employers to their employees.

Shows wages paid in the prior calendar year.

Also shows taxes already withheld and remitted on behalf of the employee.

		a Employee's social security number		OMB No. 1545-0008		
b Employer identification number (EIN)		1 Wages, tips, other compensation		2 Federal income tax withheld		
c Employer's name, address, and ZIP code		3 Social security wages		4 Social security tax withheld		
		5 Medicare wages and tips		6 Medicare tax withheld		
		7 Social security tips		8 Allocated tips		
d Control number		9		10 Dependent care benefits		
e Employee's first name and initial Last name Suff.		11 Nonqualified plans		12a		
		13 Statutory employee Retirement plan Third-party sick pay <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>		12b		
		14 Other		12c		
				12d		
f Employee's address and ZIP code						
15 State	Employer's state ID number	16 State wages, tips, etc.	17 State income tax	18 Local wages, tips, etc.	19 Local income tax	20 Locality name

Form **W-2** Wage and Tax Statement

2020

Department of the Treasury—Internal Revenue Service

Copy 2—To Be Filed With Employee's State, City, or Local Income Tax Return

FAQ

WHERE CAN I FIND MY DREXEL FORM W-2?

Form W-2 is released before January 31 each year. Drexel employees can retrieve their W-2 in DrexelOne under the Employee tab.

W-2 questions can be directed to the Drexel University **Payroll Department**.

- Email: payroll@drexel.edu
- Phone: 215.895.2885

If you worked off-campus and have not received your W-2, you should contact your employer.

FAQ

**I DID NOT WORK IN 2020.
WILL I HAVE A 2020 FORM W-2?**

No. You will not receive a 2020 Form W-2 if you did not work during the 2020 calendar year.

Form **1042-S**

Department of the Treasury
Internal Revenue Service

Foreign Person's U.S. Source Income Subject to Withholding

▶ Go to www.irs.gov/Form1042S for instructions and the latest information.

2020

OMB No. 1545-0096

Copy C for Recipient

Attach to any Federal tax return you file

UNIQUE FORM IDENTIFIER AMENDED AMENDMENT NO.

1 Income code		2 Gross income		3 Chapter indicator. Enter "3" or "4"		13e Recipient's U.S. TIN, if any		13f Ch. 3 status code	
		3a Exemption code		4a Exemption code				13g Ch. 4 status code	
		3b Tax rate		4b Tax rate		13h Recipient's GIIN		13i Recipient's foreign tax identification number, if any	
								13j LOB code	
5 Withholding allowance									
6 Net income									
7a Federal tax withheld									
7b Check if federal tax withheld was not deposited with the IRS because escrow procedures were applied (see instructions) <input type="checkbox"/>									
7c Check if withholding occurred in subsequent year with respect to a partnership interest <input type="checkbox"/>									
8 Tax withheld by other agents									
9 Overwithheld tax repaid to recipient pursuant to adjustment procedures (see instructions) ()									
10 Total withholding credit (combine boxes 7a, 8, and 9)									
11 Tax paid by withholding agent (amounts not withheld) (see instructions)									
12a Withholding agent's EIN		12b Ch. 3 status code		12c Ch. 4 status code		14a Primary Withholding Agent's Name (if applicable)			
						14b Primary Withholding Agent's EIN		15 Check if pro-rata basis reporting <input type="checkbox"/>	
						15a Intermediary or flow-through entity's EIN, if any		15b Ch. 3 status code	
								15c Ch. 4 status code	
12d Withholding agent's name									
12e Withholding agent's Global Intermediary Identification Number (GIIN)									
12f Country code		12g Foreign tax identification number, if any		15d Intermediary or flow-through entity's name					
				15e Intermediary or flow-through entity's GIIN					
				15f Country code		15g Foreign tax identification number, if any			
12h Address (number and street)									
12i City or town, state or province, country, ZIP or foreign postal code									
				15h Address (number and street)		15i City or town, state or province, country, ZIP or foreign postal code			
						16a Payer's name		16b Payer's TIN	
				16c Payer's GIIN		16d Ch. 3 status code		16e Ch. 4 status code	
13a Recipient's name		13b Recipient's country code		17a State income tax withheld		17b Payer's state tax no.		17c Name of state	
13c Address (number and street)									
13d City or town, state or province, country, ZIP or foreign postal code									

Form **1042-S** (2020)

WHAT IS FORM 1042-S?

Annual tax statement used to report most payments and tax withholding to nonresident aliens.

FAQ

SHOULD I HAVE A FORM 1042-S?

Not everyone receives a Form 1042-S. Drexel issues Form 1042-S to:

- Nonresident alien employees who had an income tax treaty in the prior year.
- Nonresident alien students who had a taxable scholarship in the prior year.



