

BASIC TAX WORKSHOP FOR INT'L STUDENTS

Tax Information Session for MIT International Students in

Non-Resident Status for Tax Purposes

March 2017

MIT International Students Office &
Office of the Vice President for Finance

<http://web.mit.edu/iso>

<http://vpf.mit.edu/>



Are you a Student or a Scholar?

- International Students
 - Enrolled in an MIT Degree Program
 - Non-Degree students – Visiting, Special, or Exchange
 - Go to ISO (web.mit.edu/iso) & Glacier Tax Prep Software
- International Scholars Postdoctoral Associates and Fellows
 - Lectures
 - Visiting Scientist, Scholars, Engineers, and Professors
 - Others who have graduated and are now working at MIT
 - Go to Int'l Scholars Office (web.mit.edu/scholars) & Thompson Reuters Foreign National Tax Resource

Presenters

- Chris Durham
HR/Payroll Manager, VPF
- Emily Cheng
Assistant Director for Operations and Advising, ISO
- Rebecca Berger / Jodi Kessler
Tax Manager, VPF
- Price Waterhouse Cooper Boston
 - 5:30 pm Session for U.S. & Int'l Students in Resident Status for Tax Purposes

Overview

- Introduction to the U.S. Tax System
- Social Security Number & Individual Taxpayer Identification Number
- Tax Treaties & Glacier Tax Compliance
- Types of Income
- Glacier Tax Preparation (GTP) Software
- MA State Taxes
- General Filing Process and Tips
- Additional Help

Basic U.S. tax overview

- Who needs to file a tax return in the U.S.?
 - Non-resident Alien
 - Resident Alien (F-1 or J-1 student who passes the substantial presence test, a U.S. Legal Permanent Resident, or individual on work visa)
 - Dual Status Alien (non-resident for part of the year and resident the other part)
- If you were not present in the U.S. during 2016, you do not need to file a U.S. tax return this tax season. Your first tax return will be due in 2018, for the 2017 tax year.

Basic U.S. tax overview (cont'd)

- Your residency status for tax purposes is separate from your designation for immigration purposes:
 - For immigration purposes, a “nonresident alien” is a foreign national who is in the U.S. on a non-immigration visa
 - For U.S. tax purposes, a “nonresident alien” is a foreign national visa holder with certain U.S. tax filing requirements and U.S. tax withholding requirements

Federal and State Taxation

- All individuals that are required to pay tax in the U.S., will pay both at federal and at state level
- “Federal” refers to the U.S. government and taxes are collected by the Internal Revenue Service (IRS)
- Taxpayers may also be required to pay tax in the state where they live or work
 - In Massachusetts, taxes are collected by the Massachusetts Department of Revenue

U.S. tax requirements

- General rule – All U.S. source income received by a nonresident alien may be subject to U.S. tax
- Non-U.S. sourced income received by a nonresident alien is not subject to U.S. tax
- A tax treaty between the U.S. and your home country may provide for an exemption from tax in the U.S.
- All nonresident aliens with U.S. source income should file tax form 1040NR or 1040NR-EZ and Form 8843, even if all income is tax exempt based on a tax treaty

U.S. tax requirements (cont'd)

- Filing deadlines:
 - IRS (Federal) – Tuesday, April 18th
 - Massachusetts & Maine – Tuesday, April 18th
 - All other states – Monday, April 17th
- If there is no U.S. source income, only form 8843 must be filed for F, J, or M visa holders
 - If ONLY filing form 8843, the deadline is June 15th

U.S. tax requirements (cont'd)

Is my U.S. sourced income subject to U.S. tax?

1. Wages from employment	Yes
2. Scholarship payment (not used for tuition or course related expenses)	Yes
3. Fellowship payment (not used for tuition or course related expenses)	Yes
5. Lodging benefits	Yes
6. Investment income/interest income	Yes

If there is a tax treaty between the U.S. and your home country, some income may be exempt from U.S. tax. A tax treaty may be applicable to both federal tax and state tax.

