

Instructions for Form 1040-NR

2023

U.S. Nonresident Alien Income Tax Return

Volume 1 of 4



Department of the Treasury
Internal Revenue Service

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Form 1040-NR Helpful Hints

The lines on Form 1040-NR are arranged so that, in most instances, they are for the same tax items as the lines on 2023 Forms 1040, U.S. Individual Income Tax Return, and 1040-SR, U.S. Income Tax Return for Seniors.

You may also need the three Form 1040 numbered schedules: Schedule 1 (Form 1040), Additional Income and Adjustments to Income; Schedule 2 (Form 1040), Additional Taxes; and Schedule 3 (Form 1040), Additional Credits and Payments.

You will need to complete the applicable items on Schedule OI (Form 1040-NR), Other Information, and include that schedule with your Form 1040-

NR.CAUTION: There is a Schedule A (Form 1040-NR), Itemized Deductions, and a Schedule A (Form 1040), Itemized Deductions. Use Schedule A (Form 1040-NR) only with Form 1040-NR. Do **not** use Schedule A (Form 1040-NR) with Forms 1040 or 1040-SR.

Though you will need to file Form 1040-NR and Schedule OI (Form 1040-NR), you may not need to file the numbered schedules (Schedules 1 through 3 (Form 1040)), or Schedule A (Form 1040-NR), Schedule NEC (Form 1040-NR), Tax on Income Not Effectively Connected With a U.S. Trade or Business, and Schedule P (Form 1040-NR), Foreign Partner's Interests in Certain Foreign Partnerships Transferred During the Tax Year. However, if your return is more complicated

(for example, you claim certain deductions or credits or owe additional taxes, or you have U.S. source income not effectively connected with a U.S. trade or business), you will need to complete one or more of those schedules. Below is a general guide to which schedule(s) you will need to file based on your circumstances. See the instructions for the schedules later for more information. If you *e-file* your return, the software you use will generally determine which schedules you need.

You will need the Instructions for Form 1040. Throughout these instructions, you are directed to go to the Instructions for Forms 1040 (also known as the Instructions for Form 1040 (and 1040-SR)) for details on how to complete a line. **But**, in most instances, you will need to look at whether you must take exceptions into consideration when applying those instructions. The specific exceptions for a line are listed under the

instructions for the line. Some of the exceptions noted repeatedly in the line instructions are below.

A nonresident alien filing Form 1040-NR cannot have a Married filing jointly or a Head of household filing status.

Certain tax benefits (such as the child tax credit, the credit for other dependents, and the additional child tax credit; and the premium tax credit for dependents) are only available in full to residents of Canada and Mexico and, to a limited extent, to residents of India and South Korea. These tax benefits cannot be claimed by other nonresident aliens.

There are certain forms used by Form 1040 and Form 1040-SR filers that are **NOT** used by Form 1040-NR filers: for example, Form 2555 and Schedule K-1 (Form 1120-S).

The instructions for estates and trusts on the main form may, in certain instances, align more with the Instructions for Form 1041, U.S. Income Tax Return for Estates and Trusts, than with the Instructions for Form 1040, which are for individuals. If you are filing for a nonresident alien estate or trust, you will still need to follow the *Instructions for Schedule NEC*, later, if the estate or trust has U.S. source income that is not effectively connected with a U.S. trade or business. And there may be tax benefits and income inclusions on Form 1041 not applicable to a nonresident alien trust or estate.

IF YOU . . .	THEN USE . . .
Can claim deductions and losses properly allocated and apportioned to income effectively connected with a U.S. trade or business. Do not include deductions and/or losses that relate to exempt income or to income that is not effectively connected with a U.S. trade or business.	Schedule A (Form 1040-NR) Note. Do not use Schedule A (Form 1040-NR) with Form 1040 or Form 1040-SR. Use Schedule A (Form 1040-NR) only with Form 1040-NR. With Form 1040 or 1040-SR, use Schedule A (Form 1040).
Have income not effectively connected with a U.S. trade or business.	Schedule NEC (Form 1040-NR)
Had a gain or loss from your transfer of an interest in a partnership that is either directly or indirectly engaged in the conduct of a trade or business within the United States or holds any U.S. real property interests.	Schedule P (Form 1040-NR)
Have additional income, such as business or farm income or loss, unemployment compensation, or prize or award money from a U.S. trade or business.	Schedule 1 (Form 1040), Part I
Have any adjustments to income to claim, such as student loan interest deduction, self-employment tax deduction, or educator expenses.	Schedule 1 (Form 1040), Part II
Owe alternative minimum tax (AMT) or need to make an excess advance premium tax credit repayment.	Schedule 2 (Form 1040), Part I
Owe other taxes, such as self-employment tax, household employment taxes, and additional tax on individual retirement arrangements (IRAs) or other qualified retirement plans and tax-favored accounts.	Schedule 2 (Form 1040), Part II
Can claim a nonrefundable credit (other than the child tax credit or the credit for other dependents), such as the foreign tax credit or general business credit.	Schedule 3 (Form 1040), Part I
Can claim a refundable credit (other than the additional child tax credit), such as the net premium tax credit.	Schedule 3 (Form 1040), Part II
Have other payments, such as an amount paid with a request for an extension to file or excess social security tax withheld.	

The Taxpayer Advocate Service Is Here To Help You

What is the Taxpayer Advocate Service?

The Taxpayer Advocate Service (TAS) is an *independent* organization within the Internal Revenue Service (IRS) that helps taxpayers and protects taxpayer rights. TAS strives to ensure that every taxpayer is treated fairly and that you know and understand your rights under the [Taxpayer Bill of Rights](#).

What can TAS do for you?

TAS can help you if your tax problem is causing a financial difficulty, you've tried and been unable to resolve your issue with the IRS, or you believe an IRS system, process, or procedure just isn't working as it should. And the service is free. If you qualify for TAS assistance, you will be assigned to one advocate who will work with you throughout the process and will do everything possible to resolve your issue. TAS can help you if:

- Your problem is causing financial difficulty for you, your family, or your business.
- You face (or your business is facing) an immediate threat of adverse action.
- You've tried to contact the IRS but no one has responded, or the IRS hasn't responded by the date promised.

How can you reach TAS?

TAS has offices [in every state, the District of Columbia, and Puerto Rico](#). To find your advocate's number:

- Go to [TaxpayerAdvocate.IRS.gov/Contact-Us](https://taxpayeradvocate.irs.gov/Contact-Us);
- Download Publication 1546, Taxpayer Advocate Service Is Your Voice at the IRS. If you don't have Internet access, you can call the IRS toll free at 800-TAX-FORM (800-829-3676) and ask for a copy of Publication 1546;
- Check your local directory; or
- Call TAS toll free at 877-777-4778.

How can you learn about your taxpayer rights?

The Taxpayer Bill of Rights describes 10 basic rights that all taxpayers have when dealing with the IRS. The TAS website [TaxpayerAdvocate.IRS.gov](https://taxpayeradvocate.irs.gov) can help you understand what these rights mean to you and how they apply. These are **your** rights. Know them. Use them.

How else does TAS help taxpayers?

