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ASSOCIATES

TAX & ACCOUNTING SERVICES

Young & Associates, LLC presents:

US Taxation of International Students and Scholars

January 13, 2019

What We Will Cover

- Filing Requirements
- Residency Status/Taxation
- Types of Income
- Tax Forms
- Completion of Tax Returns
- Resources

Filing Requirements

Am I Required to File Anything?

YES

- Present in the US in 2018 for any length of time
- US source income
- Exception for tourists

NO

- No days of presence in the US during 2018
- No US source income

Residency Status

Residency Status

Full Year Nonresident Alien

Full Year Resident Alien

Dual Status (Part-year resident/part-year Nonresident)
Occurs in the year of arrival or departure

Residency Status

Residency Tests:

- US Citizenship
- Lawful Permanent Resident (Green Card Holder)
- Substantial Presence Test (SPT)
 - Present in the US at least 31 days during the current year, and;
 - If the sum of:
 - 100% of total current year days +
 - 1/3 of first preceding year +
 - 1/6 of second preceding year≥183 days = **Resident Alien**

Residency Status

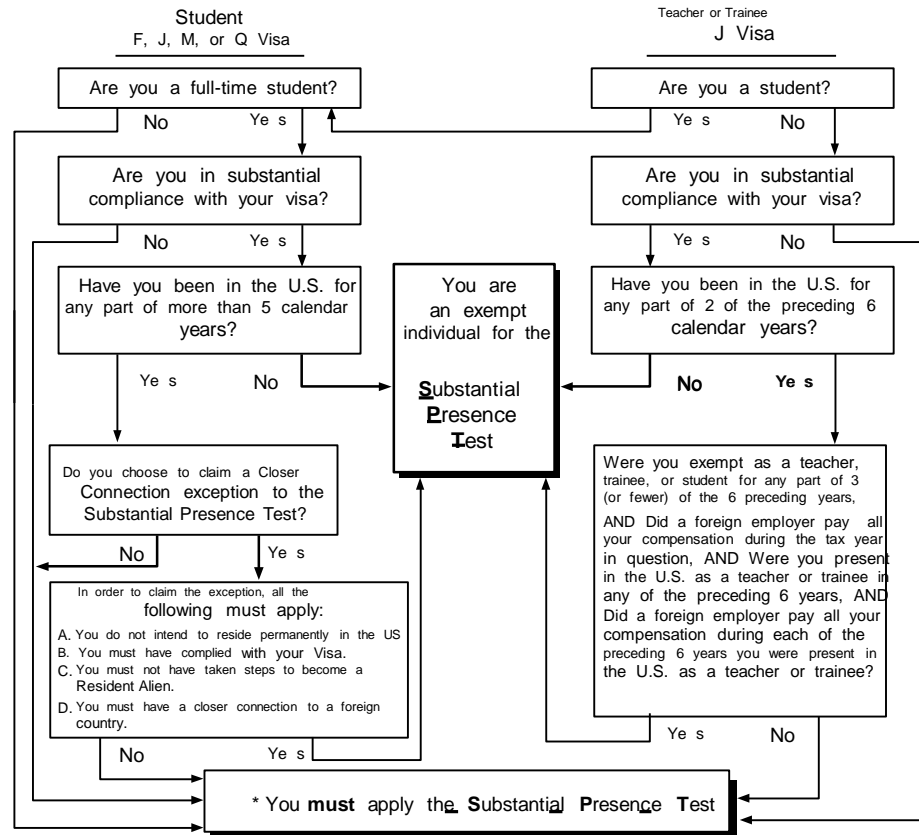
Exceptions to SPT

- F or J students receive 5 “exempt” years. Not exempt from tax, but of counting physical days of presence in the US towards the SPT. So, for the first 5 years, the SPT total will be “0”.
- J non-students receive 2 “exempt” years (of the past 6 years). Generally, for the first 2 years, the SPT will be “0” – unless individual has had previous entries to the US as an F, J, M or Q visa holder.

“Exempt” years are CALENDAR years, not years from date of arrival.

Are you an exempt individual? – Decision Tree

If you are temporarily present in the United States on an F, J, M, or Q visa, use this chart to determine if you are an exempt individual for the **Substantial Presence Test (SPT)**.



* Substantial Presence Test (SPT) You will be considered a U.S. resident for tax purposes if you meet the substantial presence test for calendar year 2018. To meet this test, you must be physically present in the United States on at least:

1. 31 days during 2018 and
2. 183 days during the 3-year period that includes 2018, 2017, and 2016, counting:
 - a. all the days your were present in 2018 and
 - b. 1/3 of the days you were present in 2017, and
 - c. 1/6 of the days you were present in 2016.

Nonresident Alien Taxation

- Filing status: Single, MFS, or QW
- No Personal Exemptions
- Must itemize deductions
 - State and local income taxes
 - Gifts to US charities
- Student/scholar adjustments to income
 - Scholarship and fellowship grants
 - Student Loan interest

Resident Alien Taxation

- Filing Status: Single, Married Filing Jointly (MFJ), Married Filing Separately (MFS), Head of Household (HOH), Qualified Widow (QW)
- No Personal Exemptions
- Income: Worldwide Income
- Deductions: Above the line adjustments (Alimony paid, Expenses of Performing Artists, Student Loan Interest) & Sch A Itemized deductions
- Credits: Foreign Tax Credit (FTC), Child Tax Credit (CTC), Earned Income Credit (EIC), Education Credits

Residency Status

Dual-Status Resident

Alien Arrives



January

December

Nonresident prior to arrival, resident thereafter

Alien Departs



January

December

Resident until departure, Nonresident thereafter

Types of Income

Types of Income

Wages/Employment/Compensation

Provide services to the University for payment— paid on a monthly, bi-weekly or casual basis

