

Foreign (Nonresident for Tax) Tax Information and FAQs

Helpful Publications and Websites

IRS (Federal Tax Filing) www.irs.gov

Illinois State Revenue Office: <http://www.revenue.state.il.us>

IRS Publication 505 – Tax Withholding and Estimated Tax <http://www.irs.gov/pub/irs-pdf/p505.pdf>

IRS Publication 596 – Earned Income Credit

<http://www.irs.gov/publications/p596/index.html>

IRS Publication 901 – U.S. Tax Treaties <http://www.irs.gov/pub/irs-pdf/p901.pdf>

IRS Publication 519 – U.S. Tax Guide for Aliens <http://www.irs.gov/pub/irs-pdf/p519.pdf>

Getting Help

- GLACIER Tax Prep (formally called CINTAX). This is the recommended method in filing a NONRESIDENT tax return. GLACIER Tax Prep is free to UC students and scholars with valid CNET IDs. If you do not have a valid CNET ID, you can purchase an individual license for \$39.00
http://www.arcticintl.com/gtp_usage.asp.
- VITA Volunteers: *To locate the nearest VITA site, call 1-800-906-9887.*
- IRS Tips for choosing a Tax Preparer: <http://www.irs.gov/uac/Tips-for-Choosing-a-Tax-Return-Preparer>
- Types of Tax Preparers:
 - 1.) **Certified public accountants.** Not all CPAs specialize in doing individual income tax returns. To find a CPA, go to www.aicpa.org or Illinois CPA Society: <http://www.icpas.org/>
 - 2.) **Enrolled agents.** Focus solely on taxes. Trained or worked directly for the IRS. Enrolled agents might work for themselves or in a CPA firm. To locate one, go to <http://www.naea.org/>
 - 3.) **National tax-prep chains.** (H&R Block, Jackson-Hewitt) work best for simple, straightforward returns.
- Ask the right questions for your personal tax return
 - 1.) Make sure they are familiar with NONRESIDENT or foreign tax returns.
 - 2.) What are their credentials? Make sure that your prospective preparer has passed recent state or federal tests or has many years of experience. S/he should also have dealt with various different tax situations and filed NONRESIDENT tax returns in the past.
 - 3.) Get a price quote up front. Some will not give you an exact price quote, but the preparer should be able to give an estimated amount. Be sure you

are aware of all fees. Avoid preparers who base their fee on a percentage of your refund.

- 4.) Make sure they stand by their work. They should be able to provide audit assistance or advice.

FAQs

Q. Am I eligible for the Earned Income Tax Credit (EITC)?

A. To qualify for EITC you must have earned income from employment, self-employment or another source and meet certain rules. Also, you must either meet the additional rules for workers without a qualifying child or have a child that meets all the qualifying child rules for you. Visit the IRS website for further details:

<http://www.irs.gov/individuals/article/0,,id=96406,00.html>

Q. I do not want to pay estimated quarterly tax payments. Can I just pay in full when I file my tax return?

A. The IRS and Illinois State have requirements for filing estimated tax payments. Typically, if you will owe more than \$1000 for federal taxes and \$500 for Illinois State, you should be paying estimated quarterly payments. If you do not pay estimated tax payments when required to do so, the IRS and Illinois state may assess a penalty for late taxes.

Q. I am a nonresident for tax purposes; can I file a federal tax electronically?

A. No. For 2012, Nonresident tax returns cannot be submitted electronically. If you or your tax preparer submits your tax return electronically, you have submitted a resident tax return.

Q. What is the deadline for tax filing?

A. For 2012 tax returns, the deadline is April 15, 2013. This means the forms must be post-marked by this date. The IRS does not have to receive the documents by this date.

Q. Will I get a notification that my tax returns was received or processed?

A. No. You will only be contacted via US mail (not by email) if something is missing or incorrect.

Q. How long will it take to get my refund?

A. The sooner the tax return is filed, the quicker the return. For instance, if you file in February or early March, the processing time is approximately 6-8 weeks. If you file in early April, the processing time is 8-12 weeks.

Q. Can I file my Illinois state tax return electronically?

Nonresident status in the US does not require you file via paper for Illinois state tax returns.

Q. I am a Nonresident for Tax; do I file a Non-Resident tax return for Illinois State?

A. Not necessarily. Illinois State defines a 'Non-Resident' as someone who lives outside of the state of Illinois. If you lived and worked only in Illinois while in the US, you should file as a resident. You can be a nonresident for tax to the US, but a resident of Illinois.

Q. I am a resident for tax, but my spouse does not live in the U.S. Can I claim him on my U.S. tax return?

A. In most circumstances, you can claim your spouse. However, this election means your spouse will be treated as a resident for tax – who is taxed on their worldwide income.

Q. My spouse also has income, can we file together?

A. If you are a resident for tax, you and a spouse can file a joint tax return. You may have the option to file 'Married Filing Jointly' or 'Married filing separately'. There is no "better" way to file – it is what is best for your tax situation and this can vary between individuals, couples and families.

Q. I am married and my spouse does not work. Can I claim Head of Household?

A. The IRS defines 'Head of Household' as being unmarried and pay more than 50% of the costs of keeping up a home for yourself and your dependent(s) or other qualifying individuals.