TAS works to resolve large-scale problems that affect many taxpayers. If you know of one of these broad issues, please report it to TAS at [IRS.gov/SAMS](https://irs.gov/SAMS). Be sure not to include any personal taxpayer information.

Low Income Taxpayer Clinics (LITCs)

Low Income Taxpayer Clinics (LITCs) are independent from the Internal Revenue Service (IRS) and the Taxpayer Advocate Service (TAS). LITCs represent individuals whose income is below a certain level and who need to resolve tax problems with the IRS. LITCs can represent taxpayers in audits, appeals, and tax collection disputes before the IRS and in court. In addition, LITCs can provide information about taxpayer rights and responsibilities in different languages for individuals who speak English as a second language. Services are offered for free or a small fee. For more information or to find an LTC near you, see the LTC page at [TaxpayerAdvocate.IRS.gov/LITCMap](https://taxpayeradvocate.irs.gov/LITCMap) or IRS [Publication 4134, Low Income Taxpayer Clinic List](https://www.irs.gov/pub/irs-soi/1345010pub4134.pdf). This publication is available online at [IRS.gov/Forms-Pubs](https://www.irs.gov/forms-pubs) or by calling the IRS toll free at 800-TAX-FORM (800-829-3676).

Suggestions for Improving the IRS

Taxpayer Advocacy Panel

Taxpayers have an opportunity to provide direct feedback to the Internal Revenue Service (IRS) through the Taxpayer Advocacy Panel (TAP). The TAP is a Federal Advisory Committee comprised of an independent panel of citizen volunteers who listen to taxpayers, identify taxpayers' systemic issues, and make suggestions for improving IRS customer service. Contact TAP at [ImproveIRS.org](https://www.improveirs.org).

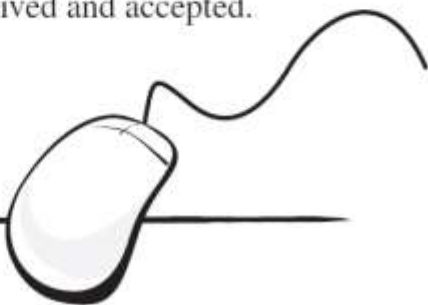
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You can electronically file (*e-file*) your Form 1040-NR.

E-filing your returns—safe, quick, and easy

Why do millions of Americans file their taxes electronically?

- *Security*—The IRS uses the latest encryption technology to safeguard your information.
- *Flexible Payments*—File early; pay by the due date of your return (not counting extensions)—April 15, 2024 (for most people).
- *Greater Accuracy*—Fewer errors mean faster processing.
- *Quick Receipt*—Get an acknowledgment that your return was received and accepted.
- *Go Green*—Reduce the amount of paper used.
- *Faster Refunds*—Join the eight in 10 taxpayers who get their refunds faster by using direct deposit and *e-file*.



**IRS *e-file*: It's Safe.
It's Easy. It's Time.**



Joining the more than 150 million Americans who are already using *e-file* is easy. Just ask your tax preparer or use commercial software. IRS *e-file* is the safest, most secure way to transmit your tax return to the IRS. Since 1990, the IRS has processed more than 2 billion *e-filed* tax returns safely and securely. There's no paper return to be lost or stolen.

Most tax return preparers are now required to use IRS *e-file*. If you are asked if you want to *e-file*, just give it a try. IRS *e-file* is now the norm, not the exception.

IRS.gov is the gateway to all electronic services offered by the IRS, as well as the spot to download forms at [IRS.gov/Forms](https://www.irs.gov/forms).

Make your tax payments online—it's easy.

You can make payments online, by phone, or from a mobile device. Paying online is safe and secure; it puts you in control of paying your tax bill and gives you peace of mind. You determine the payment date, and you will receive an immediate confirmation from the IRS. Go to [IRS.gov/Payments](https://www.irs.gov/payments) to see all your online payment options.

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Affordable Care Act—What You Need To Know

See Affordable Care Act—What You Need To Know in the Instructions for Form 1040 for details.

What's New

Future developments. For the latest information about developments related to Form 1040-NR and its instructions, such as legislation enacted after they were published, go to [IRS.gov/Form1040NR](https://www.irs.gov/Form1040NR).

Due date of return. File Form 1040-NR by April 15, 2024, if you were an employee and received wages subject to U.S. income tax withholding. If you live in Maine or Massachusetts, you have until April 17, 2024, because of the Patriots' Day and Emancipation Day holidays.

New Schedule P (Form 1040-NR).

A nonresident alien, foreign trust, or foreign estate will use new Schedule P (Form 1040-NR) to report information and calculate gain or loss on the transfer of an interest in a partnership that is either directly or indirectly engaged in the conduct of a trade or business within the United States or holds any U.S. real property interests.

Qualified disability trusts. The exemption amount for a qualified disability is \$4,700 for 2023.

Additional child tax credit amount

increased. The maximum additional child tax credit amount has increased to \$1,600 for each qualifying child. **New lines on Schedule 3.**

- Line 5 has been separated into lines 5a and 5b so that the residential clean energy credit and the energy efficient

home improvement credit reported on Form 5695 each have their own line.

- New line 6m was added to report the credit for previously owned clean vehicles from Form 8936.
- Line 13c will be used to report the elective payment election amount from Form 3800.

Credits for qualified sick and family leave wages. The credits for qualified sick and family leave wages paid in 2023 for leave taken before April 1, 2021, and for leave taken after

March 31, 2021, and before October 1, 2021, are now reported on Schedule 3, line 13z. See Schedule H (Form 1040) for more information.

Alternative motor vehicle credit. The alternative motor vehicle credit has expired.

New clean vehicle credit. The credit for new qualified plug-in electric drive motor vehicles has changed. This credit is now known as the clean vehicle credit. The maximum amount of the credit and some of the requirements to claim the credit have changed. The credit is still reported on Form 8936 and Schedule 3, line 6f.

For more information, see Form 8936.

Previously owned clean vehicle credit.

This credit is available for previously owned clean vehicles acquired and placed in service after 2022. For more information, see Form 8936.

Self-employed health insurance

deduction. If you can take the self-employed health insurance deduction on Schedule 1, line 17, and you can't use the Self-Employed Health Insurance Deduction

Worksheet in the Instructions for Form 1040, you will now use the Form 7206, instead of Pub. 535, to figure your deduction.

Qualified charitable distribution one-time election. Beginning in 2023, you can elect to make a one-time distribution up to \$50,000 from an individual retirement account to charities through a charitable remainder trust, a charitable remainder unitrust, or a charitable gift annuity funded only by qualified charitable distributions. See Pub. 590-B for more information.

Increase in required minimum distribution age. If you reach age 72 in 2023, the required beginning date for your first required minimum distribution from a retirement plan is April 1, 2025. See Pub. 590-B for more information.

Insurance premiums for retired public safety officers. Eligible retired public safety officers can exclude from income up to \$3,000 of distributions from their eligible

retirement plan that is paid directly to them and is used to pay for health insurance premiums. For more information, see *Insurance Premiums for Retired Public Safety Officers* under *Lines 5a and 5b* in the Instructions for Form 1040.

Exception to the 10% additional tax for early distributions. The exception to the 10% additional tax for early distributions includes the following.