Northwestern employment taxes:

- **Federal** – taxes are assessed by the Income Tax Withholding Table
- **IL State** – 4.95%
- **FICA/OASDI** – 6.20% (only applicable to residents for tax purposes)
- **Medicare** – 1.45% (only applicable to residents for tax purposes)

Types of Income

Scholarship/Fellowship/Stipends: Funds given to support education/academic advancement or achievement

Northwestern scholarship/fellowship taxes:

- **Federal** – Taxes are withheld at 14% for Nonresidents and 0% for residents. Residents may be required to make quarterly estimated tax payments.
- **Illinois State** – Taxes are not withheld at source, but individuals may be required to pay quarterly estimated tax payments and/or pay taxes when filing a tax return.
- **FICA/OASDI & Medicare** – Not applicable

Independent Contractor

Similar to Employment, but providing services independently for business under terms of a contract.

Northwestern independent contractor taxes:


- **Federal** – Taxes are withheld at 30% for Nonresidents and 0% for residents. Residents may be required to pay quarterly estimated tax payments and/or pay taxes when filing a tax return.
- **Illinois State** – Taxes are not withheld at source, but individuals may be required to pay quarterly estimated tax payments and/or pay taxes when filing a tax return.
- **FICA/OASDI & Medicare** – Not withheld

Tax Forms

Form W-2: Wage and Tax Statement

Mailed to address on file no later than January 31st unless someone has requested to receive them online by contacting Payroll at (847) 491-7362 or (312) 503-9700.

1. Wages
2. Salary
3. Compensation

		a Employee's social security number		OMB No. 1545-0008		Safe, accurate, FAST! Use 		Visit the IRS website at www.irs.gov/efile		
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 Verification code		10 Dependent care benefits				
e Employee's first name and initial Last name Suff.				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				
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 **2018**
Copy B—To Be Filed With Employee's FEDERAL Tax Return.
This information is being furnished to the Internal Revenue Service.

Department of the Treasury—Internal Revenue Service

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

Mailed to address on file no later than March 15th. Reprints of forms available March 31st. Contact Payroll at (847) 491-7362 or (312) 503-9700.

1. Scholarships
2. Fellowships
3. Foreign Independent Contractor Services
4. Tax Treaty Benefits
5. Foreign Prize/Award/Miscellaneous foreign payments

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

Form 1099-MISC: Miscellaneous Income

Received for payments totaling at least \$600 in the following categories. Mailed to home address no later than January 31st. Reprints of forms available February 10th. Contact Payroll at (847) 491-7362 or (312) 503-9700.

1. Rent
2. Royalties (minimum of \$10)
3. Other Income
4. Services
5. Legal Fees
6. Prizes and Awards

CORRECTED (if checked)

PAYER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone no.		1 Rents		OMB No. 1545-0115		Miscellaneous Income	
		\$		2018 Form 1099-MISC			
		2 Royalties					
\$		3 Other income		4 Federal income tax withheld		Copy B For Recipient	
\$		\$		\$			
PAYER'S TIN	RECIPIENT'S TIN	5 Fishing boat proceeds		6 Medical and health care payments			
\$		\$		\$			
RECIPIENT'S name		7 Nonemployee compensation		8 Substitute payments in lieu of dividends or interest		This is important tax information and is being furnished to the IRS. If you are required to file a return, a negligence penalty or other sanction may be imposed on you if this income is taxable and the IRS determines that it has not been reported.	
Street address (including apt. no.)		\$		\$			
City or town, state or province, country, and ZIP or foreign postal code		9 Payer made direct sales of \$5,000 or more of consumer products to a buyer (recipient) for resale <input type="checkbox"/>		10 Crop insurance proceeds			
\$		\$		\$			
11		12					
Account number (see instructions)		FATCA filing requirement <input type="checkbox"/>		13 Excess golden parachute payments		14 Gross proceeds paid to an attorney	
\$		\$		\$		\$	
15a Section 409A deferrals		15b Section 409A income		16 State tax withheld		17 State/Payer's state no.	
\$		\$		\$		\$	
\$		\$		\$		\$	

Form **1099-MISC** (keep for your records)

