

# Taxes for International Students



**Disclaimer: We are not tax experts and cannot be found liable for taxes filed incorrectly.**

**The federal tax situation can be different for individuals within the international student population due to tax treaties, residency for tax purposes, and other factors. Therefore, make sure to find resources suitable to your specific case.**

This curated list of questions and answers is to be used as a helpful guide for understanding and filing taxes for international students.

**Federal and MO state tax filing due dates have been extended to July 15<sup>th</sup>, 2020. If you have income from any other state, please check each state's due dates. Estimated taxes due dates for the first and second quarter of 2020 have also been extended to July 15<sup>th</sup>.**

## 1. What are and how do I pay estimated taxes?

When taxes are not automatically withheld from your paycheck, the US government expects you to pay taxes on a quarterly basis. To determine if you should pay estimated taxes, check your paystubs to see if taxes are being withheld. If taxes are not being withheld, you may need to pay quarterly estimated taxes based on your specific tax status.

Taxes may or may not be withheld for both Federal and State taxes. If not withheld directly, estimated tax must be paid to both the federal and state government (in most instances, Federal taxes are withheld but MO State taxes are not, so estimated taxes would need to be filed for MO only). To calculate your estimated taxes, you should use the Federal 1040ES ([resident](#) or [non-resident](#)) and [Missouri 1040ES](#).

There are two ways to pay estimated taxes: online and via the mail. You can pay [Federal here](#) and [Missouri state here](#). If you would like to mail in your 1040ES payments, use the form at the end of each 1040ES (federal and state). Addresses can be found in the instructions.

Luckily, Missouri state estimated tax law is similar for both international and domestic students. Resources provided to the domestic students on how to fill out the 1040ES for Missouri state tax can be found at the end of this document.

## 2. Where do I find general information and guidelines regarding filing taxes as a non-resident?

[This page](#) curated by the Office for International Students and Scholars (OISS) has detailed information on how to file taxes as a non-resident alien. Additionally, the IRS website also has a lot of information regarding [international taxpayers](#).

## 3. Which forms should I fill out to file my yearly federal and state taxes?

For federal taxes, if you are a resident for tax purposes, you may use [Form 1040](#). If you are not considered a resident for tax purposes, you would use [Form 1040NR](#). As DBBS students you should have received Glacier information from [OISS](#); if you didn't, please reach out to them. Glacier, whose license is provided by WashU, can be used to file your taxes if you are nonresident for tax purposes and have received a W-2.

## 4. Is there free software for filing taxes?

Certain providers make free filing available based on income. [The IRS has a link to providers who provide this service](#). Please check your state tax authority's website, they might have some solution there. You can also file taxes via paper and mail them in. This only costs the postage, though we recommend sending certified mail so you have a tracking number.

**5. I am a first-year. Is there any difference in our taxes in the next few years?**

Tax status is dependent upon tax treaties and individual tax status, therefore, there may or may not be changes.

**6. Do I have to pay taxes if there is an exemption treaty between my country of origin and the US?**

If you search “Foreign Students and Scholars” on the irs.gov website, you will find general information that may apply to your specific situation. The treaty provisions supersede tax laws, therefore treaties with each foreign country dictates the tax treatment.

**7. I received an email called '2019 4th quarter estimated taxes due on Wednesday Jan 15th' at the beginning of this year. I am confused about whether it is required to estimate our taxes at that time?**

Estimated taxes are paid for that tax year on the following dates: April 15, June 15, September 15 and January 15 (following year). This email is for students who owe quarterly estimated taxes and only applies to them. Please refer to your individual tax status situation for guidance on paying estimated taxes.

**8. Does the university issue a W-2?**

International students will only receive a W-2 if considered a Resident Alien for Tax Purposes. If you are a Resident Alien for Tax Purposes, you will get a W-2 or a Stipend Tax Letter, or both, depending on your income source. If you have one, it will be found on the WUSTL HRMS Self Service website. W-2s are issued around January of each year.

International students not considered a Resident Alien for Tax Purposes will receive a 1042-S form to file their yearly taxes. This form is mailed via the US Postal Service in March and is not available in HRMS Self Service.

**9. What are the tax deadlines?**

The deadline for filing taxes is usually April 15th, but for 2019 taxes, the deadline has been extended until July 15, 2020.

**10. Should I file MO Estimated State taxes, if Wash U didn't withhold MO state taxes?**

Yes, if you reside in Missouri with a Missouri address then you must pay Missouri taxes.

**11. Can I use itemized deduction for state tax returns? For example, if I paid taxes on a car registration? What if I moved from one state to another state?**

Yes, you may file itemized taxes for both state and federal. Each state has its own tax regulations regarding what can and cannot be claimed as deductions. A tax professional can advise you on the more complex questions. More information about federal deductions can be found [here](#).