- Distributions from a retirement plan in connection with federally declared disasters.
- Distributions from a retirement plan made to someone who is terminally ill.
- Distributions to firefighters at age 50 or with 25 years of service under the plan.

See Form 5329 and Pub. 590-B for more information.

Reminders

Married filing status. At the top of page 1 of Form 1040-NR, select the filing status Married filing separately if you are married even if you aren't separated from your spouse. But see Married Filing Separately, later, for an exception.

Form 1040-NR. Refer to Form 1040-NR Helpful Hints, earlier, for a comprehensive discussion of these instructions, including the references to the Instructions for Form 1040 that you see throughout these instructions.

Required e-filing. Paid tax return preparers must generally *e-file* Forms 1040-NR for tax returns filed for tax years ending on or after December 31, 2020, unless filing for a dual-status taxpayer, a fiscal-year taxpayer, a trust, or an estate. For these and other exceptions, see Notice 2020-70.

Schedule LEP (Form 1040), Request for Change in Language Preference. Schedule LEP allows taxpayers to state a preference to receive written communications from the IRS in a language other than English. For more information, including which languages are available and how to file, see Schedule LEP.

Filing Requirements

Do You Have To File?

File Form 1040-NR if any of the conditions in Table A. Who Must File Form 1040-NR, later, apply to you.



You must still meet (1), (2), or (3) below to be exempt from filing a 2023 Form 1040-NR.

Exceptions. You don't need to file Form 1040-NR if you meet (1), (2), or (3) below.

1. You were a nonresident alien student, teacher, or trainee who was temporarily present in the United

States under an “F,” “J,” “M,” or “Q” visa, and you have no income that is subject to tax under section 871 (that is, the income items listed on page 1 of Form 1040-NR, lines 1a through 1h, 2b, 3b, 4b, 5b, 7, and 8, and Schedule NEC (Form 1040-NR), lines 1 through 12).

2. You were a student or business apprentice who was eligible for the benefits of Article 21(2) of the United States–India Income Tax Treaty, you are single or a qualifying surviving spouse, and your gross income for 2023 was less than or equal to \$13,850 if single (\$27,700 if a qualifying surviving spouse). See chapters 5 and 7 of Pub. 519 for more details on these treaty benefits.
3. You were a partner in a U.S. partnership that was not engaged in a trade or business in the United States

during 2023 and your Schedule K-1 (Form 1065) includes only income from U.S. sources reportable on Schedule NEC (Form 1040-NR), lines 1 through 12.



If the partnership withheld taxes on this income in 2023 but the tax withheld and reported in box 10 of Form 1042-S was less or more than the tax due on the income, you will need to file Form 1040-NR for 2023 to pay the underwithheld tax or claim a refund of the overwithheld tax.



Even if you don't otherwise have to file a return, you should file one if you can get money back. For example, you should file if one of the following applies.

- 1. You're eligible to get a refund of any federal income tax withheld.*
- 2. You're engaged in a U.S. trade or business and are eligible for any of the following credits.*

- a. Additional child tax credit.*
- b. Credit for federal tax on fuels.*
- c. Premium tax credit.*

You should also consider filing a return if you received a Form 1099-B (or substitute statement). See Pub. 501 for more details.

Requirement to reconcile advance payments of the premium tax credit. See *Requirement to reconcile advance payments of the premium tax credit* under *Filing Requirements* in the Instructions for Form 1040 for details.


Exception 1. If you're filing Form 1040-NR, you can claim the premium tax credit for dependents only if you are a U.S. national; a resident of Canada, Mexico, or South Korea; or a student or business apprentice eligible for the benefits of Article 21(2) of the United States–India Income Tax Treaty. See Pub. 974.

Exception 2. You can't use advance payments made for your spouse, as a Form 1040-NR filer can't file a joint return.

Exception 3. If you're filing Form 1040-NR and considered married for federal tax purposes, you can't claim the premium tax credit unless you meet the criteria of one of the exceptions under *Married taxpayers* in the Instructions for Form 8962.

Filing a deceased person's return. The personal representative must file the return for a deceased person who was required to file a return for 2023. A personal representative can be an executor, administrator, or anyone who is in charge of the deceased person's property.

Table A. Who Must File Form 1040-NR

You must file Form 1040-NR if any of the following conditions apply to you.	
1. You were a nonresident alien engaged in a trade or business in the United States during 2023. You must file even if: a. You have no income from a trade or business conducted in the United States, b. You have no U.S. source income, or c. Your income is exempt from U.S. tax under a tax treaty or any section of the Internal Revenue Code. However, if you have no gross income* for 2023, do not complete the schedules for Form 1040-NR other than Schedule OI (Form 1040-NR). Instead, attach a list of the kinds of exclusions you claim and the amount of each.	
2. You were a nonresident alien not engaged in a trade or business in the United States during 2023 and: a. You received income from U.S. sources that is reportable on Schedule NEC, lines 1 through 12; and b. Not all of the U.S. tax that you owe was withheld from that income.	
3. You owe any special taxes, including any of the following. a. Alternative minimum tax. b. Additional tax on a qualified plan, including an IRA, or other tax-favored account. (If you're filing a return only because you owe this tax, you can file Form 5329 by itself.) c. Household employment taxes. (If you're filing a return only because you owe these taxes, you can file Schedule H (Form 1040) by itself.) d. Social security and Medicare tax on tips you didn't report to your employer or on wages you received from an employer who didn't withhold these taxes. e. Recapture of first-time homebuyer credit. See the instructions for Schedule 2, line 10 , later. f. Write-in taxes or recapture taxes, including uncollected social security and Medicare or RRTA tax on tips you reported to your employer or on group-term life insurance and additional taxes on health savings accounts (HSAs). See the instructions for Schedule 2, line 13 , or Schedule 2, line 17d , later.	
4. You received HSA, Archer Medical Savings Account (MSA), or Medicare Advantage MSA distributions. See the instructions for Schedule 2, line 17c , Schedule 2, line 17e , or Schedule 2, line 17f , later.	
5. You had net earnings from self-employment of at least \$400 and you are a resident of a country with whom the United States has an international social security agreement (often called a totalization agreement). See the instructions for Schedule 2, line 4 , later.	
6. Advance payments of the premium tax credit were made for you or a dependent who enrolled in coverage through the Marketplace. You or whoever enrolled you should have received Form(s) 1095-A showing the amount of the advance payments.	
7. You're the personal representative for a deceased person who would have had to file Form 1040-NR. A personal representative can be an executor, administrator, or anyone who is in charge of the deceased person's property.	
8. You represent an estate or trust that has to file Form 1040-NR. Change the form to reflect the provisions of subchapter J, chapter 1, of the Internal Revenue Code. You may find it helpful to refer to Form 1041 and its instructions when completing the Form 1040-NR. Refer to the Instructions for Form 1040 only as necessary.	
<div>CAUTION</div> <div><i>If you're filing Form 1040-NR for a foreign trust, you may have to file Form 3520-A, Annual Information Return of Foreign Trust With a U.S. Owner, on or before the 15th day of the 3rd month after the end of the trust's tax year. For more information, see the Instructions for Form 3520-A.</i></div>	
9. You held a qualified investment in a qualified opportunity fund (QOF) at any time during the year. You must file your return with Form 8997 attached. See Form 8997 for additional reporting requirements.	
10. You're a dual-resident taxpayer and you would like to be treated as a nonresident of the United States for purposes of figuring your income tax liability. You may need to file your return with a Form 8833 attached. See Form 8833 for additional information.	
* Gross income means all income you received in the form of money, goods, property, and services that isn't exempt from tax. In most cases, it includes only income from U.S. sources. Gross income includes gains, but not losses, from asset transactions. Gross income from a business means, for example, the amount on Schedule C (Form 1040), line 7; or Schedule F (Form 1040), line 9. But, in figuring gross income, don't reduce your income by any losses, including any loss on Schedule C (Form 1040), line 7; or Schedule F (Form 1040), line 9.	