**THE FORMS 1042-S ARE MAILED OR MADE
AVAILABLE ELECTRONICALLY IN GLACIER BY
MARCH 15.**



FORM 1098-T

Form 1098-T is issued by colleges to their students.

It details tuition payments and related expenses received in the prior calendar year.

Nonresident aliens should keep a copy of Form 1098-T for their records, but it is not used to prepare nonresident alien income tax returns.

CORRECTED		OMB No. 1545-1574		Tuition Statement
FILER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone number		1 Payments received for qualified tuition and related expenses	2020	
		\$	Form 1098-T	
FILER'S employer identification no.	STUDENT'S TIN	3		
STUDENT'S name		4 Adjustments made for a prior year	5 Scholarships or grants	
		\$	\$	
Street address (including apt. no.)		6 Adjustments to scholarships or grants for a prior year	7 Checked if the amount in box 1 includes amounts for an academic period beginning January–March 2021 <input type="checkbox"/>	
City or town, state or province, country, and ZIP or foreign postal code		\$		
Service Provider/Acct. No. (see instr.)	8 Check if at least half-time student <input type="checkbox"/>	9 Checked if a graduate student <input type="checkbox"/>	10 Ins. contract reimb./refund	
		\$	\$	
Form 1098-T (keep for your records)		www.irs.gov/Form1098T		Department of the Treasury - Internal Revenue Service



FAQ

WHERE CAN I FIND MY FORM 1098-T?

Drexel students can retrieve their 1098-T on DrexelOne under the Billing and Financial Aid Tab.

Any questions should be directed to **Drexel Central**.

- Email: ask.drexel.edu
- Phone: 215.895.1600

NO INCOME? FORM 8843.

Form 8843	Statement for Exempt Individuals and Individuals With a Medical Condition For use by alien individuals only. ▶ Go to www.irs.gov/Form8843 for the latest information.	OMB No. 1545-0074 2020 Attachment Sequence No. 102
Department of the Treasury Internal Revenue Service	For the year January 1—December 31, 2020, or other tax year beginning _____, 20____, and ending _____, 20____.	
Your first name and initial _____	Last name _____	Your U.S. taxpayer identification number, if any _____
Fill in your addresses only if you are filing this form by itself and not with your tax return	Address in country of residence _____	Address in the United States _____
Part I General Information		
1a Type of U.S. visa (for example, F, J, M, Q, etc.) and date you entered the United States ▶ _____		
b Current nonimmigrant status. If your status has changed, also enter date of change and previous status. See instructions. _____		
2 Of what country or countries were you a citizen during the tax year? _____		
3a What country or countries issued you a passport? _____		
b Enter your passport number(s) ▶ _____		
4a Enter the actual number of days you were present in the United States during: 2020 _____ 2019 _____ 2018 _____		
b Enter the number of days in 2020 you claim you can exclude for purposes of the substantial presence test ▶ _____		
Part II Teachers and Trainees		
5 For teachers, enter the name, address, and telephone number of the academic institution where you taught in 2020 ▶ _____		
6 For trainees, enter the name, address, and telephone number of the director of the academic or other specialized program you participated in during 2020 ▶ _____		
7 Enter the type of U.S. visa (J or Q) you held during: ▶ 2014 _____ 2015 _____ 2016 _____ 2017 _____ 2018 _____ 2019 _____. If the type of visa you held during any of these years changed, attach a statement showing the new visa type and the date it was acquired.		
8 Were you present in the United States as a teacher, trainee, or student for any part of 2 of the 6 prior calendar years (2014 through 2019)? _____ <input type="checkbox"/> Yes <input type="checkbox"/> No If you checked the "Yes" box on line 8, you cannot exclude days of presence as a teacher or trainee unless you meet the Exception explained in the instructions.		
Part III Students		
9 Enter the name, address, and telephone number of the academic institution you attended during 2020 ▶ _____		
10 Enter the name, address, and telephone number of the director of the academic or other specialized program you participated in during 2020 ▶ _____		
11 Enter the type of U.S. visa (F, J, M, or Q) you held during: ▶ 2014 _____ 2015 _____ 2016 _____ 2017 _____ 2018 _____ 2019 _____. If the type of visa you held during any of these years changed, attach a statement showing the new visa type and the date it was acquired.		
12 Were you present in the United States as a teacher, trainee, or student for any part of more than 5 calendar years? _____ <input type="checkbox"/> Yes <input type="checkbox"/> No If you checked the "Yes" box on line 12, you must provide sufficient facts on an attached statement to establish that you do not intend to reside permanently in the United States.		
13 During 2020, did you apply for, or take other affirmative steps to apply for, lawful permanent resident status in the United States or have an application pending to change your status to that of a lawful permanent resident of the United States? _____ <input type="checkbox"/> Yes <input type="checkbox"/> No		
14 If you checked the "Yes" box on line 13, explain ▶ _____		
For Paperwork Reduction Act Notice, see Instructions.	Cat. No. 17227H	Form 8843 (2020)

Form 8843 is an informational statement required by the U.S. government for certain nonresident aliens students, teachers and trainees.