**12. How do I file if I received both W2 and/or 1042-S?**

In the situation where you receive both a W2 and 1042-S, you will need to use both forms to file your federal and state taxes. [This link](#) has some helpful information on both forms and when they may be given to you.

### **13. How can we apply for an ITIN number in case of non-employment?**

You can get an ITIN number by completing the [form W-7](#) and filing it with the IRS.

### **14. If we have personal or situation-specific questions about filing/paying our taxes and want to consult an expert, what is the best (most reliable, economical, etc) way of going about doing that?**

It is best to hire a tax professional that has experience with assisting international students. The contact information of the tax experts who held the seminar is at the bottom of this Q&A.

### **15. Are tax experts obligated or otherwise likely to report it to authorities if a client has filed their taxes incorrectly in the past or has accidentally missed a tax payment in previous years?**

CPAs have to abide by a Code of Ethics and will work with their clients to resolve their situation as long as it is within the law. They are not required to report erroneously filed taxes from previous years.

### **16. Can students pay monthly or quarterly?**

The only important component of paying estimated taxes is that you pay the entire estimate by that quarter's due date. If you paid it in 6 small installments, 2 per month, that would be fine. If you paid it in one lump sum, that is also fine. There is no limit to how you can pay, just rules that you *do* pay.

### **17. What if my tax status changes in the same tax year from non-resident to resident for tax purposes or vice versa?**

Please contact a tax professional to help with this scenario since there are many different variables to this situation and should be answered on a case by case basis by a tax professional.

### **18. Do I need to pay St Louis City Tax?**

You may or may not need to pay city taxes.

This is done annually and anyone who earns money in and/or lives in St Louis is liable for city tax. For example:

- Work on Medical School Campus and live outside of the St. Louis City limits – you must pay St. Louis city taxes
- Work outside of St. Louis City but live inside St. Louis City limits – you must pay St. Louis city taxes
- Work and live outside of St. Louis city – you do not pay St. Louis city taxes

If you are unsure if you work inside the city limits, please reach out to your mentor's department for clarification.

This is a one-time payment that you make when you file your yearly income taxes if these taxes have not been withheld monthly from your paycheck. Instructions can be found at the end of this document.

**If you would like to schedule a consultation (for a fee) with the tax experts, find below their contact information.**

**Prajesh Acharya, CPA – Partner, Audit**

Raj@ssbp.com

**Juan M. Soto, CPA, MST – Partner, Tax**

Juan@ssbp.com

**End of year filing information from OISS**

[This OISS webpage](#) summarizes the different forms and resources available to file end-of-year taxes.

**General Resources from IRS**

Here are some more resources from the IRS:

<https://www.irs.gov/individuals/international-taxpayers/references-for-foreign-students-and-scholars>

<https://www.irs.gov/taxtopics/tc421>

**FAQs about stipends**

- Students are exempt from Social security and Medicare tax (aka FICA)
- Stipend letter can be submitted as your proof of income.

## Forms to calculate Missouri estimated taxes

The worksheet for calculating estimated taxes (1040ES) can be found here:

<https://dor.mo.gov/forms/index.php?formName=1040es&category=&year=99>

Or you can use their online calculator here: <https://dor.mo.gov/calculators/incometax/>

On page 3 of the MO-1040ES you can see the worksheet. Let's take that same single, dependent-free graduate student.



	Y - Yourself		S - Spouse		T - Total Or One Income	
		00		00		00
1. Estimated adjusted gross income	30500	00		00	1	30,500 00
2. Percentage of Column Y and S to total in Column T		%		%	2	100 %
3. Estimated pension exemption and social security/social security disability/military exemption					3	0 00
4. Enter long-term care, health care sharing ministry, military income deduction and bring jobs home deductions (see instructions).4					4	0 00
5. Reserved					5	00
6. Itemized deductions or standard deduction amount (see instructions)					6	12,220 00
7. Total Lines 3, 4, and 6.					7	00
8. Subtract Line 7 from Line 1. This is your total taxable income.					8	18,300 00
9. Prorate Line 8 between spouses according to the percentages on Line 2		00		00	9	00
10. Tax (refer to tax rate chart)		00		00	10	804 00
11. Resident - Enter Missouri tax to be withheld, credit for income tax to be paid to another state, miscellaneous tax credits, and property tax credit. Nonresident - Enter Missouri tax to be withheld and approved miscellaneous tax credits					11	00
12. Estimated tax (Line 10 less Line 11)					12	804 00
13. Estimated tax on lump sum distribution (see instructions).					13	00
14. Estimated recapture of low income housing credit.					14	804 00
15. Total estimated tax to be paid (add Lines 12, 13, and 14)					15	00
16. Computation of installments (divide Line 15 by number of installments)					16	00

**Adjusted Gross income:** Gross income minus applicable deductions.

Most students take the standard deduction.