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Requirement to reconcile advance payments of the premium tax credit. See *Requirement to reconcile advance payments of the premium tax credit* under *Filing Requirements* in the Instructions for Form 1040 for details.

Exception 1. If you're filing Form 1040-NR, you can claim the premium tax credit for dependents only if you are a U.S. national; a resident of Canada, Mexico, or South Korea; or a student or business apprentice eligible for the benefits of Article 21(2) of the United States–India Income Tax Treaty. See Pub. 974.

Exception 2. You can't use advance payments made for your spouse, as a Form 1040-NR filer can't file a joint return.

Exception 3. If you're filing Form 1040-NR and considered married for federal tax purposes, you can't claim the premium tax credit unless you meet the criteria of one of

the exceptions under *Married taxpayers* in the Instructions for Form 8962.

Filing a deceased person's return. The personal representative must file the return for a deceased person who was required to file a return for 2023. A personal representative can be an executor, administrator, or anyone who is in charge of the deceased person's property.

Filing for an estate or trust. If you're filing Form 1040-NR for a nonresident alien estate or trust, change the form to reflect the provisions of subchapter J, chapter 1, of the Internal Revenue Code. You may find it helpful to refer to Form 1041 and its instructions for some purposes when completing the Form 1040-NR rather than looking to these instructions for details.



If you're filing Form 1040-NR for a foreign trust, you may have to file Form 3520-A, Annual Information Return of Foreign Trust With a U.S. Owner, on or before the 15th day of the 3rd month after the end of the trust's tax year. For more information, see the Instructions for Form 3520-A.

Simplified Procedure for Claiming Certain Refunds

You can use this procedure only if you meet all of the following conditions for the tax year.

- You were a nonresident alien.
- You were not engaged in a trade or business in the United States at any time.
- You had no income that was effectively connected with the conduct of a U.S. trade or business.

- Your U.S. income tax liability was fully satisfied through withholding of tax at the source.
- You're filing Form 1040-NR solely to claim a refund of U.S. tax withheld at the source under chapter 3 or tax withheld under chapter 4 (FATCA).



Gains and losses from the sale or exchange of U.S. real property interests are taxed as if you're engaged in a trade or business in the United States.

Example. Alex is a nonresident alien individual. The only U.S. source income Alex received during the year was dividend income from U.S. stocks. The dividend income was reported to Alex on Form(s) 1042-S. On one of the dividend payments, the withholding agent incorrectly withheld at a rate of 30% (instead of 15%). Alex is eligible to use the simplified procedure.

How To Complete Form 1040-NR Using the Simplified Procedure

If you meet all of the conditions listed earlier for the Simplified Procedure for the tax year, complete Form 1040-NR and Schedules NEC and OI (Form 1040-NR) as follows.

Page 1 of Form 1040-NR. Enter your name, identifying number (defined in *Identifying Number*, later), and all address information requested at the top of page 1. If your income isn't exempt from tax by treaty, leave the rest of page 1 blank. If your income is exempt from tax by treaty, enter the exempt income on line 1k and leave the rest of page 1 blank.

Schedule NEC (Form 1040-NR). Complete the lines on this form as indicated below.

Lines 1a through 12 of Schedule NEC (Form 1040-NR). Enter the amounts of gross income you received from dividends, dividend equivalents, interest, royalties,

pensions, annuities, and other income. If any income you received was subject to backup withholding or withholding at source, you must include all gross income of that type that you received. The amount of each type of income should be shown in the column under the appropriate U.S. tax rate, if any, that applies to that type of income in your particular circumstances.

If you're entitled to a reduced rate of, or exemption from, withholding on the income pursuant to a tax treaty, the appropriate rate of U.S. tax is the same as the treaty rate. Use column (d) if the appropriate tax rate is other than 30%, 15%, or 10%, including 0%.

Example. Dale is a nonresident alien individual. The only U.S. source income Dale received during the year was as follows.

- 4 dividend payments.
- 12 interest payments.

All payments were reported to Dale on Form(s) 1042-S. On one of the dividend payments, the withholding agent incorrectly withheld at a rate of 30% (instead of 15%). There were no other withholding discrepancies. Dale must report all four dividend payments. Dale isn't required to report any of the interest payments.

Note. Payments of gross proceeds from the sale of securities or regulated futures contracts are generally exempt from backup withholding. If you received such payments and they were subjected to backup withholding, specify the type of payment on line 12 and show the amount in column (d).

Lines 13 through 15 of Schedule NEC (Form 1040-NR). Complete these lines as instructed on the form.

Page 2 of Form 1040-NR—Lines 23a through 35e and signature. Complete these lines as indicated below and in the line instructions for Form 1040-NR, later.

Line 23a. Enter on line 23a the tax on income not effectively connected with a U.S. trade or business from Schedule NEC, line 15.

Line 24. Enter your total income tax liability on line 24.

Line 25b. Enter the total amount of U.S. tax withheld from Form(s) 1099.

Line 25g. Enter the total amount of U.S. tax withheld on income not effectively connected with a U.S. trade or business from Form(s) 1042-S.

Line 33. Add lines 25d, 25e, 25f, 25g, 26, and 32. This is the total tax you have paid.

Lines 34 and 35a. Enter the difference between line 24 and line 33. This is your total refund.

You can have the refund deposited into more than one account. See Lines 35a Through 35e—Amount Refunded to You, later, for more details.

Line 35e. You may be able to have your refund check mailed to a foreign address that isn't shown on page 1. See Line 35e, later, for more details.

Signature. You must sign and date your tax return. See Sign Your Return, later.

Schedule OI (Form 1040-NR). You must answer all questions. For item L, identify the country, tax treaty article(s) under which you are applying for a refund of tax, the number of months in prior years that you claimed the treaty benefit, and the amount of exempt income in the current year. Also attach Form 8833 if required.

Note. If you're claiming a reduced rate of, or exemption from, tax based on a tax treaty, you must generally be a resident for income tax purposes of the particular treaty country within the meaning of the treaty and you can't have a permanent establishment or fixed base in the United States. You can download the complete text of most U.S. tax

treaties at IRS.gov. Go to IRS.gov, enter "tax treaties" in the search box at the top of the page, and click on *United States Income Tax Treaties - A to Z*. Technical explanations for many of those treaties are also available at that site.

If you're claiming an exemption from tax under chapter 4, you must qualify for a reduced rate of, or exemption from, tax for chapter 3 purposes unless the payment isn't an amount subject to chapter 3 withholding. See Regulations section 1.1441-2(a).

