



**Note:** *The draft you are looking for begins on the next page.*

## **Caution: DRAFT—NOT FOR FILING**

This is an early release draft of an IRS tax form, instructions, or publication, which the IRS is providing for your information. **Do not file draft forms.** We incorporate all significant changes to forms posted with this coversheet. However, unexpected issues occasionally arise, or legislation is passed—in this case, we will post a new draft of the form to alert users that changes were made to the previously posted draft. Thus, there are never any changes to the last posted draft of a form and the final revision of the form. Forms and instructions are subject to OMB approval before they can be officially released, so we post drafts of them until they are approved. Drafts of instructions and pubs usually have some additional changes before their final release. Early release drafts are at [IRS.gov/DraftForms](https://www.irs.gov/DraftForms) and remain there after the final release is posted at [IRS.gov/LatestForms](https://www.irs.gov/LatestForms). Also see [IRS.gov/Forms](https://www.irs.gov/Forms).

Most forms and publications have a page on IRS.gov: [IRS.gov/Form1040](https://www.irs.gov/Form1040) for Form 1040; [IRS.gov/Pub501](https://www.irs.gov/Pub501) for Pub. 501; [IRS.gov/W4](https://www.irs.gov/W4) for Form W-4; and [IRS.gov/ScheduleA](https://www.irs.gov/ScheduleA) for Schedule A (Form 1040), for example, and similarly for other forms, pubs, and schedules for Form 1040. When typing in a link, type it into the address bar of your browser, not a Search box on IRS.gov.

If you wish, you can submit comments to the IRS about draft or final forms, instructions, or pubs at [IRS.gov/FormsComments](https://www.irs.gov/FormsComments). Include “NTF” followed by the form or pub number (for example, “NTF1040”, “NTFW4”, “NTF501”, etc.) in the body of the message to route your message properly. We cannot respond to all comments due to the high volume we receive and may not be able to consider many suggestions until the subsequent revision of the product, but we will review each “NTF” message. If you have comments on reducing paperwork and respondent (filer) burden, with respect to draft or final forms, please respond to the relevant information collection through the Federal Register process; for more info, click [here](#).

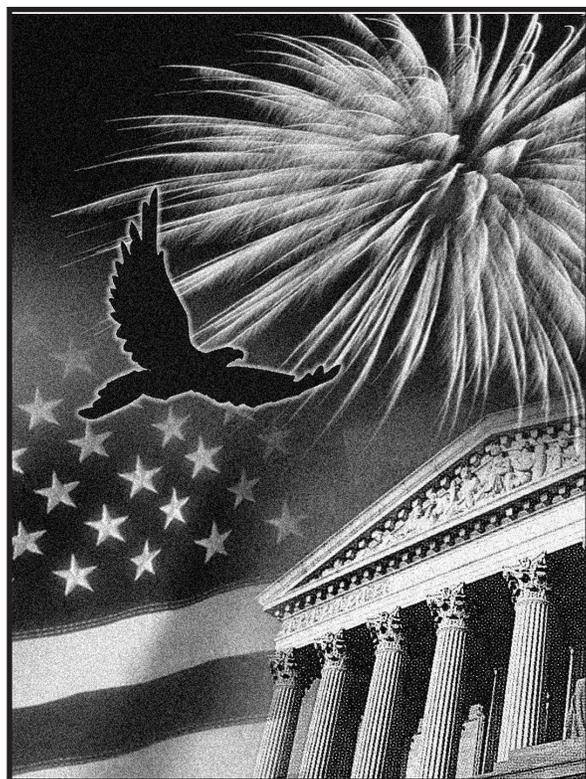


Publication 570

# Tax Guide for Individuals With Income From U.S. Territories

For use in preparing

**2025** Returns



Get forms and other information faster and easier at:

- [IRS.gov](https://www.irs.gov) (English)
- [IRS.gov/Korean](https://www.irs.gov/korean) (한국어)
- [IRS.gov/Spanish](https://www.irs.gov/spanish) (Español)
- [IRS.gov/Russian](https://www.irs.gov/russian) (Русский)
- [IRS.gov/Chinese](https://www.irs.gov/chinese) (中文)
- [IRS.gov/Vietnamese](https://www.irs.gov/vietnamese) (Tiếng Việt)

## Future Developments

For the latest information about developments related to Pub. 570, such as legislation enacted after it was published, go to [IRS.gov/Pub570](https://www.irs.gov/pub570).