Your annual estimated tax for MO.

If the Missouri taxable income is:	The tax is:
\$0 to \$106	\$0
At least \$107 but not over \$1,073	1.5% of the Missouri taxable income
Over \$1,073 but not over \$2,146	\$16 plus 2.0% of excess over \$1,073
Over \$2,146 but not over \$3,219	\$37 plus 2.5% of excess over \$2,146
Over \$3,219 but not over \$4,292	\$64 plus 3.0% of excess over \$3,219
Over \$4,292 but not over \$5,365	\$96 plus 3.5% of excess over \$4,292
Over \$5,365 but not over \$6,438	\$134 plus 4.0% of excess over \$5,365
Over \$6,438 but not over \$7,511	\$177 plus 4.5% of excess over \$6,438
Over \$7,511 but not over \$8,584	\$225 plus 5.0% of excess over \$7,511
Over \$8,584	\$279 plus 5.4% of excess over \$8,584

Using the tax chart, we see our graduate student makes over \$8,584 in taxable income, so they fall in the last tax bracket. Let's calculate their tax:

$$\text{Tax} = \$279 + 0.054 * (\$18300 - \$8584)$$

$$\text{Tax} = \$279 + 0.054 * (\$9716)$$

$$\text{Tax} = \$279 + \$524.66$$

$$\text{Tax} = \$803.66 \text{ (which is rounded to } \mathbf{\$804})$$

To pay estimated taxes you can:

- 1) Pay online at <https://dor.mo.gov/personal/payonline.php>, or
- 2) Mail a check with a MO-1040ES declaration to: Missouri Department of Revenue P.O. Box 555, Jefferson City, MO 65105-0555

**Estimated taxes are due for the tax year on April 15<sup>th</sup>, June 15<sup>th</sup>, September 15<sup>th</sup>, and January 15<sup>th</sup> (the following year).**

## How to calculate tax when you have income from more than one state

Use this form: <https://dor.mo.gov/forms/index.php?formName=mo-nri&category=&year=>

Let's take that grad student again and say they made \$10,500 from New Hampshire and then \$20,000 from Missouri.

Fill in the MO-NRI form (see below)



Worksheet for Missouri Source Income		Federal Form 1040 or Federal Form 1040-SR Line No.	Yourself or One Income Filer		Spouse (On A Combined Return)			
Adjusted Gross Income Computations			Missouri Sources		Missouri Sources			
Part B	A. Wages, salaries, tips, etc. ....	1	A	10,500	.00	A	.00	
	B. Taxable interest income. ....	2b	B		.00	B	.00	
	C. Dividend income. ....	3b	C		.00	C	.00	
	D. State and local income tax refunds (from schedule 1, part 1) ....	1	D		.00	D	.00	
	E. Alimony received (from schedule 1, part 1) ....	2a	E		.00	E	.00	
	F. Business income or (loss) (from schedule 1, part 1) ....	3	F		.00	F	.00	
	G. Capital gain or (loss) ....	6	G		.00	G	.00	
	H. Other gains or (losses) (from schedule 1, part 1) ....	4	H		.00	H	.00	
	I. Taxable IRA distributions. ....	4b	I		.00	I	.00	
	J. Taxable pensions and annuities. ....	4d	J		.00	J	.00	
	K. Rents, royalties, partnerships, S corporations, etc. (from schedule 1, part 1) ....	5	K		.00	K	.00	
	L. Farm income or (loss) (from schedule 1, part 1) ....	6	L		.00	L	.00	
	M. Unemployment compensation (from schedule 1, part 1) ....	7	M		.00	M	.00	
	N. Taxable social security benefits. ....	5b	N		.00	N	.00	
	O. Other income (from schedule 1, part 1) ....	8	O		.00	O	.00	
	P. Total - Add Lines A through O. ....		P		10,500	.00	P	.00
	Q. Less: federal adjustments to income. ....	8a	Q			.00	Q	.00
	R. SUBTOTAL (Line P - Line Q) If no modifications to income, enter this amount on Part C, Line 1. ....	8b	R		10,500	.00	R	.00
	S. Missouri modifications - additions to federal adjusted gross income (Missouri source from Form MO-1040, Line 2) ....		S			.00	S	.00
	T. Missouri modifications - subtractions from federal adjusted gross income (Missouri source from Form MO-1040, Line 4) ....		T			.00	T	.00
U. MISSOURI INCOME (Missouri sources) Line R plus Line S, less Line T. Enter this amount on Part C, Line 1. ....		U		10,500	.00	U	.00	