Documentation. You must attach acceptable proof of the withholding for which you are claiming a refund. If you're claiming a refund of backup withholding tax based on your status as a nonresident alien, you must attach a copy of the Form 1099 that shows the income and the amount of backup withholding. If you are claiming a refund of U.S. tax withheld at source under chapter 3 or tax withheld under chapter 4, you must

attach a copy of the Form 1042-S that shows the income and the amount of U.S. tax withheld. Attach the forms to the left margin of page 1.

Additional Information

Portfolio interest. If you're claiming a refund of U.S. tax withheld from portfolio interest, include a description of the relevant debt obligation, including the name of the issuer, CUSIP number (if any), interest rate, and the date the debt was issued.



Interest payments on foreign bearer obligations issued on or after March 19, 2012, generally aren't eligible for the portfolio interest exception to withholding. For more information, see Interest Income in chapter 3 of Pub. 519 and Reduced Rates of Withholding on Interest in Pub. 515.

Withholding on distributions. If you're claiming an exemption from withholding on a distribution from a

U.S. corporation with respect to its stock because the corporation had insufficient earnings and profits to support dividend treatment, you must attach a statement that identifies the distributing corporation and provides the basis for the claim.

If you're claiming an exemption from withholding on a distribution from a mutual fund or real estate investment trust (REIT) with respect to its stock because the distribution was designated as long-term capital gain or a nondividend distribution, you must attach a statement that identifies the mutual fund or REIT and provides the basis for the claim.

If you're claiming an exemption from withholding on a distribution from a U.S. corporation with respect to its stock because, in your particular circumstances, the transaction qualifies as a redemption of stock under section 302, you must attach a statement that describes the transaction and

presents the facts necessary to establish that the payment was a complete redemption, a substantially disproportionate redemption, or not essentially equivalent to a dividend.

Items To Note

Special rules for former U.S. citizens and former U.S. long-term residents. If you renounced your U.S. citizenship or terminated your long-term resident status, you may be subject to special rules. See *Special Rules for Former U.S. Citizens and Former U.S. Long-Term Residents (Expatriates)*, later.

Self-employment tax. You must pay self-employment tax on your self-employment income if an international social security agreement in effect between your country of tax residence and the United States provides that you are covered under the U.S. social security system. Enter the tax on Schedule 2 (Form 1040), line 4. See *Line 4* under *Instructions for Schedule 2*, later, for

additional information. Enter the deductible part of your self-employment tax on Schedule 1 (Form 1040), line 15. Attach

Schedule SE (Form 1040). See the Instructions for Schedule SE (Form 1040) for additional information.

Social security or Medicare taxes

withheld in error. If you're a foreign student or exchange visitor on an F-1, J-1, M-1, or Q visa, and social security or Medicare taxes were withheld on your wages in error, you may want to file Form 843, Claim for Refund and Request for Abatement, to request a refund of these taxes. For more information, see *Students and Exchange Visitors* in chapter 8 of Pub. 519, U.S. Tax Guide for Aliens.

Other reporting requirements. You may also have to file other forms, including the following.

- Form 8833, Treaty-Based Return Position Disclosure Under Section 6114 or 7701(b).
- Form 8840, Closer Connection Exception Statement for Aliens.
- Form 8843, Statement for Exempt Individuals and Individuals With a Medical Condition.
- Form 8938, Statement of Specified Foreign Financial Assets.

Dual-resident taxpayer holding specified foreign financial assets. Special reporting requirements for Form 8938 apply to dual-resident taxpayers holding specified foreign financial assets and taxed for all or a portion of the year as nonresident aliens under Regulations section 301.7701(b)-7. For more information, see the Instructions for Form 8938, in particular, *Special rule for dual resident taxpayers* under *Who Must File*.

Additional Information

If you need more information, our free publications may help you. Pub. 519 will be the most beneficial, but the following publications may also help.

Pub. 501 Dependents, Standard Deduction, and Filing Information

Pub. 525 Taxable and Nontaxable Income

Pub. 529 Miscellaneous Deductions

Pub. 597 Information on the United States– Canada Income Tax Treaty

These free publications and the forms and schedules you will need are available from the IRS. You can download them at [IRS.gov](https://www.irs.gov). Also see *How To Get Tax Help*, later, for other

ways to get them (as well as information on receiving IRS assistance in completing the forms).

You can download the complete text of most U.S. tax treaties at IRS.gov. Go to IRS.gov, enter "tax treaties" in the search box at the top of the page, and click on *United States Income Tax Treaties - A to Z*. Technical explanations for many of those treaties are also available at that site.

Resident Alien or Nonresident Alien

If you're not a citizen of the United States, specific rules apply to determine if you're a resident alien or a nonresident alien for federal tax purposes. Generally, you're considered a resident alien if you meet either the green card test or the substantial presence test for 2023. (These tests are explained in *Green Card Test* and *Substantial Presence Test*, later.) Even if you don't meet

either of these tests, you may be able to choose to be treated as a U.S. resident for part of 2023. See *First-Year Choice* in chapter 1 of Pub. 519 for details.

Generally, you're considered a nonresident alien for the year if you're not a U.S. resident under either of these tests. However, see *Dual-Resident Taxpayer*, later, if you're a resident of the United States under these tests but are eligible to claim benefits as a resident of a foreign country under a U.S. income tax treaty.

For more details on resident and nonresident status, the tests for residence, and the exceptions to them, see chapter 1 of Pub. 519.

Green Card Test

You're a resident for federal tax purposes if you were a lawful permanent resident (immigrant) of the United States at any time during 2023. (Also see *Dual-Status*

Taxpayers, later.) In most cases, you are a lawful permanent resident if the USCIS (or its predecessor organization, INS) has issued you a Form I-551, Permanent Resident Card, also known as a green card.

You continue to have resident status under this test unless the status is taken away from you or is administratively or judicially determined to have been abandoned.

An administrative or judicial determination of abandonment of resident status may be initiated by you, the USCIS, or a U.S. consular officer.

Your resident status is considered to have been taken away from you if the U.S. Government issues you a final administrative or judicial order of exclusion or deportation. When your resident alien status is considered to have been administratively or judicially determined to be abandoned depends on who initiates the determination.

If the USCIS or U.S. consular officer initiates this determination, your resident status will be considered to be abandoned when the final administrative order of abandonment is issued. If you initiate the determination, your resident status is considered to be abandoned when you file either of the following documents—along with your Form I-551 with the USCIS or a U.S. consular officer.

- USCIS Form I-407 (Record of Abandonment of Lawful Permanent Resident Status).
- A letter stating your intent to abandon your resident status.

When filing by mail, you must send your filing by certified mail, return receipt requested (or the foreign equivalent), and keep a copy and proof that it was mailed and received.



Until you have proof your letter was received, you remain a resident for federal tax purposes even if the USCIS

wouldn't recognize the validity of your green card because it's more than 10 years old or because you've been absent from the United States for a period of time.

For more details, see *Green Card Test* in chapter 1 of Pub. 519. Also see [USCIS.gov/i-407](https://uscis.gov/i-407).