WHO MUST FILE FORM 8843?

Any individual that is:

- a nonresident alien
- present in the U.S. during the prior year
- present under F-1, F-2, J-1, or J-2 status

Even individuals who did not receive income in the prior year must file Form 8843.

WHAT IS AN ITIN?

An Individual Taxpayer Identification Number (ITIN) is a tax processing number issued by the Internal Revenue Service to individuals who are required to have a U.S. taxpayer identification number but who do not have, and are not eligible to obtain a Social Security Number (SSN).

HOW DO I APPLY FOR AN ITIN?

- Apply using Form W-7, Application for IRS Individual Taxpayer Identification Number.
- Attach W-7 to a valid federal income tax return
- Include your original proof of identity or copies certified by issuing agency* and foreign status documents.

**Contact the office of International Students and Scholars Services via email at iss@drexel.edu for certified copies and letter.*

FAQ

DO I NEED TO FILE A STATE TAX RETURN?



If you received a Form W-2 with wages in box 16, you are required to file a state tax return.

FAQ

HOW DO I FILE A STATE TAX RETURN?

Prepare on your own by accessing the forms or directly filing on the state website.

or

Visit Sprintax to prepare your state returns for a fee of \$29.95.



THE PENNSYLVANIA INCOME TAX FORM IS THE PA-40. IT IS DUE ON APRIL 15, 2021.

<https://www.revenue.pa.gov/OnlineServices/PersonalIncomeTax-Services/Pages/default.aspx>



STATE OF NEW JERSEY
DEPARTMENT OF THE TREASURY
DIVISION OF TAXATION
DIVISION OF REVENUE AND ENTERPRISE SERVICES
NEW JERSEY ONLINE INCOME TAX FILING

**THE NEW JERSEY INCOME TAX FORM IS THE NJ-1040.
IT IS DUE ON APRIL 15, 2021.**

<https://www.njportal.com/Taxation/NJ1040/>

GRADUATE RESEARCH FELLOWS

A Research Fellow is a full-time graduate student appointed for research directly related to the area in which their degree is to be conferred and in which equivalent research is required of all candidates as a condition for receiving such a degree. The stipend is subject to Federal income tax, but not Pennsylvania personal income tax.

GRADUATE RESEARCH FELLOWS

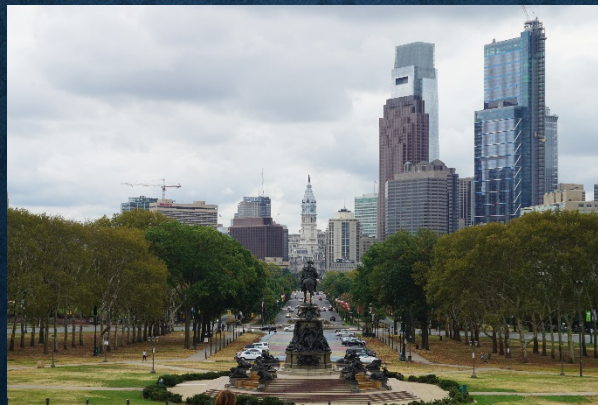
If box 16 of your W-2 has a zero or is blank – **do not** include the earnings from that W-2 on your Pennsylvania Tax Return.

c Employee's first name and initials Johnny Sample		d Social Security number			e Nonqualified plans		f See instructions for box 12	
					13 Statutory employee <input type="checkbox"/> Retirement plan <input type="checkbox"/> Third party sick pay <input type="checkbox"/>		12b	
					14 Other		12c	
							12d	
f Employee's address and ZIP code		16 State wages, tips, etc.		17 State income tax	18 Local wages, tips, etc.	19 Local income tax	20 Locality name	
5 State	Employer's state ID number				15000	588.60	PHR	
PA	999999999							

CITY OF PHILADELPHIA TAX RETURN

There is generally no tax filing requirement for the City of Philadelphia if no additional City Wage Tax is due.

Wages paid to Graduate Assistants, Graduate Research Assistants, Graduate Teaching Assistants, and Graduate Research Fellows are taxable under Philadelphia income tax regulations (Phila. Income tax regulations § 203(j)).



IRS CIRCULAR 230 DISCLOSURE

Drexel University is not a tax advisor and cannot advise you personally about a tax matter or prepare your individual tax returns. Any tax information included in this workshop was not intended or written to be used, and it cannot be used by the taxpayer, for the purpose of avoiding any penalties that may be imposed on the taxpayer by any governmental taxing authority or agency. International students should seek tax advice based on their particular circumstances from an independent tax advisor. These materials have been prepared for educational purposes only and do not constitute professional advice.



Drexel University Office of Tax Compliance

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