Income from Missouri sources (aka WashU)

Missouri Income Percentage		Yourself or One Income Filer		Spouse (On A Combined Return)		
Part C	1. Missouri Income - Enter wages, salaries, etc. from Missouri. (You must file a Missouri return if the amount on this line is more than \$600) ....	1Y	10,500	.00	1S	.00
	2. Taxpayer's total adjusted gross income (from Form MO-1040, Lines 5Y and 5S or from your federal form if you are a military nonresident and you are not required to file a Missouri return) ....	2Y	30,500	.00	2S	.00
	3. Missouri Income Percentage - Divide Line 1 by Line 2. If greater than 100%, enter 100%. (Round to a whole percent such as 91% instead of 90.5% and 90% instead of 90.4%. However, if percentage is less than 0.5%, use the exact percentage.) Enter percentage here and on Form MO-1040, Lines 28Y and 28S. ....	3Y	34.000	%	3S	%

Take the percentage output back to the MO-1040 and enter in Line 28Y (and S if applicable) and attach MO-NRI when submitting taxes.



## Pay St. Louis City taxes



This is done annually and anyone who earns money in and/or lives in St Louis. For example:

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- Work outside of St. Louis City but live inside St. Louis City limits – you must pay St. Louis city taxes
- Work and live outside of St. Louis city – you do not pay St. Louis city taxes

If you are unsure if you work inside the city limits, please reach out to your mentor’s department for clarification

Taking that single, standard deduction grad student again:

**A COPY OF EACH W-2 MUST ACCOMPANY THIS RETURN.**

Please see instructions on the reverse side.

If you only have a stipend letter, attach that.

<b>1</b> Please report salaries, wages, etc. from box 1 on each W-2.			
<b>A</b>		\$	30500.00
<b>B</b>		\$	
<b>C</b>		\$	
<b>D</b>		\$	
<b>2</b>	Gross salaries, wages, etc. (total of lines A, B, C, D)	\$	30500.00
<b>3</b>	Non-Residency Deduction (complete formula on the reverse side)	\$	
<b>4</b>	Net taxable earnings (subtract line 3 from line 2)	\$	30500.00
<b>5</b>	Earnings Tax (1% of line 4)	\$	305.00
<b>6</b>	Earnings Tax withheld (from Box 19 on each W-2)	\$	
<b>7</b>	Earnings Tax Credit (attach Form E-1CR)	\$	
<b>8</b>	Balance Due (Line 5 less 6 and 7, not less than "0")	\$	305.00
<b>9</b>	Taxes paid after April 15 are delinquent. Enter amount from line 8.	\$	305.00
<b>10</b>	Penalty, _____% (please see the reverse side)	\$	
<b>11</b>	Interest, _____% (please see the reverse side)	\$	
<b>12</b>	AMOUNT DUE (Total of lines 9, 10, & 11)	\$	305.00
<b>13</b>	Overpayment to be refunded (Lines 6 + 7 less 5 - no refunds less than \$1.00)	\$	

**Adjusted Gross income:**

Gross income minus applicable deductions.

This is you annual St. Louis City tax amount.

Form can be found here: <https://www.stlouis-mo.gov/collector/earnings-tax-home.cfm>

Payment and forms should be sent to:

Gregory F.X. Daly  
 Collector of Revenue  
 1200 Market Street, Room 410  
 St. Louis, MO 63103-2841

Checks can be made out to either “Gregory F.X. Daly” or “Collector of Revenue”.



## Forms can be found in HRMS

Depending on your funding source, you may get:

- 1) a W2
- 2) a stipend tax letter
- 3) or both

The income from all of these combined is your gross income. If you have no adjustments (most graduate students don't), this is also your adjusted gross income.

A screenshot of the HRMS (Human Resources Management System) interface. The top navigation bar includes "Favorites" and "Main Menu". The "Main Menu" dropdown is open, showing a list of categories: Employee Self Service, My Dictionary, My Personalizations, Benefits, Employee Wellness, Faculty Data, HRMS Security, Payroll and Compensation, Personal Information, Postdoctoral Letters, Recruiting Activities, and Training and Development. The "Payroll and Compensation" category is expanded, showing sub-items: Direct Deposit, PDF W-2/W-2c Forms, Stipend Tax Letter, and Tax Info and Paycheck Calc. Two red arrows point to the "PDF W-2/W-2c Forms" and "Stipend Tax Letter" items. The left sidebar shows the "HRMS" logo, a "Welcome" message, the user's name "Washington University in St. Louis", and a "Message Board" with a notification about work items and system signon times. An "Advanced Search" button is visible in the top right.