Substantial Presence Test

You are considered a U.S. resident if you meet the substantial presence test for 2023. You meet this test if you were physically present in the United States for at least:

1. 31 days during 2023; and
2. 183 testing days during the

3-year period of 2023, 2022, and 2021, as calculated using the following chart.

(a)	(b)	(c)	(d)
Year	Days of physical presence	Multiplier	Testing days (multiply (b) times (c))
2023		1.000	
2022		0.333	
2021		0.167	
Total testing days (add column (d))			

Generally, you're treated as present in the United States on any day that you're physically present in the country at any time during the day. However, there are

exceptions to this rule. In general, don't count the following as days of presence in the United States for the substantial presence test.

1. Days you commute to work in the United States from a residence in Canada or Mexico if you regularly commute from Canada or Mexico.
2. Days you're in the United States for less than 24 hours when you're in transit between two places outside the United States.
3. Days you were temporarily in the United States as a regular crew member of a foreign vessel engaged in transportation between the United States and a foreign country or a territory of the United States unless you otherwise engaged in trade or business on such day.

4. Days you intend, but are unable, to leave the United States because of a medical condition that arose while you were in the United States.
5. Days you're in the United States under a NATO visa as a member of a force or civilian component to NATO. However, this exception doesn't apply to an immediate family member who is present in the United States under a NATO visa. A dependent family member must count every day of presence for purposes of the substantial presence test.
6. Days you are an exempt individual (defined next).



You may need to file Form 8843 to exclude days of presence in the United States if you meet (4) or (6) above.

For more information on the requirements, see Form 8843 in chapter 1 of Pub. 519.

Exempt individual. For purposes of the substantial presence test, an exempt individual is anyone in one of the following categories.

- An individual temporarily present in the United States as a foreign government-related individual under an "A" or "G" visa, other than individuals holding "A-3" or "G-5" class visas.
- A teacher or trainee who is temporarily present under a "J" or "Q" visa, who substantially complies with the requirements of the visa.
- A student who is temporarily present under an "F," "J," "M," or "Q" visa, who substantially complies with the requirements of the visa.
- A professional athlete who is temporarily in the United States to compete in a charitable sports event.

Note. Alien individuals with “Q” visas are treated as students, teachers, or trainees and, as such, are exempt individuals for purposes of the substantial presence test if they otherwise qualify. “Q” visas are issued to aliens participating in certain international cultural exchange programs.

See chapter 1 of Pub. 519 for more details regarding exempt individuals and days of presence in the United States for the substantial presence test.



You can't be an exempt individual indefinitely. Generally, you won't be an exempt individual as a teacher or trainee in 2023 if you were exempt as a teacher, trainee, or student for any part of 2 of the preceding 6 years. You won't be an exempt individual as a student in 2023 if you were exempt as a teacher, trainee, or student for any part of more than 5 calendar years. However, there are exceptions to these limits.

See Substantial Presence Test in chapter 1 of Pub. 519 for more information.

Closer Connection to Foreign Country

Even though you would otherwise meet the substantial presence test, you can be treated as a nonresident alien if you:

- Were present in the United States for fewer than 183 days during 2023,
- Establish that during 2023 you had a tax home in a foreign country, and
- Establish that during 2023 you had a closer connection to one foreign country in which you had a tax home than to the United States unless you had a closer connection to two foreign countries.

You aren't eligible for the closer connection exception if you have an application pending for adjustment of status to that of a lawful permanent resident or if you have applied, or have taken steps to apply, for lawful

permanent residence. See chapter 1 of Pub. 519 for more information.

You must file a fully completed Form 8840 with the IRS to claim the closer connection exception. See *Form 8840* in chapter 1 of Pub. 519. Each spouse must file a separate Form 8840 to claim the closer connection exception.

Dual-Resident Taxpayer

You're a dual-resident taxpayer if you're a resident of both the United States and a foreign country under each country's tax laws. If the income tax treaty between the United States and that foreign country contains a provision for resolving conflicting claims of residence (often referred to as "tie-breaker" rules), and you determine that you're a resident of the foreign country under that provision, you can be treated as a nonresident of the United States for purposes of figuring out your income tax liability if you

file a Form 1040-NR and attach a Form 8833, Treaty-Based Return

Position Disclosure Under Section 6114 or 7701(b). A dual-resident taxpayer may also be eligible for U.S. competent authority assistance. See Rev. Proc. 2015-40, 2015-35 I.R.B. 236, available at [IRS.gov/irb/ 2015-35 IRB#RP-2015-40](https://www.irs.gov/irb/2015-35_IRB#RP-2015-40) or its successor. You can download the complete text of most U.S. tax treaties at IRS.gov. Go to IRS.gov, enter “tax treaties” in the search box at the top of the page, and click on *United States Income Tax Treaties - A to Z*. Technical explanations for many of those treaties are also available at that site.

When and Where Should You File?

Individuals. If you were an employee and received wages subject to U.S. income tax withholding, file Form 1040-NR by the 15th day of the 4th month after your tax year ends. A return for the 2023 calendar year is

due by **April 15, 2024**. If you live in Maine or Massachusetts, you have until April 17, 2024, because of the Patriots' Day and Emancipation Day holidays.

If you file after this date, you may have to pay interest and penalties. See *Interest and Penalties*, later.

If you didn't receive wages as an employee subject to U.S. income tax withholding, file Form 1040-NR by the 15th day of the 6th month after your tax year ends. A return for the 2023 calendar year is due by June 17, 2024.

Estates and trusts. If you file for a nonresident alien estate or trust that has an office in the United States, file the return by the 15th day of the 4th month after the tax year ends. If you file for a nonresident alien estate or trust that does not have an office in the United States, file the return by the 15th day of the 6th month after the tax year ends.

Note. If the due date for filing falls on a Saturday, Sunday, or legal holiday, file by the next business day.

If you were serving in, or in support of, the U.S. Armed Forces in a designated combat zone or contingency operation, you may be able to file later. See Pub. 3 for details.

If you *e-file* your return, there's no need to mail it. However, if you choose to mail it instead, filing instructions and addresses are at the end of these instructions.

Where To File next provides the current address for mailing your return. Use these addresses for Forms 1040-NR filed in 2024. The address for returns filed after 2024 may be different. See [IRS.gov/ Form1040NR](https://www.irs.gov/Form1040NR) for any updates.

Where To File

E-file. If you *e-file* your return, there's no need to mail it. See *You can electronically file (e-file) your Form 1040-NR*, earlier, or

IRS.gov for more information. However, if you choose to mail it, filing instructions and addresses are below.

Individuals. If you aren't enclosing a payment, mail Form 1040-NR to:

Department of the Treasury
Internal Revenue Service
Austin, TX 73301-0215
U.S.A.

If enclosing a payment, mail Form 1040-NR to:

Internal Revenue Service
P.O. Box 1303
Charlotte, NC 28201-1303
U.S.A.

Estates and trusts. If you aren't enclosing a payment, mail Form 1040-NR to:

Department of the Treasury
Internal Revenue Service
Kansas City, MO 64999 U.S.A.

If enclosing a payment, mail Form 1040-NR to:

Internal Revenue Service
P.O. Box 1303
Charlotte, NC 28201-1303
U.S.A.