www.irs.gov/Form1099MISC

Department of the Treasury - Internal Revenue Service

Requesting Duplicate Tax Forms

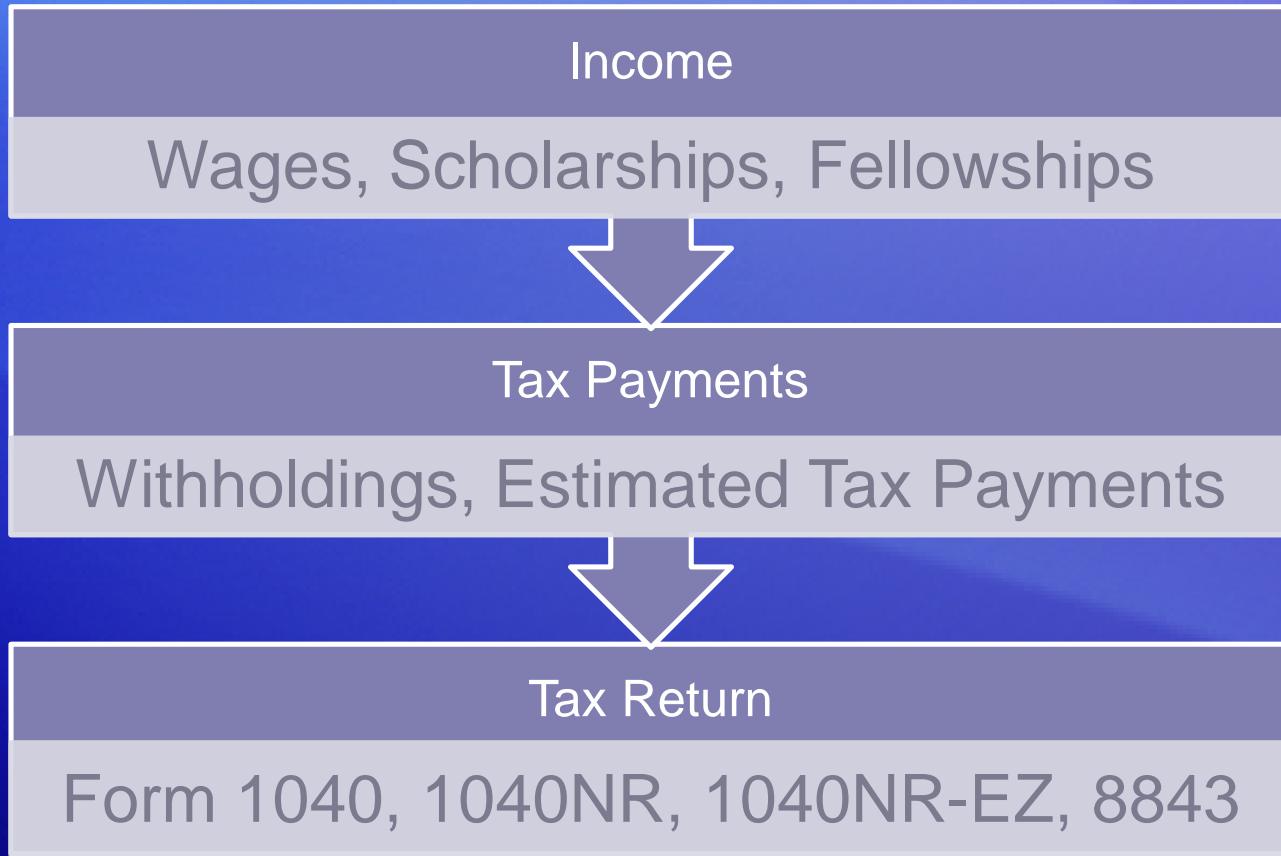
All active and terminated employees can download 2018 W-2 Forms in myHR website (<http://www.northwestern.edu/myhr/>). To access your 2018 W-2 form:

1. Log on to myHR website using your login and password (if you need to reset your password, please the myHR website).
2. Click on the Pay worklet
3. Click on “My Tax Documents”
4. Click on “View/Print”
5. Please note that it can take 1-2 minutes for the document to download

If you cannot access the myHR website after following the above instructions, please e-mail myHRhelp@northwestern.edu.

Tax Filings

Tax Return Cycle



Glacier Tax Prep – For Nonresidents

- Available through the International Office's website:
<http://www.northwestern.edu/international/>
- Please read all tax information on website before accessing Glacier Tax Prep and have all necessary paperwork available
- Glacier Tax Prep Process:
 - ✓ Create individual log in
 - ✓ Determine U.S. Tax Residency Status
 - ✓ Which Tax Form to Use
 - ✓ Tax Treaty
 - ✓ Refund (Check or Direct Deposit)
 - ✓ Read all instructions
 - ✓ Download forms
 - ✓ Mail forms

Additional Nonresident Tax Details

- Can use Glacier Tax Prep
- Can also file on your own or use a Certified Public Accountant (CPA), Enrolled Agent (EA), Volunteer Income Tax Assistance (VITA) or Tax Preparation Firm. Ensure that preparer has sufficient knowledge of Nonresident Aliens/foreign tax matters.
- File using Form 1040NR (Nonresident Alien Income Tax Return) or 1040NR-EZ and/or Form 8843 (Statement for Exempt Individuals)
- Do you need to File? <http://www.irs.gov/pub/irs-pdf/i1040nre.pdf>
“Who Must File”
- International Office’s Website:
<http://www.northwestern.edu/international/>

Additional Nonresident Tax Details - Spouses

- If spouse is working (J2): Will need to file own federal tax return, state tax return and Form 8843
- If spouse is not working (F2, H4): Will only file Form 8843. Must download the Form 8843 from <http://www.irs.gov/pub/irs-pdf/f8843.pdf> and complete by hand. Do not submit this form in the same envelope as spouse.

U.S. Income Tax Return for Certain Nonresident Aliens With No Dependents

2018

Department of the Treasury
Internal Revenue Service

▶ Go to www.irs.gov/Form1040NREZ for instructions and the latest information.

	Your first name and initial	Last name	Identifying number (see instructions)
Please print or type. See separate 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/county	Foreign postal code
Filing Status	1 <input type="checkbox"/> Single nonresident alien 2 <input type="checkbox"/> Married nonresident alien <small>Check only one box.</small>		
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 the instructions for limitation	11
	12	Reserved.	12
	13	Reserved.	13
	14	Taxable income. Subtract line 11 from line 10. If line 11 is more than line 10, 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	2018 estimated tax payments and amount applied from 2017 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 <input type="checkbox"/>	23a
Direct deposit? See instructions.	b	Routing number <input type="text"/>	c Type: <input type="checkbox"/> Checking <input type="checkbox"/> Savings
	d	Account number <input type="text"/>	
	e	If you want your refund check mailed to an address outside the United States not shown above, enter that address here: <input type="text"/>	
	24	Amount of line 22 you want applied to your 2019 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. <input type="checkbox"/> Yes. Complete the following. <input type="checkbox"/> 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
Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date
	Firm's name	Firm's EIN	Check <input type="checkbox"/> if self-employed
	Firm's address	Phone no.	PTIN <input type="text"/>

Schedule OI—Other Information (see instructions)

Answer all questions

A Of what country or countries were you a citizen or national during the tax year? _____

B In what country did you claim residence for tax purposes during the tax year? _____

C Have you ever applied to be a green card holder (lawful permanent resident) of the United States? **Yes** **No**

D Were you ever:
1. A U.S. citizen? **Yes** **No**
2. A green card holder (lawful permanent resident) of the United States? **Yes** **No**
 If you answer "Yes" to **(1)** or **(2)**, see Pub. 519, chapter 4, for expatriation rules that may apply to you.