U.S. tax requirements (cont'd)

Do I still have to file a tax return when:		Form:
I received no funding from a U.S. source during 2016	Yes	8843
I'm leaving MIT and will be back in my home country soon	Yes	8843 and possibly 1040NR*
I don't have to pay any tax in the U.S. because there is a tax treaty between the U.S. and my home country	Yes	8843 and possibly 1040NR*

* If you have U.S. sourced income to report

Social Security Number (SSN) or ITIN

- To file tax forms & claim treaty benefits, IRS requires a nonresident alien to have either a
 - Social Security Number (“SSN”) **or**
 - Individual Taxpayer Identification Number (“ITIN”)
- NOT a National ID number
- Protect your SSN or ITIN!
- <http://web.mit.edu/iso/students/ssn.shtml>

Social Security Number (SSN)

- Must apply in person
 - after registration and after at least 10 days in U.S.
 - within 30 days of employment start date
- Who MUST apply?
 - Anyone employed in the U.S. at any time
- Students with RA/TA or work on campus must apply
 - Recommendation letter from ISO required
 - Letter from department
 - See ISO SSN website for details: <http://web.mit.edu/iso/students/ssn.shtml>



Individual Taxpayer Identification Number (ITIN)

- Issued for Federal Tax reporting only
- Who needs one?
 - F-1 with fellowships, grants who cannot get an SSN
 - F-2 dependents of Canada, India, S. Korea, and Mexico if F-1 has U.S. source income and F-2 is claimed as exemption on tax forms
- How to get an ITIN:
 - Fellowship recipients should file for ITINs immediately
 - All others, apply for ITIN when you file taxes in April
 - Bring all documents & completed tax return forms to Boston IRS **Taxpayer Assistance Center (TAC)** by appointment only
 - <https://www.irs.gov/uac/Contact-My-Local-Office-in-Massachusetts>
 - <https://www.irs.gov/uac/ITIN-Authenticating-TACs-Link>

U.S. Tax Status Determination

- F and J student visa holders are generally considered non-resident aliens during their first 5 calendar years (including partial years) in the U.S.
- MIT Payroll uses the Glacier Tax Compliance System to determine if you are a non-resident alien or a resident alien for tax purposes, and if you are eligible for a tax treaty.
 - Note: Glacier Tax Compliance is not connected to ISO's Glacier Tax Prep used to file federal tax returns
- Payroll Tax Resources found at <http://vpf.mit.edu/manage-foreign-national-tax-status>
- Email payroll@mit.edu

Tax Treaties

- Tax treaties for:
 - Research/teaching assistants exempt the student from federal and state taxes on their assistantship payments up to the tax treaty exemption limit
 - Student Fellows exempt the student from federal taxes on their Fellowship stipend up to the tax treaty exemption limit
- Payments in excess of the exemption limit are withheld at the same rates as Fellows or Assistants without tax treaties
- MIT will issue a 1042-S for income exempt from tax due to a tax treaty
- IRS Publications 515 and 901 detail treaty benefits to nonresident aliens

Research and Teaching Assistantships

- TA and RA Assistantships payments are for services and treated as taxable wages
- Hourly paid positions including UROPs are considered taxable wages
- Students without tax treaties or with tax treaties whose assistantship payments exceed the tax treaty exemption limit will receive a W-2 tax form
- MIT issued W-2s on Jan 24
- W-2s can be accessed on Atlas via the About Me tab
- Students with wages covered under a tax treaty will receive a Form 1042-S
- MIT issued Form 1042-S on Feb 17th via mail

Fellowships

- Fellowships are subject to 14% federal tax withholding (for non-resident alien students F, J, M & Q) unless exempt by a tax treaty
- Fellowships used for qualified expenses are generally excluded from income
 - Qualified expenses include tuition and enrollment fees, books, supplies and equipment required for course work
 - Room and board and other expenses such as travel are non-qualified and taxable
- Publication 970 (2016), Tax Benefits for Education
- MIT issued Form 1042-S on Feb 17th via mail
- MIT does not withhold taxes for Massachusetts purposes
 - Consider estimated tax payments for state

Types of Tax Documents You May Receive from MIT Payroll Office

W-2	Salary and wage payments to employees and students excluding wages that are exempt under a tax treaty.
1042-S	Salary and wage payments to employee and student foreign nationals covered by a tax treaty. OR, Fellowship payments to foreign students and scholars which had federal income tax withheld.
None	If you are a US Citizen or Resident Alien receiving a fellowship stipend, you are not paid by MIT, or if your fellowship is paid directly to you, you will not receive any tax statement from MIT Payroll Office