## What's New

**No tax on tips, no tax on overtime, no tax on car loan interest, and the enhanced deduction for seniors.** If you are filing a U.S. income tax return, the deductions for tips, overtime, passenger vehicle loan interest, and seniors may not be allowable, or may be reduced, depending on your modified adjusted gross income, filing status, and the amount of your territory excluded income. See [Deductions if Territory Income Is Excluded](#), later. For more information, see the Schedule 1-A instructions found in the Instructions for Form 1040.

**Due date of return.** File your tax return by April 15, 2026.

**Standard deduction amount.** For 2025, the standard deduction amount has increased for all filers. See [Standard deduction amount](#), later.

**Maximum income subject to social security tax.** For 2025, the maximum amount of self-employment income subject to social security tax is \$176,100. The amount will increase to \$184,500 for 2026.

**Optional methods to figure net earnings.** For 2025, the maximum income for using the optional methods is \$7,240. This amount will increase to \$7,560 for 2026.

## Reminders

**U.S. Armed Forces in Puerto Rico and American Samoa.** Active duty members of the U.S. Armed Forces whose state of legal residence is American Samoa or Puerto Rico are U.S. Government employees. They are required to file both a U.S. income tax return and a territory tax return, as applicable. See *Active duty member of the U.S. Armed Forces* under [Special Rules for American Samoa](#) and [Special Rules for Puerto Rico](#), later.

**U.S. Government employees in American Samoa.** The reporting requirements for U.S. Government employees who are not bona fide residents of American Samoa have been clarified. See [U.S. Government employees](#) under *Special Rules for American Samoa*, later.

**Additional child tax credit (ACTC) and bona fide residents of Puerto Rico.** Bona fide residents of Puerto Rico are no longer required to have three or more qualifying children to be eligible to claim the ACTC. Bona fide residents of Puerto Rico may be eligible to claim the ACTC if they have one or more qualifying children. See [Additional child tax credit \(ACTC\)](#), later.

**For more information about the child tax credit (CTC).** For more information, see the Instructions for Form 1040-SS. If you are required to file Form 1040, see

the Instructions for Form 1040 for more information about the CTC.

**Filing status name changed to qualifying surviving spouse.** The filing status qualifying widow(er) is now called qualifying surviving spouse. The rules for the filing status have not changed. The same rules that applied for qualifying widow(er) apply to qualifying surviving spouse.

**Digital assets.** You will need to answer the question on page 1 of Form 1040-SS about whether you engaged in a transaction involving digital assets in 2025. Don't leave this field blank. The question must be answered by all taxpayers, not just taxpayers who engaged in a transaction involving digital assets.

**The COVID-19 related credit for qualified sick and family leave wages is limited to leave taken after March 31, 2020, and before October 1, 2021, and may no longer be claimed on Schedule H (Form 1040).**

The time periods for providing the leave for the credits for qualified sick and family leave wages, as enacted under the Families First Coronavirus Response Act (FFCRA) and amended and extended by the COVID-related Tax Relief Act of 2020, for leave taken after March 31, 2020, and before April 1, 2021, and the credit for qualified sick and family leave wages under sections 3131, 3132, and 3133 of the Internal Revenue Code, as enacted under the American Rescue Plan Act of 2021 (the ARP), for leave taken after March 31, 2021, and before October 1, 2021, have expired. Effective for tax periods beginning after 2023, the lines used to claim the credit for qualified sick and family leave wages have been removed from Schedule H (Form 1040) because it would be extremely rare for an employer to pay wages in 2024 for qualified sick and family leave taken after March 31, 2020, and before October 1, 2021.

**Disaster tax relief.** To find information on the most recent tax relief provisions for taxpayers affected by disaster situations, see [IRS.gov/Disaster](https://www.irs.gov/Disaster). See [Pub. 547](#), Casualties, Disasters, and Thefts, for discussions on the special rules that apply to federally declared disaster areas.

**Automatic 60-day extension.** Certain taxpayers affected by federally declared disasters may be eligible for an automatic 60-day extension for filing returns, paying taxes, and performing other tasks required by the IRS. For more information, see [Pub. 547](#).

**Qualified opportunity zones (QOZs).** The Tax Cuts and Jobs Act (TCJA) amended the Internal Revenue Code to encourage investments in designated economically distressed communities by providing income tax benefits to taxpayers who invest new capital in businesses located within QOZs. There are QOZs located in the 50 states, the District of Columbia, American Samoa, the CNMI, Guam, Puerto Rico, and the USVI.