E If you had a visa on the last day of the tax year, enter your visa type. If you did not have a visa, enter your U.S. immigration status on the last day of the tax year. _____

F Have you ever changed your visa type (nonimmigrant status) or U.S. immigration status? **Yes** **No**
 If "Yes," indicate the date and nature of the change. ► _____

G List all dates you entered and left the United States during 2018. See instructions.
Note: If you are a resident of Canada or Mexico AND commute to work in the United States at frequent intervals, **check the box for Canada or Mexico** and skip to item H **Canada** **Mexico**

Date entered United States mm/dd/yy	Date departed United States mm/dd/yy

Date entered United States mm/dd/yy	Date departed United States mm/dd/yy

H Give number of days (including vacation, non-workdays, and partial days) you were present in the United States during:
 2016 _____, 2017 _____, and 2018 _____.

I Did you file a U.S. income tax return for any prior year? **Yes** **No**
 If "Yes," give the latest year and form number you filed ► _____

J Income Exempt from Tax—If you are claiming exemption from income tax under a U.S. income tax treaty with a foreign country, complete (1) through (3) below. See Pub. 901 for more information on tax treaties.

1. Enter the name of the country, the applicable tax treaty article, the number of months in prior years you claimed the treaty benefit, and the amount of exempt income in the columns below. Attach Form 8833 if required. See instructions.

(a) Country	(b) Tax treaty article	(c) Number of months claimed in prior tax years	(d) Amount of exempt income in current tax year

(e) Total. Enter this amount on Form 1040NR-EZ, line 6. Do not enter it on line 3 or line 5.

2. Were you subject to tax in a foreign country on any of the income shown in 1(d) above? **Yes** **No**

3. Are you claiming treaty benefits pursuant to a Competent Authority determination? **Yes** **No**
 If "Yes," attach a copy of the Competent Authority determination letter to your return.

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

2018

▶ Go to www.irs.gov/Form8843 for the latest information.

Department of the Treasury
Internal Revenue Service

For the year January 1—December 31, 2018, or other tax year
beginning _____, 2018, and ending _____, 20_____.

Attachment
Sequence No. **102**

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:
2018 _____ 2017 _____ 2016 _____
- b Enter the number of days in 2018 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 2018 ▶ _____
- 6 For trainees, enter the name, address, and telephone number of the director of the academic or other specialized program you participated in during 2018 ▶ _____
- 7 Enter the type of U.S. visa (J or Q) you held during: ▶ 2012 _____ 2013 _____
2014 _____ 2015 _____ 2016 _____ 2017 _____. 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 (2012 through 2017)? Yes 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 2018 ▶ _____
- 10 Enter the name, address, and telephone number of the director of the academic or other specialized program you participated in during 2018 ▶ _____
- 11 Enter the type of U.S. visa (F, J, M, or Q) you held during: ▶ 2012 _____ 2013 _____
2014 _____ 2015 _____ 2016 _____ 2017 _____. 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? Yes 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 2018, 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 2018 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 preexisting.

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 penalties 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

Resident Alien Tax Details

- Cannot use Glacier Tax Prep
- Can use any avenue for filing such Tax Filing Software, CPA, EA, Tax Preparation Firm, IRS Free File (if available), VITA, etc.
- File using 1040; –Due date of April 15, 2019
- Do you need to file?
<http://www.irs.gov/individuals/article/0,,id=96623,00.html>
- Can file jointly with a spouse and claim dependents (children)
- As residents for tax, generally able to claim any deduction/allowance/benefit available to U.S. Citizens
- International Office's Website:
<http://www.northwestern.edu/international/>

Resident Alien Tax Details

Resident tax forms do not specifically address claiming tax treaties as residents for tax. However, you should do the following:

A residents for tax must complete form 1040

- Enter ALL wage income on line 7
- On line 21 indicate the amount of tax treaty benefit in parenthesis (which indicates subtraction)
- On the dotted line 21 indicate the treaty article (e.g. US-China Article 19)
- On line 22 you will subtract the amount on line 21 from the rest of your income to claim the treaty benefits
- Complete and attach Form 8833 (to include details of treaty used)

Resident Alien Tax Details

Including a Spouse and/or dependents that do not have a Social Security Number (SSN) or Individual Taxpayer Identification Number (ITIN)

- Individuals who are not working are not eligible for an SSN must apply for an ITIN
- Complete Form W-7 (Application for ITIN) and attach appropriate documents per instructions for each individual who needs an ITIN
- Complete federal tax return
- Must mail completed W-7 applications and completed tax return to the W-7 address. ITIN applications will be processed first, then the federal tax return will be forwarded for processing.
- Processing of tax return will take 8-12 weeks (4-6 for ITINs to be assigned)
- For Illinois state tax filing:
 - Wait for the ITINs to be assigned (may need to file an Illinois tax filing extension)
 - Dependents must qualify to be claimed

Filing status: Single Married filing jointly Married filing separately Head of household Qualifying widow(er)

Your first name and initial _____ Last name _____ Your social security number _____

Your standard deduction: Someone can claim you as a dependent You were born before January 2, 1954 You are blind

If joint return, spouse's first name and initial _____ Last name _____ Spouse's social security number _____

Spouse standard deduction: Someone can claim your spouse as a dependent Spouse was born before January 2, 1954 Full-year health care coverage or exempt (see inst.)