Tax Form Summary (General)

Tax Form:	Issued for:	Issued by:	Timing:
W-2	<ul style="list-style-type: none"> Salary and wage payments to employees and students (including foreign nationals) excluding wages that are exempt under a tax treaty 	HR/Payroll payroll@mit.edu	Online Jan 24. Mailed by Jan 24.
1042-S (foreign nationals only)	<ul style="list-style-type: none"> Salary and wage payments to employee and student foreign nationals <u>covered by a tax treaty</u> <u>Fellowship payments</u> to employee and student foreign nationals <u>where federal income tax withheld</u> 	HR/Payroll	Mid-February (mail date Feb 17)
	Honoraria, prizes and awards, fellowships	Accounts Payable accounts-payable@mit.edu	
1099-MISC	Independent contractors, royalties and other income	Accounts Payable	Mailed by Jan 13
1099-HC 1095-B	Affordable Care Act – Health Insurance Coverage	Health Insurance Provider MIT Medical 1095B@med.mit.edu	Mailed by Jan 31

1 Wages, tips, other compensation 34370.18		2 Federal Income tax withheld 4694.26	
3 Social security wages		4 Social security tax withheld	
5 Medicare wages and tips		6 Medicare tax withheld	
a Employee's SSA number		Employer use only	
b Employer's FED ID number 042103594		d Control number 00090120	
c Employer's name, address, and ZIP code Massachusetts Institute of Technology 77 Massachusetts Ave NE49-4097 Cambridge MA 02139			
7 Social security tips		8 Allocated tips	
9		10 Dependent care benefits	
11 Nonqualified plans		12a 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	
e Employee's first name and initial		Last name Suff.	
224 Albany St NW30 Cambridge MA 02139		77 Massachusetts Avenue	
f Employee's address and ZIP code			
15 State MA	Employer's state ID 042103594	18 Local wages, tips, etc.	
16 State wages, tips, etc. 34370.18		19 Local income tax	
17 State income tax 1770.10		20 Locality name	
Form OMB. No. 1545-0008 W-2 Wage and Tax Statement 2015 Copy C for Employee's records			

1 Wages, tips, other compensation 34370.18		2 Federal Income tax withheld 4694.26	
3 Social security wages		4 Social security tax withheld	
5 Medicare wages and tips		6 Medicare tax withheld	
a Employee's SSA number		Employer use only	
b Employer's FED ID number 042103594		d Control number 00090120	
c Employer's name, address, and ZIP code Massachusetts Institute of Technology 77 Massachusetts Ave NE49-4097 Cambridge MA 02139			
7 Social security tips		8 Allocated tips	
9		10 Dependent care benefits	
11 Nonqualified plans		12a 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	
e Employee's first name and initial		Last name Suff.	
224 Albany St NW30 Cambridge MA 02139		77 Massachusetts Avenue	
f Employee's address and ZIP code			
15 State MA	Employer's state ID 042103594	18 Local wages, tips, etc.	
16 State wages, tips, etc. 34370.18		19 Local income tax	
17 State income tax 1770.10		20 Locality name	
Form OMB. No. 1545-0008 W-2 Wage and Tax Statement 2015 Copy 2 To Be Filed With Employee's STATE Income Tax Return			

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

2015

OMB No. 1545-0096

Department of the Treasury
Internal Revenue Service

Information about Form 1042-S and its separate instructions is at www.irs.gov/form1042s.