Bona fide residents of the CNMI, Guam, and the USVI will generally report qualifying investments on the income tax return they file with their territory tax agency, while residents of American Samoa and Puerto Rico will report qualifying investments on their U.S. income tax return. For additional information, see the QOZ FAQs at [IRS.gov/Newsroom/Opportunity-Zones-Frequently-Asked-Questions](https://www.irs.gov/Newsroom/Opportunity-Zones-Frequently-Asked-Questions). Taxpayers should also consult with their territory tax agency for additional information.

**Taxpayer Advocate Service (TAS).** TAS is an independent organization within the IRS that helps taxpayers and protects taxpayer rights. The phone numbers for the local advocate for the territories are:

- American Samoa, the CNMI, and Guam: 808-466-6375 (in Hawaii);
- Puerto Rico and the USVI: 787-522-8600 for Spanish, and 787-522-8601 for English (in Puerto Rico).

For more information, see [chapter 5](#).

**Self-employment tax.** Bona fide residents of a U.S. territory who have self-employment income must generally pay self-employment tax to the United States. Self-employment tax includes both social security and Medicare. Bona fide residents may be subject to U.S. self-employment tax even if they have no income tax filing obligation with the United States. See [Self-Employment Tax](#) in chapter 4 for more information.

**Additional Medicare Tax.** You may be required to pay Additional Medicare Tax. Also, you may need to report Additional Medicare Tax withheld by your employer. For more information, see [Additional Medicare Tax](#) under *Special Rules for Completing Your U.S. Tax Return* in chapter 4.

**Net Investment Income Tax (NIIT).** The NIIT imposes a 3.8% tax on the lesser of an individual's net investment income or the excess of the individual's modified adjusted gross income over a specified threshold amount. Bona fide residents of Puerto Rico and American Samoa who have a federal income tax return filing obligation may be liable for the NIIT if the taxpayer's modified adjusted gross income from non-territory sources exceeds a specified threshold amount. Also, bona fide residents must take into account any additional tax liability associated with the NIIT when calculating their estimated tax payments.

The NIIT does not apply to any individual who is a non-resident alien with respect to the United States. For more information, see *Net Investment Income Tax* under [Bona Fide Resident of American Samoa](#) and [Bona Fide Resident of Puerto Rico](#) in chapter 3.

Because bona fide residents of the CNMI, Guam, and the U.S. Virgin Islands generally do not have a federal income tax return filing obligation, the NIIT generally does not directly apply to them. These residents should contact their local territorial tax department for guidance on the possible mirrored application of the NIIT in these jurisdictions.

**Individual taxpayer identification numbers (ITINs) for aliens.** If you are a nonresident or resident alien and you do not have and are not eligible to get a social security number (SSN), you must apply for an ITIN. For details on how to do so, see [Form W-7](#) and the [Instructions for Form W-7](#). Allow 7 weeks for the IRS to notify you of your ITIN application status (9 to 11 weeks if submitted during peak processing periods (January 15 through April 30) or if you are filing from overseas). If you already have an ITIN, enter it wherever your SSN is requested on your tax return.

For more information, go to [IRS.gov/ITIN](https://www.irs.gov/ITIN).

**Caution:** An ITIN is for tax use only. It does not entitle you to social security benefits or change your employment or immigration status under U.S. law.

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**Expired ITIN.** If your ITIN wasn't included on at least one federal tax return for the last 3 consecutive tax years, it will expire on December 31 of the third consecutive year and must be renewed before being used again on a federal tax return. Affected taxpayers who expect to file a tax return in 2026 must submit a renewal application. For more information on how to renew an ITIN, go to [IRS.gov/ITIN](https://www.irs.gov/ITIN).

**Electronic filing.** You can *e-file* Form 1040-SS. For general information about electronic filing, visit [IRS.gov/Efile](https://www.irs.gov/Efile).

**Earned income credit (EIC).** Generally, if you are a bona fide resident of a U.S. territory, you cannot claim the EIC on your U.S. tax return. However, certain U.S. territories may allow bona fide residents to claim the EIC on their territory tax return.

To claim the EIC on your U.S. tax return, your home (and your spouse's if filing a joint return) must have been in the United States for more than half the year. If you have a child, the child must have lived with you in the United States for more than half the year. For this purpose, the United States includes only the 50 states and the District of Columbia. Special rules apply to military personnel stationed outside the United States. For more information on this credit, see Pub. 596, Earned Income Credit.