Spouse is blind Spouse itemizes on a separate return or you were dual-status alien

Home address (number and street). If you have a P.O. box, see instructions. _____ Apt. no. _____ Presidential Election Campaign (see inst.) You Spouse

City, town or post office, state, and ZIP code. If you have a foreign address, attach Schedule 6. _____ If more than four dependents, see inst. and ✓ here ▶

(1) First name	(2) Social security number	(3) Relationship to you	(4) ✓ if qualifies for (see inst.):	
			Child tax credit	Credit for other dependents
_____	_____	_____	<input type="checkbox"/>	<input type="checkbox"/>
_____	_____	_____	<input type="checkbox"/>	<input type="checkbox"/>
_____	_____	_____	<input type="checkbox"/>	<input type="checkbox"/>
_____	_____	_____	<input type="checkbox"/>	<input type="checkbox"/>

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 complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Joint return? See instructions. Keep a copy for your records. ▶

Your signature _____	Date _____	Your occupation _____	If the IRS sent you an Identity Protection PIN, enter it here (see inst.) _____
Spouse's signature. If a joint return, both must sign. _____	Date _____	Spouse's occupation _____	If the IRS sent you an Identity Protection PIN, enter it here (see inst.) _____

Paid Preparer Use Only

Preparer's name _____	Preparer's signature _____	PTIN _____	Firm's EIN _____	Check if: <input type="checkbox"/> 3rd Party Designee <input type="checkbox"/> Self-employed
Firm's name ▶ _____	Phone no. _____			
Firm's address ▶ _____				

		1 Wages, salaries, tips, etc. Attach Form(s) W-2	1	
Attach Form(s) W-2. Also attach Form(s) W-2G and 1099-R if tax was withheld.	2a Tax-exempt interest	2a	b Taxable interest	2b
	3a Qualified dividends	3a	b Ordinary dividends	3b
	4a IRAs, pensions, and annuities	4a	b Taxable amount	4b
	5a Social security benefits	5a	b Taxable amount	5b
	6 Total income. Add lines 1 through 5. Add any amount from Schedule 1, line 22			6
	7 Adjusted gross income. If you have no adjustments to income, enter the amount from line 6; otherwise, subtract Schedule 1, line 36, from line 6			7
Standard Deduction for— • Single or married filing separately, \$12,000 • Married filing jointly or Qualifying widow(er), \$24,000 • Head of household, \$18,000 • If you checked any box under Standard deduction, see instructions.	8 Standard deduction or itemized deductions (from Schedule A)			8
	9 Qualified business income deduction (see instructions)			9
	10 Taxable income. Subtract lines 8 and 9 from line 7. If zero or less, enter -0-			10
	11 a Tax (see inst.) _____ (check if any from: 1 <input type="checkbox"/> Form(s) 8814 2 <input type="checkbox"/> Form 4972 3 <input type="checkbox"/> _____)			11
	b Add any amount from Schedule 2 and check here <input type="checkbox"/>			
	12 a Child tax credit/credit for other dependents _____ b Add any amount from Schedule 3 and check here <input type="checkbox"/>			12
	13 Subtract line 12 from line 11. If zero or less, enter -0-			13
	14 Other taxes. Attach Schedule 4			14
	15 Total tax. Add lines 13 and 14			15
	16 Federal income tax withheld from Forms W-2 and 1099			16
17 Refundable credits: a EIC (see inst.) _____ b Sch. 8812 _____ c Form 8863 _____			17	
18 Add lines 16 and 17. These are your total payments			18	
Refund	19 If line 18 is more than line 15, subtract line 15 from line 18. This is the amount you overpaid			19
Direct deposit? See instructions.	20a Amount of line 19 you want refunded to you. If Form 8888 is attached, check here <input type="checkbox"/>			20a
	b Routing number _____ c Type: <input type="checkbox"/> Checking <input type="checkbox"/> Savings			
	d Account number _____			
	21 Amount of line 19 you want applied to your 2019 estimated tax	21		
Amount You Owe	22 Amount you owe. Subtract line 18 from line 15. For details on how to pay, see instructions			22
	23 Estimated tax penalty (see instructions)	23		

Illinois State Tax Filings

Illinois State Tax Filings

- Do you need to File? See Illinois State Website for filing requirements
<http://tax.illinois.gov/TaxForms/IncmCurrentYear/Individual/IL-1040-Instr.pdf>
- Lived/worked in IL and another state
- A part-year resident taxpayer must file Form IL-1040 and Schedule NR if:
 - you earned income from any source while you were a resident
 - you earned income from Illinois sources while you were not a resident, or you want a refund of any Illinois Income Tax withheld.
- Start with IL-1040 – Begin the IL-1040 with the adjusted gross income created on the federal tax return

Illinois State Tax Filings

- Nonresident
 - Generally, individuals who spend less than 183 days in Illinois during the year
 - Not domiciled in Illinois
- Received income from Illinois sources
- If Illinois taxes withheld in error, must file return and attach a letter of explanation from your employer (must be on employer's letterhead).
- If you were in Illinois (as a Nonresident) and did not have any income from Illinois sources, you may not have an Illinois filing requirement
- April 15, 2019 due date



Illinois Department of Revenue
2018 Form IL-1040

Individual Income Tax Return or for fiscal year ending ___/___/___

Over 80% of taxpayers file electronically. It is easy and you will get your refund faster. Visit tax.illinois.gov.