AMENDED

PRO-RATA BASIS REPORTING

Copy B
for Recipient

1 Income code 16	2 Gross income 48192.00	3 Chap. 3: <input checked="" type="checkbox"/>	4 Chap. 4: <input type="checkbox"/>	5 Withholding allowance			
		3a Exemption code 00	4a Exemption code	6 Net income	Check if tax not deposited under escrow procedure <input type="checkbox"/>		
		3b Tax rate 14.00	4b Tax rate	7 Federal tax withheld 6746.88			
8 Tax withheld by other agents			9 Tax assumed by withholding agent				
10 Total withholding credit 6746.88			11 Amount repaid to recipient				
12a Withholding agent's EIN 042103594		12b Ch. 3 status code 20	12c Ch. 4 status code	14a Primary Withholding Agent's Name (if applicable)			
				14b Primary Withholding Agent's EIN			
12d Withholding agent's name Massachusetts Institute of Technology			15a Intermediary or flow-through entity's EIN, if any	15b Ch. 3 status code	15c Ch. 4 status code		
12e Withholding agent's Global Intermediary Identification Number (GIIN)			15d Intermediary or flow-through entity's name				
12f Country code	12g Foreign taxpayer identification number, if any		15e Intermediary or flow-through entity's GIIN				
12h Address (number and street) 77 Massachusetts Ave NE49-4097			15f Country code	15g Foreign tax identification number, if any			
12i City or town, state or province, country, ZIP or foreign postal code Cambridge, MA, 02139			15h Address (number and street)				
13a Recipient's U.S. TIN, if any			15i City or town, state or province, country, ZIP or foreign postal code				
13b Ch. 3 status code 19	13c Ch. 4 status code		13e Recipient's country code IN				
Apt. 1B Cambridge, MA, 02140			13h Recipient's GIIN		13i Recipient's foreign tax identification number, if any		
			16 Recipient's account number		17 Recipient's date of birth		
			18 Payer's name		19 Payer's TIN	20 Payer's GIIN	
			21 State income tax withheld		22 Payer's state tax no.		23 Name of state

For Privacy Act and Paperwork Reduction Act Notice, see instructions.

Cat. No. 11386R

Form **1042-S** (2015)

Tax Forms, Address for Due Dates, and Filing Nonresident Alien

	Have U.S. Source Income (e.g. MIT RA&TA, Fellowship from MIT)	No U.S. Source income (e.g. Salary from home employer, foreign sourced fellowship)	Requesting ITIN for family member(s)	MA State Tax Return
Type of Tax Form	Form 1040NR(EZ) AND Form 8843	Form 8843	Form W-7, Form 1040NR(EZ) and Form 8843	Resident (Form 1) Nonresident Part-Year Resident (Form 1 NR/PY)
Filing Due Date	April 18, 2017	June 15, 2017	April 18, 2017	April 18, 2017
Filing Address	Department of Treasury Internal Revenue Service Austin, TX 73301-0215 (not enclosing payment) Internal Revenue Service P.O. Box 1303 Charlotte, NC 28201-1303 (if enclosing a payment)	Department of Treasury Internal Revenue Service Austin, TX 73301- 0215	Internal Revenue Service ITIN Operation P.O. Box 149342 Austin, TX 78714-9342 Private delivery services: Internal Revenue Service ITIN Operation Mail Stop 6090-AUSC 3651 X. Interregional, Hwy 35 Austin, TX 78741-0000	Please refer to: http://www.mass.gov/dor/individuals/filing-addresses.html

Department of the Treasury
Internal Revenue Service

Information about Form 1040NR-EZ and its instructions is at www.irs.gov/form1040nrez.

Please print or type. See separate instructions.

Your first name and initial _____ Last name _____ Identifying number (see instructions) _____

Present home address (number, street, and apt. no., or rural route). If you have a P.O. box, see instructions. _____

City, town or post office, state, and ZIP code. If you have a foreign address, also complete spaces below (see instructions). _____

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

Filing Status
Check only one box.

1 Single nonresident alien 2 Married nonresident alien

Attach Form(s) W-2 or 1042-S here. Also attach Form(s) 1099-R if tax was withheld.

3	Wages, salaries, tips, etc. Attach Form(s) W-2	3	
4	Taxable refunds, credits, or offsets of state and local income taxes	4	
5	Scholarship and fellowship grants. Attach Form(s) 1042-S or required statement.	5	
6	Total income exempt by a treaty from page 2, item J(1)(e)	6	
7	Add lines 3, 4, and 5	7	
8	Scholarship and fellowship grants excluded	8	
9	Student loan interest deduction	9	
10	Subtract the sum of line 8 and line 9 from line 7. This is your adjusted gross income	10	
11	Itemized deductions (see instructions)	11	
12	Subtract line 11 from line 10	12	
13	Exemption (see instructions)	13	
14	Taxable income. Subtract line 13 from line 12. If line 13 is more than line 12, enter -0-	14	
15	Tax. Find your tax in the tax table in the instructions	15	
16	Unreported social security and Medicare tax from Form: a <input type="checkbox"/> 4137 b <input type="checkbox"/> 8919	16	
17	Add lines 15 and 16. This is your total tax	17	
18a	Federal income tax withheld from Form(s) W-2 and 1099-R	18a	
18b	Federal income tax withheld from Form(s) 1042-S	18b	
19	2015 estimated tax payments and amount applied from 2014 return	19	
20	Credit for amount paid with Form 1040-C	20	
21	Add lines 18a through 20. These are your total payments	21	