**Tip:** If you claim the earned income tax credit (EITC) on your tax return, the IRS must hold your refund until at least mid-February—including the portion not associated with the EITC. To track your refund, go to [IRS.gov/Refunds](https://www.irs.gov/Refunds), or download the IRS2Go mobile app.

**Form 8938, Statement of Specified Foreign Financial Assets.** If you have specified foreign financial assets in foreign jurisdictions valued above certain threshold dollar amounts, you may have to file Form 8938 when you file your U.S. income tax return with the IRS.

Even if you are required to file Form 8938, you may not have to report certain specified foreign financial assets on Form 8938. See *Bona Fide Resident of a U.S. Possession* in the Instructions for Form 8938 for more details.

**Tip:** Because bona fide residents of the CNMI, Guam, and the USVI generally do not have a U.S. federal income tax return filing obligation, they generally are not required to file Form 8938 with the IRS. These residents should contact their local territorial tax department for guidance on the possible mirrored application of this reporting requirement with these jurisdictions.

**Change of address.** If you change your mailing address, use Form 8822 to notify the IRS and U.S. territory tax administration, if appropriate. Mail Form 8822 to the IRS Service Center or U.S. territory tax administration address designated for your old address (see page 2 of Form 8822).

If you change your address before filing your tax return, write the new address in the appropriate boxes of your tax return when you file.

**Reporting a change of bona fide residence.** If you became or cease to be a bona fide resident of a U.S. territory, you may need to file Form 8898, Statement for Individuals Who Begin or End Bona Fide Residence in a U.S. Territory. For additional information, see [Reporting a Change in Bona Fide Residence](#) in chapter 1.

**Photographs of missing children.** The IRS is a proud partner with the [National Center for Missing & Exploited Children® \(NCMEC\)](https://www.nccmec.org/). Photographs of missing children selected by the Center may appear in this publication on pages that would otherwise be blank. You can help bring these children home by looking at the photographs and calling 1-800-THE-LOST (1-800-843-5678) if you recognize a child.

## Introduction

This publication discusses how to treat income received from the following U.S. territories on your tax return(s).

- American Samoa.
- The Commonwealth of Puerto Rico (Puerto Rico).
- The Commonwealth of the Northern Mariana Islands (CNMI).
- Guam.
- The U.S. Virgin Islands (USVI).

[Chapter 1](#) discusses the requirements for being considered a bona fide resident of the listed territories.

[Chapter 2](#) gives the rules for determining if your income is from sources within, or effectively connected with a trade or business in, those territories.

Next, [chapter 3](#) looks at the rules for filing tax returns when you receive income from any of these territories. You may have to file a U.S. tax return only, a territory tax return only, or both returns. Generally, this depends on whether you are a bona fide resident of the territory. In some cases, you may have to file a U.S. return, but will be able to exclude income earned in a territory from U.S. tax.

If you are not a bona fide resident of one of the territories listed earlier, or are otherwise required to file a U.S. income tax return, the information in [chapter 4](#) will tell you how to file your U.S. tax return. This information also applies if you have income from U.S. insular areas other than the five territories listed earlier because that income will not qualify for any of the exclusions or other benefits discussed in [chapter 3](#). These other U.S. insular areas include:

- Baker Island,
- Howland Island,
- Jarvis Island,
- Johnston Island,
- Kingman Reef,
- Midway Islands,
- Palmyra Atoll, and
- Wake Island.

Information for individuals living or working in U.S. territories is available at [IRS.gov/Individuals/International-Taxpayers/Individuals-Living-or-Working-in-a-US-Territory](https://www.irs.gov/Individuals/International-Taxpayers/Individuals-Living-or-Working-in-a-US-Territory).

If you need information on U.S. taxation, write to:

Internal Revenue Service  
International Section  
Philadelphia, PA 19255-0725

If you need additional information on your tax obligations in a U.S. territory, write to the tax department of that territory. Their addresses are provided in [chapter 3](#) under the individual headings for each territory.

**Comments and suggestions.** We welcome your comments about this publication and suggestions for future editions.

You can send us comments through [IRS.gov/FormComments](https://www.irs.gov/FormComments). Or, you can write to the Internal Revenue Service, Tax Forms and Publications, 1111 Constitution Ave. NW, IR-6526, Washington, DC 20224.

Although we can't respond individually to each comment received, we do appreciate your feedback and will consider your comments and suggestions as we revise our tax forms, instructions, and publications. **Don't** send tax questions, tax returns, or payments to the above address.

