

There are specific federal rules that apply to individuals classified as nonresident aliens for tax purposes with regard to their federal withholding taxes and completing an IRS Form W-4. The instructions for filling out an IRS Form W-4 are available in IRS Publication 15 and in the instructions for IRS Form 8233. Both are available on the IRS website at irs.gov.

In brief, the Form W-4 requirements for individuals who are nonresident aliens (NRA) for tax purposes are as follows:

- May not claim exemption from income tax withholding.
- May request withholding as if they are single, regardless of actual marital status.
- May claim only one allowance (if NRA is a resident of Canada, Mexico or Korea, he/she may claim more than one allowance).
- Should write "Nonresident Alien" or "NRA" above the dotted line on line 6 of Form W-4.

NOTE: If an NRA completes their W-4 online through GEMS Self Service, there is an option for the individual to denote their status. Under the heading labeled "SPECIAL TAX WITHHOLDING STATUS" they should select the "Non-Resident Alien; Tax Treaty/NR Data" button.

- If the individual has not received a Social Security number, they should fill in BOX 2 with "APPLIED FOR"

See the *Guide for NRAs Completing IRS Form W-4* under FIND IT.

Some nonresident aliens can benefit from a federal withholding tax treaty between their home country and the United States. A treaty can result in the individual being exempt from part or all of the federal income tax depending on the specific article within the treaty agreement. IRS Publication 901 US Tax Treaties provides information regarding each country and whether there is a treaty for a reduced or complete exemption from US income tax. Once it is determined that the individual is able to benefit from a tax treaty, Payroll will provide the employee with an IRS Form 8233. The IRS Form 8233 must be signed and returned to Payroll for the treaty provisions to take effect for the employee.

In order to determine if a treaty is available and to ensure proper taxation, each NRA is required to complete a *USF Foreign National Information Form (FNIF)* during the hiring process (see FIND IT).