Refund

22 If line 21 is more than line 17, subtract line 17 from line 21. This is the amount you overpaid 22

23a Amount of line 22 you want **refunded to you**. If Form 8888 is attached, check here 23a

b Routing number _____ c Type: Checking Savings

d Account number _____

e If you want your refund check mailed to an address outside the United States not shown above, enter that address here: _____

24 Amount of line 22 you want applied to your 2016 estimated tax 24

Amount You Owe

25 **Amount you owe.** Subtract line 21 from line 17. For details on how to pay, see instructions 25

26 Estimated tax penalty (see instructions) 26

Third Party Designee

Do you want to allow another person to discuss this return with the IRS (see instructions)? Yes. Complete the following. No

Designee's name _____ Phone no. _____ Personal identification number (PIN) _____

Sign Here

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and accurately list all amounts and sources of U.S. source income I received during the tax year. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Your signature _____ Date _____ Your occupation in the United States _____ If the IRS sent you an Identity Protection PIN, enter it here (see inst.) _____

Paid Preparer Use Only

Print/type preparer's name _____ Preparer's signature _____ Date _____ Check if self-employed PTIN _____

Firm's name _____ Firm's EIN _____

Firm's address _____ Phone no. _____



Statement for Exempt Individuals and Individuals With a Medical Condition For use by alien individuals only.

CMB No. 1545-0074

2015

Attachment Sequence No. 102

Department of the Treasury Internal Revenue Service

For the year January 1—December 31, 2015, or other tax year beginning , 2015, 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 and date of change (see instructions)
2 Of what country were you a citizen during the tax year?
3a What country issued you a passport?
b Enter your passport number
4a Enter the actual number of days you were present in the United States during: 2015, 2014, 2013
b Enter the number of days in 2015 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 2015
6 For trainees, enter the name, address, and telephone number of the director of the academic or other specialized program you participated in during 2015
7 Enter the type of U.S. visa (J or Q) you held during: 2009, 2010, 2011, 2012, 2013, 2014. If the type of visa you held during any of those 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 (2009 through 2014)? Yes No

Part III Students

- 9 Enter the name, address, and telephone number of the academic institution you attended during 2015
10 Enter the name, address, and telephone number of the director of the academic or other specialized program you participated in during 2015
11 Enter the type of U.S. visa (F, J, M, or Q) you held during: 2009, 2010, 2011, 2012, 2013, 2014. If the type of visa you held during any of those 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? Yes No
13 During 2015, 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? Yes No
14 If you checked the "Yes" box on line 13, explain

Part IV Professional Athletes

- 15 Enter the name of the charitable sports event(s) in the United States in which you competed during 2015 and the dates of competition
16 Enter the name(s) and employer identification number(s) of the charitable organization(s) that benefited from the sports event(s)

Note: You must attach a statement to verify that all of the net proceeds of the sports event(s) were contributed to the charitable organization(s) listed on line 16.

Part V Individuals With a Medical Condition or Medical Problem

- 17a Describe the medical condition or medical problem that prevented you from leaving the United States
b Enter the date you intended to leave the United States prior to the onset of the medical condition or medical problem described on line 17a
c Enter the date you actually left the United States

18 Physician's Statement:

I certify that [Name of taxpayer]

was unable to leave the United States on the date shown on line 17b because of the medical condition or medical problem described on line 17a and there was no indication that his or her condition or problem was proceeding.