What if you can't file on time? See *What if You Can't File on Time?* in the Instructions for Form 1040.

Private Delivery Services

See *Private Delivery Services* in the Instructions for Form 1040 for details on private delivery services.

Election To Be Taxed as a Resident Alien

You can elect to be taxed as a U.S. resident for the whole year if all of the following apply.

- You were married.

- Your spouse was a U.S. citizen or resident alien on the last day of the tax year.
- You file a joint return for the year of the election using Form 1040 or 1040-SR.

To make this one-time election, you must attach the statement described in *Nonresident Spouse Treated as a Resident* in chapter 1 of Pub. 519 to your return. Don't use Form 1040-NR.

If you make the election to be treated as a resident alien, your worldwide income for the whole year must be included on a Form 1040 or 1040-SR and will be taxed under U.S. tax laws. You must agree to keep the records, books, and other information needed to figure the tax. You must file a joint return for the year 2023 if 2023 is the year in which you made the election. If you made the election in an earlier year, you can file a joint return or separate return for 2023. You must include your worldwide income for the whole year whether you file a joint or separate return.

See Nonresident Spouse Treated as a Resident in chapter 1 of Pub. 519.



You can only make this election once. If your election is later terminated, you aren't permitted to make this election in any future taxable year. Also, if you make this election, you may forfeit the right to claim benefits otherwise available under a U.S. tax treaty. For more information about the benefits that might otherwise be available, see the specific treaty.

Dual-Status Taxpayers



If you elect to be taxed as a resident alien (discussed in Election To Be Taxed as a Resident Alien, earlier), the special instructions and restrictions discussed here don't apply.

Dual-Status Year

A dual-status year is one in which you change status between nonresident and resident alien. Different U.S. income tax rules apply to each status.

Most dual-status years are the years of arrival or departure. Before you arrive in the United States, you're a nonresident alien. After you arrive, you may or may not be a resident, depending on the circumstances.

If you become a U.S. resident, you stay a resident until you leave the United States or are no longer a lawful permanent resident of the United States. You may become a nonresident alien when you leave if you meet both of the following conditions.

- After leaving (or after your last day of lawful permanent residency if you met the green card test, defined earlier) and for the remainder of the calendar year of your departure, you have a closer connection

to a foreign country than to the United States.

- During the next calendar year, you aren't a U.S. resident under either the green card test or the substantial presence test, defined earlier.

See chapter 1 of Pub. 519 for more information.

What and Where To File for a Dual-Status Year

If you were a U.S. resident on the last day of the tax year, file Form 1040 or 1040-SR. Enter "Dual-Status Return" across the top and attach a statement showing your income for the part of the year you were a nonresident. You can use Form 1040-NR as the statement; enter "Dual-Status Statement" across the top. Don't sign the Form 1040-NR. If you aren't enclosing a payment, mail your return and statement to:

Department of the Treasury
Internal Revenue Service
Austin, TX 73301-0215
U.S.A.

If enclosing a payment, mail your return to:

Internal Revenue Service
P.O. Box 1303
Charlotte, NC 28201-1303
U.S.A.

If you were a nonresident on the last day of the tax year, file Form

1040-NR. Enter "Dual-Status Return" across the top and attach a statement showing your income for the part of the year you were a U.S. resident. You can use Form 1040 or 1040-SR as the statement; enter "Dual-Status Statement" across the top. Don't sign the Form 1040 or 1040-SR. If you aren't enclosing a payment, mail your return and statement to:

Department of the Treasury
Internal Revenue Service
Austin, TX 73301-0215
U.S.A.

If enclosing a payment, mail your return to:

Internal Revenue Service
P.O. Box 1303
Charlotte, NC 28201-1303
U.S.A.

Statements. Any statement you file with your return must show your name, address, and identifying number (defined in *Identifying Number*, later).

Former U.S. long-term residents are required to file Form 8854, Initial and Annual Expatriation Statement, with their dual-status return for the last year of U.S. residency. To determine if you're a former U.S. long-term resident, see *Expatriation Tax* in chapter 4 of Pub. 519.

Income Subject to Tax for Dual-Status Year

As a dual-status taxpayer not filing a joint return, you're taxed on income from all sources for the part of the year you were a resident alien. Generally, you're taxed on income only from U.S. sources for the part of the year you were a nonresident alien. However, all income effectively connected with the conduct of a trade or business in the United States is taxable.

Income you received as a dual-status taxpayer from sources outside the United States while a resident alien is taxable even if you became a nonresident alien after receiving it and before the close of the tax year. Conversely, income you received from sources outside the United States while a nonresident alien isn't taxable in most cases even if you became a resident alien after receiving it and before the close of the tax year. Income from U.S. sources is generally

taxable whether you received it while a nonresident alien or a resident alien (unless specifically exempt under the Internal Revenue Code or a tax treaty provision).

Restrictions for Dual-Status Taxpayers

Standard deduction. You can't take the standard deduction even for the part of the year you were a resident alien.

Head of household. You can't use the Head of household Tax Table column or Section D of the Tax Computation Worksheet in the Instructions for Form 1040.

Joint return. You can't file a joint return unless you elect to be taxed as a resident alien (see *Election To Be Taxed as a Resident Alien*, earlier) instead of a dual-status taxpayer.

Tax rates. If you were married and a nonresident of the United States for all or part of the tax year and you don't make the election discussed earlier to be taxed as a

resident alien, you must use the Married filing separately column in the Tax Table or Section C of the Tax Computation Worksheet in the Instructions for Form 1040 to figure your tax on income effectively connected with a U.S. trade or business. If you were married, you can't use the Single Tax Table column or Section A of the Tax Computation Worksheet in the Instructions for Form 1040. But see *Married Filing Separately*, later, for an exception.

Tax credits. You can't take the earned income credit, the credit for the elderly or disabled, or any education credit unless you elect to be taxed as a resident alien (see *Election To Be Taxed as a Resident Alien*, earlier) instead of a dual-status taxpayer.

See chapter 6 of Pub. 519 for information on other credits.

How To Figure Tax for a Dual-Status Year

When you figure your U.S. tax for a dual-status year, you're subject to different rules for the part of the year you were a resident and the part of the year you were a nonresident.

All income for the period of residence and all income that is effectively connected with a trade or business in the United States for the period of nonresidence, after allowable deductions, is combined and taxed at the same rates that apply to U.S. citizens and residents. For the period of residence, allowable deductions include all deductions on Schedule A (Form 1040), including medical expenses, real property taxes, and certain interest.

Note. Schedule A (Form 1040) isn't the same as Schedule A (Form 1040-NR).

See the Instructions for Schedule A (Form 1040). Those instructions are **not** the same

as the Instructions for Schedule A (Form 1040-NR), which appear later in these instructions.

Income that isn't effectively connected with a trade or business in the United States for the period of nonresidence is generally subject to the flat 30% rate or lower treaty rate.

No deductions are allowed against this income.

If you were a resident alien on the last day of the tax year and you're filing Form 1040 or 1040-SR, include the tax on the noneffectively connected income on Schedule 2 (Form 1040), line 17o.