**Getting answers to your tax questions.** If you have a tax question not answered by this publication or the [How To Get Tax Help](#) section at the end of this publication, go to the IRS Interactive Tax Assistant page at [IRS.gov/Help/ITA](https://www.irs.gov/Help/ITA) where you can find topics by using the search feature or viewing the categories listed.

**Getting tax forms, instructions, and publications.** Go to [IRS.gov/Forms](https://www.irs.gov/Forms) to download current and prior-year forms, instructions, and publications.

**Ordering tax forms, instructions, and publications.** Go to [IRS.gov/OrderForms](https://www.irs.gov/OrderForms) to order current forms, instructions, and publications; call 800-829-3676 to order prior-year forms and instructions. The IRS will process your order for forms and publications as soon as possible. **Don't** resubmit requests you've already sent us. You can get forms and publications faster online.

To obtain tax forms required for your territory tax return, contact the tax office in your territory. See [chapter 3](#) for more information.

## Useful Items

You may want to see:

### Publication

- 3** Armed Forces' Tax Guide
- 54** Tax Guide for U.S. Citizens and Resident Aliens Abroad
- 514** Foreign Tax Credit for Individuals
- 519** U.S. Tax Guide for Aliens

### Form (and Instructions)

- 1040-SS** U.S. Self-Employment Tax Return (Including the Additional Child Tax Credit for Bona Fide Residents of Puerto Rico)
- 1116** Foreign Tax Credit

- 4563** Exclusion of Income for Bona Fide Residents of American Samoa
- 4868** Application for Automatic Extension of Time To File U.S. Individual Income Tax Return
- 5074** Allocation of Individual Income Tax to Guam or the Commonwealth of the Northern Mariana Islands (CNMI)
- 8938** Statement of Specified Foreign Financial Assets
- 8689** Allocation of Individual Income Tax to the U.S. Virgin Islands
- 8898** Statement for Individuals Who Begin or End Bona Fide Residence in a U.S. Territory
- 8959** Additional Medicare Tax
- 8960** Net Investment Income Tax—Individuals, Estates, and Trusts

## 1.

# Bona Fide Residence

In order to qualify for certain tax benefits (see [chapter 3](#)), you must be a bona fide resident of American Samoa, the CNMI, Guam, Puerto Rico, or the USVI for the tax year.

Generally, you are a bona fide resident of one of these territories (the relevant territory) if, during the tax year, you:

- Meet the presence test,
- Do not have a tax home outside the relevant territory, and
- Do not have a closer connection to the United States or to a foreign country than to the relevant territory.

**Special rule for members of the U.S. Armed Forces.** If you are a member of the U.S. Armed Forces who qualified as a bona fide resident of the relevant territory in an earlier tax year, your absence from that territory during the current tax year in compliance with military orders will not affect your status as a bona fide resident. Likewise, being in a territory solely in compliance with military orders will not qualify you for bona fide residency. Also see the special income source rule for members of the U.S. Armed Forces in chapter 2, under [Compensation for Labor or Personal Services](#).

**Special rule for civilian spouse of active duty member of the U.S. Armed Forces.** If you are the civilian spouse of an active duty service member, under the Military Spouses Residency Relief Act (MSRRA) you can choose to keep your prior residence or domicile for tax purposes (tax residence) when accompanying the service member spouse who is relocating under military orders to a new military duty station in one of the 50 states, the

District of Columbia, or a U.S. territory. Before relocating, you and your spouse must have the same tax residence.

If you are a civilian spouse and choose to keep your prior tax residence after such relocation, the source of income for services performed (for example, wages, salaries, tips, or self-employment) by you is considered to be (the jurisdiction of) the prior tax residence. As a result, the amount of income tax withholding (from Form(s) W-2) that you are able to claim on your federal return, as well as the need to file a state or U.S. territory return, may be affected.

**Tip:** The spouse of the service member may elect to use the same residence for tax purposes as the service member regardless of the date on which the marriage of the spouse and service member occurred.

For more information, see the following.

- Notice 2010-30, available at [IRS.gov/irb/2010-18\\_IRB#NOT-2010-30](https://www.irs.gov/irb/2010-18_IRB#NOT-2010-30).
- Notice 2011-16, available at [IRS.gov/irb/2011-17\\_IRB#NOT-2011-16](https://www.irs.gov/irb/2011-17_IRB#NOT-2011-16).
- Notice 2012-41, available at [IRS.gov/irb/2012-26\\_IRB#NOT-2012-41](https://www.irs.gov/irb/2012-26_IRB#NOT-2012-41).