Step 1: Personal Information

A Enter personal information and Social Security numbers. You must provide the entire Social Security number for you and your spouse. Do not provide a partial Social Security number.

Your first name and initial _____		Your last name _____	Your Social Security number _____
Spouse's first name and initial _____		Spouse's last name _____	Spouse's Social Security number _____
Mailing address (See instructions if foreign address) _____		Apartment number _____	
City _____		State _____	ZIP or Postal Code _____
Foreign Nation, if not United States (do not abbreviate) _____			

B Filing status: Single or head of household Married filing jointly Married filing separately Widowed

C Check if someone can claim you, or your spouse if filing jointly, as a dependent. See instructions. You Spouse

D Check the box if this applies to you during 2018: Nonresident - **Attach** Sch. NR Part-year resident - **Attach** Sch. NR

Step 2: Income

	(Whole dollars only)
1 Federal adjusted gross income from your federal Form 1040, Line 7.	_____ .00
2 Federally tax-exempt interest and dividend income from your federal Form 1040, Line 2a.	_____ .00
3 Other additions. Attach Schedule M.	_____ .00
4 Total income Add Lines 1 through 3.	_____ .00

Step 3: Base Income

5 Social Security benefits and certain retirement plan income received if included in Line 1. Attach Page 2 of federal return.	5 _____ .00
6 Illinois Income Tax overpayment included in federal Form 1040, Schedule 1, Ln. 10.	6 _____ .00
7 Other subtractions. Attach Schedule M. Check if Line 7 includes any amount from Schedule 1299-C. <input type="checkbox"/>	7 _____ .00
8 Add Lines 5, 6, and 7. This is the total of your subtractions.	8 _____ .00
9 Illinois base income. Subtract Line 8 from Line 4.	9 _____ .00

Step 4: Exemptions

10 a Enter the exemption amount for yourself and your spouse. See instructions.	a _____ .00
b Check if 65 or older: <input type="checkbox"/> You <input type="checkbox"/> Spouse # of checkboxes X \$1,000 = b	_____ .00
c Check if legally blind: <input type="checkbox"/> You <input type="checkbox"/> Spouse # of checkboxes X \$1,000 = c	_____ .00
d If you are claiming dependents, enter the amount from Schedule IL-E/EIC, Step 2, Line 1. Attach Schedule IL-E/EIC.	d _____ .00
Exemption allowance. Add Lines a through d.	10 _____ .00

Step 5: Net Income and Tax

11 Residents: Net income Subtract Line 10 from Line 9. Nonresidents and part-year residents: Enter the Illinois net income from Schedule NR. Attach Schedule NR.	11 _____ .00
12 Residents: Multiply Line 11 by 4.95% (.0495). Cannot be less than zero. Nonresidents and part-year residents: Enter the tax from Schedule NR.	12 _____ .00
13 Recapture of investment tax credits. Attach Schedule 4255.	13 _____ .00
14 Income tax. Add Lines 12 and 13. Cannot be less than zero.	14 _____ .00

Step 6: Tax After Nonrefundable Credits

15 Income tax paid to another state while an Illinois resident. Attach Schedule CR.	15 _____ .00
16 Property tax and K-12 education expense credit amount from Schedule ICR. Attach Schedule ICR.	16 _____ .00
17 Credit amount from Schedule 1299-C. Attach Schedule 1299-C.	17 _____ .00
18 Add Lines 15, 16, and 17. This is the total of your credits. Cannot exceed the tax amount on Line 14.	18 _____ .00
19 Tax after nonrefundable credits. Subtract Line 18 from Line 14.	19 _____ .00

Step 7: Other Taxes

20 Household employment tax. See instructions.	20 _____ .00
21 Use tax on internet, mail order, or other out-of-state purchases from UT Worksheet or UT Table in the instructions. Do not leave blank.	21 _____ .00
22 Compassionate Use of Medical Cannabis Pilot Program Act Surcharge.	22 _____ .00
23 Total Tax. Add Lines 19, 20, 21, and 22.	23 _____ .00

Staple W-2 and 1099 forms here



Staple your check and IL-1040-V



IL-1040 Front (R-12/18)
 Printed by authority of the State of Illinois, 1.

This form is authorized as outlined under the Illinois Income Tax Act. Disclosure of this information is required. Failure to provide information could result in a penalty.

60012181W

24 Total tax from Page 1, Line 23. 24 _____ .00

Step 8: Payments and Refundable Credit

25 Illinois Income Tax withheld. **Attach** Schedule IL-WIT. 25 _____ .00

26 Estimated payments from Forms IL-1040-ES and IL-505-I, including any overpayment applied from a prior year return. 26 _____ .00

27 Pass-through withholding. **Attach** Schedule K-1-P or K-1-T. 27 _____ .00

28 Earned Income Credit from Schedule IL-E/EIC, Step 4, Line 8. **Attach** Schedule IL-E/EIC. 28 _____ .00

29 Total payments and refundable credit Add Lines 25 through 28. 29 _____ .00

Step 9: Total

30 If Line 29 is greater than Line 24, subtract Line 24 from Line 29. 30 _____ .00

31 If Line 24 is greater than Line 29, subtract Line 29 from Line 24. 31 _____ .00

Step 10: Underpayment of Estimated Tax Penalty and Donations - Only complete Step 10 for late-payment penalty for underpayment of estimated tax or to make a voluntary charitable donation.

