

SUPPLEMENTAL FORM W-4 INSTRUCTIONS FOR NONRESIDENT ALIENS
(Notice 1392) (Rev. October 2018)

Part I: General Instructions

Nonresident aliens must follow special instructions when completing UC W-4NR for compensation paid to such individuals as employees performing dependent personal services in the United States. Compensation for dependent personal services includes amounts paid as wages, salaries, fees, bonuses, commissions, compensatory scholarships, fellowship income, and similar designations for amounts paid to an employee.

Are you a nonresident alien? If so, these special instructions apply to you. Resident aliens should follow the instructions on the Form W-4NR.

If you are an alien individual (that is, an individual who is not a U.S. citizen), specific rules apply to determine if you are a resident alien or a nonresident alien for federal income tax purposes. Generally, you are a resident alien if you meet either the “green card test,” or the “substantial presence test,” for the calendar year. Any alien individual not meeting either test is generally a nonresident alien. Additionally, a dual-resident alien who applies the so-called “tie-breaker” rules contained within the Resident (or Residence or Fiscal Residence) article of an applicable U.S. income tax treaty as a nonresident alien. See [Pub. 519, U.S. Tax Guide for Aliens](#), for more information on the green card test, the substantial presence test, and the first-year choice.

What compensation is subject to withholding and requires a Form W-4NR?

Compensation paid to a nonresident alien for performing personal services as an employee in the United States is subject to graduated withholding. Compensation for personal services also includes amounts paid as a scholarship or fellowship grant to the extent it represents payment for past, present, or future services performed as an employee in the United States. Nonresident aliens must complete UC W-4NR using the modified instructions provided later, so that employers can withhold the correct amount of federal income tax from compensation paid for personal services performed in the United States. This Notice modifies the instructions on UC W-4NR to take into account the restrictions on a nonresident alien’s filing status, the correct number of personal allowances to claim, and the restriction on claiming the standard deduction.

Are there any exceptions to this withholding?

Yes. Nonresident aliens may be exempt from wage withholding on the following amounts.

Compensation paid to employees of foreign employers if such pay is not more than \$3,000 and the employee

- Compensation paid to regular crew members of a foreign vessel.
- Compensation paid to residents of Canada or Mexico engaged in transportation-related employment.
- Certain compensation paid to residents of American Samoa, Puerto Rico, or the U.S. Virgin Islands.
- Compensation paid to foreign agricultural workers temporarily admitted into the United States on H-2A visas.

See [Pub. 519](#) to see if you qualify for one of these exemptions.

Nonresident aliens may be exempt from wage withholding on part or all of their compensation for dependent personal services under an income tax treaty. If you are claiming a tax treaty withholding exemption, only complete the DE4 section of the UC W-4NR. Instead of the UC W-4NR section, complete Form 8233, Exemption from Withholding on Compensation for Independent (and Certain Dependent) Personal Services of a Nonresident Alien Individual, and give it to each withholding agent from whom amounts will be received. These forms will be generated, if appropriate, after completing your **GLACIER Nonresident Alien Tax Compliance Record**. Information regarding this process will be provided to you by your employer.

Even if you submit Form 8233, the withholding agent may have to withhold tax from your income because the factors on which the treaty exemption is based may not be determinable until after the close of the tax year. In this case, you must file Form 1040NR, U.S. Nonresident Alien Income Tax Return, (or Form 1040NR-EZ, U.S. Income Tax Return for Certain Nonresident Aliens With No Dependents, if you qualify), to recover any over withheld tax and to provide the IRS with proof that you are entitled to the treaty exemption. See Form 8233 and the Instructions for Form 8233, [Pub. 901, U.S. Tax Treaties](#), and [Pub. 519](#) for more information on treaty benefits.

Am I required to file a U.S. tax return even if I am a nonresident alien?

Yes. Nonresident aliens who perform personal services in the United States are considered to be engaged in a trade or business in the United States and generally are required to file Form 1040NR (or Form 1040NR-EZ). Also you will need to file Form 1040NR (or Form 1040NR-EZ) to claim a refund of any over withheld taxes. See the Instructions for Form 1040NR, or the Instructions for Form 1040NR-EZ, for more information.

Nonresident aliens who are bona fide residents of U.S. possessions should consult [Pub. 570](#), for information on whether compensation is subject to wage withholding in the United States.

Will my withholding amounts be different from withholding for my U.S. coworkers?

Yes. Nonresident aliens cannot claim the standard deduction. The benefits of the standard deduction are included in the existing wage withholding tables published in [Pub. 15 \(Circular E\), Employer's Tax Guide](#).

Because nonresident aliens do not qualify for the standard deduction, employers are instructed to withhold an additional amount from a nonresident alien's wages. For the specific amounts to be added to wages before application of the wage tables, see [Pub. 15](#).

Note. A special rule applies to nonresident students from India and business apprentices from India who are eligible for the benefits of Article 21(2) of the United States-India income tax treaty. Employers are not required to withhold an additional amount for the standard deduction from the wages of these individuals, as they may be entitled to claim an additional personal allowance for the standard deduction. See [Pub. 15](#) and [Pub. 519](#) for more information.

What are the special Form W-4NR instructions?

Nonresident aliens should pay particular attention to the following lines when completing UC W-4NR.

Social Security Number. You are required to enter a social security number (SSN) on in the designated box on the W-4NR. If you do not have an SSN, contact the Social Security Administration (SSA) to find out if you are eligible for one.

You can visit any SSA office or call the SSA at 800-772-1213. For the deaf or hard-of-hearing, call 800-325-0778 (TTY/TTD).

For more information, go to www.ssa.gov/ssnumber.

Note. You cannot enter an individual taxpayer identification number (ITIN) in the designated box of Form W-4NR.

Line 1. "S" for single is the default regardless of your actual marital status.

Line 2. Generally, you can claim one personal allowance. See [Pub. 519](#) and *Personal Allowances Worksheet* below for information about other adjustments that might reduce the amount of your withholding.

Personal Allowances Worksheet. If you use the *Personal Allowances Worksheet* to complete line 2, enter one personal allowance for yourself on Line A.

Do not enter an amount on Lines B, C, or D.

E. Child tax credit. Certain nonresident aliens who are residents of Canada, Mexico, South Korea, or India may be eligible to claim an additional allowance for the child tax credit, see Line E. *Child tax credit* under *Specific Instructions* in the instructions for UC W-4NR.

For more information on the child tax credit, see [PUB. 972, Child Tax Credit](#). Also, see [Pub. 519](#) for a discussion of nonresident aliens and the child tax credit.

F. Credit for other dependents. The credit for other dependents is a new credit for dependents who do not qualify for the tax credit. Certain nonresident aliens who are residents of Canada, Mexico, South Korea, or India may be eligible to claim an additional allowance for the credit for other dependents.

To determine whether you may be allowed to claim an additional allowance for the credit for other dependents, see *Line F. Credit for other dependents* under *Specific Instructions* in the instructions for UC W-4NR.

Deductions, Adjustments, and Additional Income Worksheet.

Use the *Deductions, Adjustments, and Additional Income Worksheet* **only** if you itemize deductions, claim certain adjustments to income, or have a large amount of nonwage income. Generally, your nonwage income is not included in the computation of income tax withholding at graduated rates. See [Pub. 519](#) for more information.

Multiple withholding agents. If you are completing UC W-4NR for more than one withholding agent (for example, you have more than one employer), figure the total number of personal allowances you are entitled to claim and claim no more than that amount on all Forms W-4NR combined. Your withholding usually will be most accurate when all allowances are claimed on the Form W-4NR for the highest – paying job and zero allowances are claimed on the others.