Name of physician or other medical official

Physician's or other medical official's address and telephone number

Physician's or other medical official's signature Date

Sign here only if you are filing this form by itself and not with your tax return

Under penalty of perjury, I declare that I have examined this form and the accompanying attachments, and, to the best of my knowledge and belief, they are true, correct, and complete.

Your signature Date



Glacier Tax Preparation (GTP) Software

- Glacier Tax Prep System is a tax return preparation software program designed primarily for nonresident alien students, scholars, trainees, researchers, and other educational immigration statuses to prepare their U.S. federal income tax return - Form 1040NR, 1040NR-EZ, and 8843
- For students with no income in 2016 – Form 8843

GTP Software

The screenshot shows the GLACIER Tax Prep software interface. At the top left is the "glacier tax prep" logo. Below it, the user's name "Cheng, Emily" is displayed. On the top right, there are links for "LOG OUT | MENU | HELP | FAQ". The main heading is "Welcome to GLACIER Tax Prep Emily Cheng". Below this is a paragraph of instructions: "To prepare your federal tax return, simply start on Step One and enter your information until you have completed Step Four. You may save and exit GLACIER Tax Prep at any time by selecting 'Log Out' at the top right of any screen. You may then return to GLACIER Tax Prep at any time and continue to enter your information until you have completed your federal tax return – GLACIER Tax Prep will keep track of where you are in the process!".

Below the instructions are four green buttons, each with a white checkmark icon and text:

- Prepare a 2016 Federal Tax Return
- Step ONE: Determine U.S. Tax Residency Status
- Step TWO: Select and Complete Income Forms
- Step THREE: Complete Additional Information
- Step FOUR: Generate and Print Forms

Below the buttons are several links:

- FAQ and BLANK Tax Forms for Prior Years
- View/Print Prior Years' Tax Returns
- Change UserID and/or Password
- HELP!
- View 2016 GTP Tutorial Video
 - How To Use GTP
 - Step One – What is Your U.S. Residency Status?
 - Step Two – Entering Your U.S. Income
 - Steps Three and Four: Entering Other Information
 - Finishing Your U.S. Tax Return
- View 2016 "Welcome to the U.S. Tax System" Informational Video
- Purchase a GTP Access Code to Prepare a Prior Year Federal Tax Return
- Activate New GTP Access Code
- Log Out

On the right side of the interface, there is a "More Info" section with a "Steps:" heading and the text: "Please complete all four steps. After you complete all four steps, GLACIER Tax Prep will determine which forms you should file."

Massachusetts State Taxes

- MA Taxes for Individuals
- Form 1 and Form 1 NR/PY
 - Determine “Residency” – Resident, Nonresident, Part-Year Resident
 - <http://www.mass.gov/dor/individuals/filing-and-payment-information/personal-income-tax-faqs/nonresidents-and-part-year-residents-faqs.html>
- Who needs to file?
 - The answer depends on the source and amount of your income. It also might depend on whether you will receive a refund.
 - <http://www.mass.gov/dor/individuals/>
- Form MA 1099-HC, Proof of Health Insurance Coverage for MA adult residents – File with MA State Tax forms, if necessary, otherwise, keep in your files

Sprintax State Tax Prep Software (fee)

glacier tax prep™

Cheng, Emily

LOG OUT | MENU | HELP | FAQ

Congratulations!! You Have Finished Your FEDERAL Tax Return!

Remember to:

- Follow **EACH STEP** on the Instruction Sheet so that you submit your tax documents correctly and on time!
- **PRINT** and Review each document to ensure that the information is correct and complete.
- **SIGN** and **MAIL** the forms to the IRS. Please note that GTP **WILL NOT** electronically submit your documents.
- **MAKE A COPY OF THE SIGNED TAX DOCUMENTS BEFORE YOU MAIL THEM TO THE IRS.**

Do You Need To File a STATE Tax Return Also?

Many states require that you file a state tax return in addition to any federal tax return for any income you received while you lived in that state. GTP does not prepare state tax return.

IF, based on the information you entered, you may need to file a state tax return, the state(s) will be listed below.

For more information or to verify your state tax return filing requirements, you may either:

- **Massachusetts** (click on the name of the state to go the STATE tax website);
- OR Use **Sprintax** (In cooperation with GTP, you may click on Sprintax to complete and file your STATE tax return).