32 Late-payment penalty for underpayment of estimated tax. 32 _____ .00

a Check if at least two-thirds of your federal gross income is from farming.

b Check if you or your spouse are 65 or older and permanently living in a nursing home.

c Check if your income was not received evenly during the year and you annualized your income on Form IL-2210. **Attach** IL-2210.

d Check if you were not required to file an Illinois Individual Income Tax return in the previous tax year.

33 Voluntary charitable donations. **Attach** Schedule G. 33 _____ .00

34 Total penalty and donations. Add Lines 32 and 33. 34 _____ .00

Step 11: Refund

35 If you have an amount on Line 30 and this amount is greater than Line 34, subtract Line 34 from Line 30. This is your **overpayment**. 35 _____ .00

36 Amount from Line 35 you want **refunded to you**. Check **one** box on Line 37. See instructions. 36 _____ .00

37 I choose to receive my refund by

a **direct deposit** - Complete the information below if you check this box.

Routing number	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>	<input type="checkbox"/> Checking or <input type="checkbox"/> Savings
Account number	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>	

b **Illinois Individual Income Tax refund debit card.**

c **paper check.**

38 Amount to be **credited forward**. Subtract Line 36 from Line 35. See instructions. 38 _____ .00

Step 12: Amount You Owe

39 If you have an amount on Line 31, add Lines 31 and 34. - or -
 If you have an amount on Line 30 and this amount is less than Line 34, subtract Line 30 from Line 34. This is the **amount you owe** See instructions. 39 _____ .00

Step 13: If this is a joint return, both you and your spouse must sign below.
 Under penalties of perjury, I state that I have examined this return and, to the best of my knowledge, it is true, correct, and complete.

Sign Here					
	Your signature	Date (mm/dd/yyyy)	Spouse's signature	Date (mm/dd/yyyy)	Daytime phone number
Paid Preparer Use Only	Print/Type paid preparer's name		Paid preparer's signature		Date (mm/dd/yyyy)
	Firm's name				Firm's FEIN
	Firm's address				Firm's phone
Third Party Designee	Designee's name (please print)			()	
	Designee's phone number			<input type="checkbox"/> Check if the Department may discuss this return with the third party designee shown in this step.	



If no payment enclosed, mail to:
 ILLINOIS DEPARTMENT OF REVENUE
 SPRINGFIELD IL 62719-0001



If payment enclosed, mail to:
 ILLINOIS DEPARTMENT OF REVENUE
 SPRINGFIELD IL 62726-0001

60012182W



Illinois Department of Revenue
2018 Schedule NR Nonresident and Part-Year Resident
 Attach to your Form IL-1040 **Computation of Illinois Tax**

IL Attachment No. 2

Your name as shown on your Form IL-1040 _____

Your Social Security number _____

Step 1: Provide the following information

- 1 Were you, or your spouse if "married filing jointly," a full-year resident of Illinois during the tax year?
 Yes No If you answered "Yes," **STOP** you cannot use this form (see instructions).
- 2 If you, or your spouse if "married filing jointly," were a part-year resident during the tax year, tell us your residency dates for 2018.
 - a I lived in Illinois from ___/___/2018 to ___/___/2018 I lived in _____ from ___/___/2018 to ___/___/2018
 Month Day Year Month Day Year State Month Day Year Month Day Year
 - b My spouse lived in Illinois from ___/___/2018 to ___/___/2018, and _____ from ___/___/2018 to ___/___/2018
 Month Day Year Month Day Year State Month Day Year Month Day Year
- 3 If you were a resident of any of the states listed below during the tax year or if you were in Illinois only to accompany your spouse who was in the military, check the appropriate box.
 Iowa Kentucky Michigan Wisconsin Military Spouse
- 4 If you earned income or fled a tax return for the tax year in a state other than those listed above, enter the two-letter abbreviation of that state.

Step 2: Complete Form IL-1040

Complete Lines 1 through 10 of your Form IL-1040, Individual Income Tax Return, as if you were a full-year Illinois resident. Then, complete the remainder of this schedule following the instructions for your residency. **Attach Schedule NR to your Form IL-1040.**

Step 3: Figure the Illinois portion of your federal adjusted gross income

Enter the amounts from your federal return in Column A. Before completing Column B, read the Column B instructions.

	Column A Federal Total	Column B Illinois Portion
Income 5 Wages, salaries, tips, etc. (federal Form 1040, Line 1)	5 _____00	_____00
6 Taxable interest (federal Form 1040, Line 2b)	6 _____00	_____00
7 Ordinary dividends (federal Form 1040, Line 3b)	7 _____00	_____00
8 Taxable refunds, credits, or offsets of state and local income taxes (federal Form 1040, Schedule 1, Line 10)	8 _____00	_____00
9 Alimony received (federal Form 1040, Schedule 1, Line 11)	9 _____00	_____00
10 Business income or loss (federal Form 1040, Schedule 1, Line 12)	10 _____00	_____00
11 Capital gain or loss (federal Form 1040, Schedule 1, Line 13)	11 _____00	_____00
12 Other gains or losses (federal Form 1040, Schedule 1, Line 14)	12 _____00	_____00
13 Taxable IRAs, pensions, and annuities (federal Form 1040, Line 4b)	13 _____00	_____00
14 RESERVED	14 _____	_____
15 Rental real estate, royalties, partnerships, S corporations, trusts, etc. (federal Form 1040, Schedule 1, Line 17)	15 _____00	_____00
16 Farm income or loss (federal Form 1040, Schedule 1, Line 18)	16 _____00	_____00
17 Unemployment compensation and Alaska Permanent Fund dividends (federal Form 1040, Schedule 1, Line 19)	17 _____00	_____00
18 Taxable Social Security benefits (federal Form 1040, Line 5b)	18 _____00	_____00
19 Other income. See instructions. (federal Form 1040, Schedule 1, Line 21) Include winnings from the Illinois State Lotterys Illinois income in Column B.	19 _____00	_____00
20 Add Column B, Lines 5 through 19. This is the Illinois portion of your federal total income.	20 _____00	_____00