If you're filing Form 1040-NR, enter the tax from the Tax Table, Tax Computation Worksheet, Form 8615, Schedule D Tax Worksheet, Qualified Dividends and Capital Gain Tax Worksheet, or Schedule J (Form 1040), on Form 1040-NR, line 16; and the tax on the noneffectively connected income on

Form 1040-NR, line 23a. Include any net investment income tax from Form 8960 for the part of the year you were a U.S. resident on Schedule 2 (Form 1040), line 12. See Form 8960 and its instructions for more details.

Credit for taxes paid. You're allowed a credit against your U.S. income tax liability for certain taxes you paid, or are considered to have paid, or that were withheld from your income. These include the following.

1. Tax withheld from wages earned in the United States and taxes withheld at the source from various items of income from U.S. sources other than wages. This includes U.S. tax withheld on dispositions of U.S. real property interests.
 - When filing Form 1040 or 1040-SR, show the total tax withheld on Form 1040 or 1040-SR, line 25d. Enter amounts from the attached statement

(Form 1040-NR, lines 25d through 25g) in the space to the right of line 25d on Form 1040 or 1040-SR, and identify and include them in the amount on line 25d on Form 1040 or 1040-SR.

- When filing Form 1040-NR, show the total tax withheld on Form 1040-NR, lines 25d through 25g. Enter the amount from the attached statement (Form 1040 or 1040-SR, line 25d) in the space to the right of line 25d on Form 1040-NR, and identify and include it in the amount on line 25d on Form 1040-NR.
2. Estimated tax paid with Form 1040-ES or Form 1040-ES (NR).
 3. Tax paid with Form 1040-C at the time of departure from the United States. When filing Form 1040 or 1040-SR, include the tax paid with Form 1040-C with the total payments on line 33 on

Form 1040 or 1040-SR. Identify the payment in the area to the left of the entry.

How To Report Income on Form 1040-NR

Community Income

If either you or your spouse (or both you and your spouse) was a nonresident alien at any time during the tax year and you had community income during the year, treat the community income according to the applicable community property laws except as follows.

- Earned income of a spouse, other than trade or business income or partnership distributive share income. The spouse whose services produced the income must report it on that spouse's separate return.
- Trade or business income, other than partnership distributive share income.

Treat this income as received by the spouse carrying on the trade or business and report it on that spouse's return.

- Partnership distributive share income (or loss). Treat this income (or loss) as received by the spouse who is the partner and report it on that spouse's return.
- Income derived from the separate property of one spouse that isn't earned income, trade or business income, or partnership distributive share income. The spouse with the separate property must report this income on that spouse's separate return.

Use Form 8958, *Allocation of Tax Amounts Between Certain Individuals in Community Property States*, to figure the portion of the income allocated to you. Attach your completed Form 8958 to your tax return. See Pub. 555, *Community Property*, for more details.

Kinds of Income

You must divide your income for the tax year into the following three categories.

1. **Income effectively connected with a U.S. trade or business.** This income is taxed at the same rates that apply to U.S. citizens and residents. Report this income on page 1 of Form 1040-NR. Pub. 519 describes this income in greater detail.
2. **U.S. income not effectively connected with a U.S. trade or business.** This income is taxed at 30% unless a treaty between your country of residence (as defined under the treaty) and the United States has set a lower rate that applies to you. Report this income on Schedule NEC (Form 1040-NR). Pub. 519 describes this income in greater detail.

Note. Use line 23c on page 2 of Form 1040-NR to report the 4% tax on U.S. source gross transportation income.

3. **Income exempt from U.S. tax.** If the income is exempt from tax by treaty, complete item L of Schedule OI (Form 1040-NR) and line 1k on page 1 of Form 1040-NR.

Digital assets. See *Digital Assets*, later.

Income from a sharing (or gig) economy activity. If you use one of the many online platforms available to provide goods and services, you may be involved in what is known as the sharing (or gig) economy. If you receive income from a sharing (or gig) economy activity, it's generally taxable even if you don't receive a Form 1099-NEC, Nonemployee Compensation; Form 1099-MISC, Miscellaneous Information; Form W-2, Wage and Tax Statement; or some other income statement. To learn more about this income, go to [IRS.gov/Gig](https://www.irs.gov/Gig).

Dispositions of U.S. Real Property Interests

Gain or loss on the disposition of a U.S. real property interest (see Pub. 519 for definition) is taxed as if the gain or loss were effectively connected with the conduct of a U.S. trade or business.

Report gains and losses on the disposition of U.S. real property interests on Schedule D (Form 1040) and Form 1040-NR, line 7. Also, net gains may be subject to the alternative minimum tax. See Line 1 under *Instructions for Schedule 2*, later. See *Real Property Gain or Loss* in chapter 4 of Pub. 519 for more information.

Income You Can Elect To Treat as Effectively Connected With a U.S. Trade or Business

You can elect to treat some items of income as effectively connected with a U.S. trade or business. The election applies to all income

from real property located in the United States and held for the production of income and to all income from any interest in such property. This includes:

- Gains from the sale or exchange of such property or an interest in such property, but see the TIP below;
- Gains on the disposal of timber, coal, or iron ore with a retained economic interest;
- Rents from real estate; or
- Rents and royalties from mines, oil or gas wells, or other natural resources.



You don't need to make an election to treat your gain from the disposition of a U.S. real property interest as effectively connected income. Dispositions of U.S. real property interests are automatically treated as effectively connected income. See Dispositions of U.S. Real Property Interests, earlier.

To make the election, attach a statement to your return for the year of the election. Include the following items in your statement.

1. That you're making the election.
2. A complete list of all of your real property, or any interest in real property, located in the United States (including location). Give the legal identification of U.S. timber, coal, or iron ore in which you have an interest.
3. The extent of your ownership in the real property.
4. A description of any substantial improvements to the property.
5. Your income from the property.
6. The dates you owned the property.
7. Whether the election is under section 871(d) or a tax treaty.

8. Details of any previous elections and revocations of the real property election.

Note. Once made, the section 871 election will remain in effect until revoked with the consent of the Commissioner. A new section 871 election may not be made until after the 5th year in which the revocation occurs.

Foreign Income Taxed by the United States

You may be required to report some income from foreign sources on your

U.S. return if the income is effectively connected with a U.S. trade or business. For this foreign income to be treated as effectively connected with a U.S. trade or business, you must have an office or other fixed place of business in the United States to which the income can be attributed. For more information, including a list of the types of foreign source income that must be treated as

effectively connected with a U.S. trade or business, see chapter 4 of Pub. 519.

Special Rules for Former U.S. Citizens and Former U.S. Long-Term Residents (Expatriates)

The expatriation tax provisions apply to certain U.S. citizens who have lost their citizenship and long-term residents who have ended their residency. You're a former U.S. long-term resident if you were a lawful permanent resident of the United States (green card holder) in at least 8 of the last 15 tax years ending with the year your residency ends.

For more information on the expatriation tax provisions, see *Expatriation Tax* in chapter 4 of Pub. 519; the Instructions for Form 8854; and Notice 2009-85 (for expatriation after June 16, 2008), 2009-45 I.R.B. 598, available at [IRS.gov/irb/2009-45_IRB#NOT-2009-85](https://www.irs.gov/irb/2009-45_IRB#NOT-2009-85).

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