If you need anything else, please click on HELP at the top right of the screen.

Back Next

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More Info

State Income Tax:
You may have a state income tax filing requirement. Please visit your state's tax revenue website for additional information. **GLACIER Tax Prep** may only be used to prepare your U.S. federal income tax return. **GLACIER Tax Prep Support** cannot assist you with questions regarding the filing of a state tax return.

Useful Tips: Tax Filing Deadline

- The individual income tax filing deadline for the 2016 tax year is April 18th, 2017 (Note that that usual deadline is April 15th)
 - You can extend this filing deadline for 6 months by filing an extension (Form 4868) by April 18, 2017
 - BUT if you extend, you must still pay your 2016 tax liability by April 18th. Extension of filing, does not extend your time to pay!
 - If you are extending, do your best to estimate your taxes owed, if any, and make a payment with your extension by April 18th

Useful Tips: Tax Filing Process

- When you file your return, you will not receive a notification that the return has been received by the IRS
 - If asked by the IRS, you must prove you timely filed
 - If you filed by mail, make sure to get proof of delivery from the postal service (certified mail, return receipt requested, or delivery confirmation)
- Make photocopies of your all of your tax documents and keep them for your records!
- Keep all tax records for at least 3 years from the time you filed the return
- Note that all federal tax forms cannot be e-filed, however, MA tax forms can be e-filed

Useful Tips: Missed or Incorrect Filings

- If you have not filed a return in previous years but you should have filed, you may still file a return for previous years, especially if you owe taxes to the IRS
- If you filed a return and realized you made a mistake on your return, you may file an amended return to correct the mistake
- Not filing a tax return or incorrect filing can result into penalties, interest and / or an audit by the IRS

Useful Tips: Dealing with the IRS

- The IRS will always initiate a correspondence with you via mail letter notification
 - The IRS will never initiate contact via telephone or email to ask for personal or financial information
 - Beware of anyone calling, texting or emailing you unsolicited claiming to be from the IRS, it could be a potential scam
 - An IRS agent speaking to you will always provide their IRS agent identification number. In any telephone or personal conversation with an IRS agent, always ask for the agent's name and ID number, write it down and save it for your records.

Useful Tips: IRS Notices

- Read the entire notice or letter carefully
 - The IRS only needs a response if (1) you don't agree with the information, (2) if they need additional information, or (3) if you have a balance due
 - Respond within the required timeframe
 - If asked for a response within a specific timeframe, you must respond on time to minimize additional interest and penalty charges or to preserve your appeal rights if you don't agree
 - If you disagree or have a question, contact the IRS by phone via number provided on the notice or letter

Useful Tips: IRS Audits

- If you are selected for a tax audit by the IRS:
 - Don't panic! Being selected for audit doesn't necessarily mean you did anything wrong. Audits can be at random or targeted.
 - Read IRS [Publication 556, Examination of Returns, Appeal Rights and Claims for Refund](#) which explains the audit process in more detail
 - Often tax audits can be easily handled by yourself, but if you are uncomfortable with the process, unable to manage the process, or the issues are too complex, seek professional assistance

Additional Resources

- MIT Resources
 - <http://web.mit.edu/iso/students/taxes.shtml>
 - <http://vpf.mit.edu/manage-foreign-national-tax-status>
 - [Tips for Choosing a Tax Preparer](#)
 - [Income Tax Filing for Foreign Residents and Nonresidents FAQ](#)
- IRS Federal Tax Information
 - <http://www.irs.gov/>
 - <https://www.irs.gov/Individuals/International-Taxpayers/Foreign-Students-and-Scholars>
- MA State Tax Information
 - <http://www.mass.gov/dor/individuals/filing-and-payment-information/personal-income-tax-faqs/personal-income-tax-faqs.html#1>
 - <http://www.mass.gov/dor/forms/personal-income/2016/>
 - <http://www.mass.gov/dor/individuals/>

Next

- This slide deck will be posted on ISO website
- In the next workshop, PWC will address several topics relevant for resident students (both international and U.S.), followed by a Q&A session.
 - Multiple sources of income, income from employment, dual status alien, treaty issues (including complexities for Indian citizens), outside scholarships, taxable in 2 or more states, dependent differences, etc.
- Questions?