Step 3: Continued

	Column A Federal Total	Column B Illinois Portion
21 Enter the Illinois portion of your federal total income from Page 1, Step 3, Line 20.	21 _____	_____
22 Educator expenses (federal Form 1040, Schedule 1, Line 23)	22 _____	_____
23 Certain business expenses of reservists, performing artists, and fee-basis government officials (federal Form 1040, Schedule 1, Line 24)	23 _____	_____
24 Health savings account deduction (federal Form 1040, Schedule 1, Line 25)	24 _____	_____
25 Moving expenses for members of the Armed Forces (fed. Form 1040, Sch. 1, Line 26)	25 _____	_____
26 Deductible part of self-employment tax (federal Form 1040, Schedule 1, Line 27)	26 _____	_____
27 Self-employed SEP, SIMPLE, and qualified plans (fed. Form 1040, Sch. 1, Line 28)	27 _____	_____
28 Self-employed health insurance deduction (federal Form 1040, Schedule 1, Line 29)	28 _____	_____
29 Penalty on early withdrawal of savings (federal Form 1040, Schedule 1, Line 30)	29 _____	_____
30 Alimony paid (federal Form 1040, Schedule 1, Line 31a)	30 _____	_____
31 IRA deduction (federal Form 1040, Schedule 1, Line 32)	31 _____	_____
32 Student loan interest deduction (federal Form 1040, Schedule 1, Line 33)	32 _____	_____
33 RESERVED	_____	_____
34 RESERVED	_____	_____
35 Other adjustments (see instructions)	35 _____	_____
36 Add Column B, Lines 22 through 35. This is the Illinois portion of your federal adjustments to income.	36 _____	_____
37 Enter your adjusted gross income as reported on your Form IL-1040, Line 1.	37 _____	_____
38 Subtract Line 36 from Line 21. This is the Illinois portion of your federal adjusted gross income.	38 _____	_____

Step 4: Figure your Illinois additions and subtractions

In Column A, enter the total amounts from your Form IL-1040. You must read the instructions for Column B to properly complete this step.

	Column A Form IL-1040 Total	Column B Illinois Portion
39 Federally tax-exempt interest and dividend income (Form IL-1040, Line 2)	39 _____	_____
40 Other additions (Form IL-1040, Line 3)	40 _____	_____
41 Add Column B, Lines 38, 39, and 40. This is the Illinois portion of your total income.	41 _____	_____
42 Federally taxed Social Security and retirement income (Form IL-1040, Line 5)	42 _____	_____
43 Illinois Income Tax overpayment included on your fed. Form 1040, Sch. 1, Line 10. (Form IL-1040, Line 6)	43 _____	_____
44 Other subtractions (Form IL-1040, Line 7)	44 _____	_____
45 Add Column B, Lines 42 through 44. This is the total of your Illinois subtractions.	45 _____	_____

Step 5: Figure your Illinois income and tax

46 Subtract Line 45 from Line 41. If Line 45 is larger than Line 41, enter zero. This is your Illinois base income.	46 _____	_____
If Line 46 is zero, skip Lines 47 through 51, and enter "0" on Line 52.		
47 Enter the base income from Form IL-1040, Line 9.	47 _____	_____
48 Divide Line 46 by Line 47 (round to three decimal places). Enter the appropriate decimal. If Line 46 is greater than Line 47, enter 1.000.	48 _____	_____
49 Enter your exemption allowance from your Form IL-1040, Line 10.	49 _____	_____
50 Multiply Line 49 by the decimal on Line 48. This is your Illinois exemption allowance.	50 _____	_____
51 Subtract Line 50 from Line 46. This is your Illinois net income. Enter the amount here and on your Form IL-1040, Line 11.	51 _____	_____
52 Multiply the amount on Line 51 by 4.95% (.0495). This amount may not be less than zero. Enter the amount here and on your Form IL-1040, Line 12. This is your tax.	52 _____	_____

Quality Review Checklist

Quality Review Checklist

- Was residency status for tax purposes properly determined?
- Double-check name, address, and phone number are correct
- Are all allowable dependents properly listed (Canada, Mexico, South Korea)?
- Are all income and deduction items correctly listed?
- Have the returns been signed?
- Have the correct documents (W-2, 1042-S) been attached?
- Has the proper treaty article been cited and reported?

Resources

Resources for Federal Tax Returns

IRS: www.irs.gov
(800) 829-1040

IRS - Chicago Office:
John C. Kluczynski Federal Building
230 S. Dearborn St. Chicago, IL 60604
(312) 566-4912
Monday-Friday - 8:30 a.m.-4:30 p.m.

Taxpayer Advocate:
(312) 566-3800 or (877) 777-4778

Resources for Illinois Tax Returns

Illinois State Revenue Office

<http://www.revenue.state.il.us/Individuals/index.htm>

(217) 782-3336

Chicago Office:

James R. Thompson Center

Concourse Level

100 West Randolph Street

Chicago, Illinois 60601-3274

(800) 732-8866

Hours: 8:30 a.m. to 5:00 p.m.

Resources for University Payroll Questions

Payroll

(<http://www.northwestern.edu/myhr/>)

myHRhelp@northwestern.edu

(847) 491-7362 or (312) 503-9700



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Questions???