Also, you can consult with state, local, or U.S. territory tax authorities regarding your tax obligations under MSRRRA.

## Presence Test

If you are a U.S. citizen or resident alien, you will satisfy the presence test for the tax year if you meet one of the following conditions.

1. You were present in the relevant territory for at least 183 days during the tax year.
2. You were present in the relevant territory for at least 549 days during the 3-year period that includes the current tax year and the 2 immediately preceding tax years. During each year of the 3-year period, you must be present in the relevant territory for at least 60 days.
3. You were present in the United States for no more than 90 days during the tax year.
4. You had earned income in the United States of no more than a total of \$3,000 and were present for more days in the relevant territory than in the United States during the tax year. Earned income is pay for personal services performed, such as wages, salaries, or professional fees.
5. You had no significant connection to the United States during the tax year.

**Special rule for nonresident aliens.** Conditions (1) through (5) above do not apply to nonresident aliens of the United States. Instead, nonresident aliens must meet the substantial presence test discussed in chapter 1 of Pub. 519. In that discussion, substitute the name of the territory

for “United States” and “U.S.” wherever they appear. Disregard the discussion in that chapter about a *Closer Connection to a Foreign Country*.

## Days of Presence in the United States or Relevant Territory

Generally, you are treated as being present in the United States or in the relevant territory on any day that you are physically present in that location at any time during the day.

**Days of presence in a territory.** You are considered to be present in the relevant territory on any of the following days.

1. Any day you are physically present in that territory at any time during the day.
2. Any day you are outside of the relevant territory in order to receive, or to accompany any of the following family members to receive, qualifying medical treatment (see [Qualifying Medical Treatment](#), later).
  - a. Your parent.
  - b. Your spouse.
  - c. Your child or stepchild. This includes an adopted child or child lawfully placed with you for legal adoption. This also includes a foster child who is placed with you by an authorized placement agency or by judgment, decree, or other order of any court of competent jurisdiction.
3. Any day you are outside the relevant territory because you leave or are unable to return to the relevant territory during any:
  - a. 14-day period within which a major disaster occurs in the relevant territory for which a Federal Emergency Management Agency (FEMA) notice of a federal declaration of a major disaster is issued in the Federal Register, or
  - b. Period for which a mandatory evacuation order is in effect for the geographic area in the relevant territory in which your main home is located.
4. Any day (up to a total of 30 days) that you are outside the relevant territory and the United States for business or personal travel, but this rule:
  - a. Applies only if the number of days you are considered present in the relevant territory exceeds the number of days you are considered present in the United States (determined without regard to the rule in this section (4)), and
  - b. Does not apply for purposes of calculating the minimum 60 days of presence in the relevant territory that is required for the 549-day presence test (see [Presence Test](#), earlier).

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If, during a single day, you are physically present:

- In the United States and in the relevant territory, that day is considered a day of presence in the relevant territory; or
- In two territories, that day is considered a day of presence in the territory where your tax home is located (see [Tax Home](#), later).

**Days of presence in the United States.** You are considered to be present in the United States on any day that you are physically present in the United States at any time during the day. However, do not count the following days as days of presence in the United States.

1. Any day you are temporarily present in the United States in order to receive, or to accompany a parent, spouse, or child who is receiving, qualifying medical treatment. *Child* is defined in item 2c under [Days of presence in a territory](#), earlier. [Qualifying medical treatment](#) is defined later.
2. Any day you are temporarily present in the United States because you leave or are unable to return to the relevant territory during any:
  - a. 14-day period within which a major disaster occurs in the relevant territory for which a Federal Emergency Management Agency (FEMA) notice of a federal declaration of a major disaster is issued in the Federal Register, or
  - b. Period for which a mandatory evacuation order is in effect for the geographic area in the relevant territory in which your main home is located.
3. Any day you are in the United States for less than 24 hours when you are traveling between two places outside the United States.
4. Any day you are temporarily present in the United States as a professional athlete to compete in a [charitable sports event](#) (defined later).
5. Any day you are temporarily in the United States as a [student](#) (defined later).
6. Any day you are in the United States serving as an elected representative of the relevant territory, or serving full time as an elected or appointed official or employee of the government of that territory (or any of its political subdivisions).

## Qualifying Medical Treatment

Such treatment is generally provided by (or under the supervision of) a physician for an illness, injury, impairment, or physical or mental condition. The treatment generally involves:

- Any period of inpatient care that requires an overnight stay in a hospital or hospice, and any period immediately before or after that inpatient care to the extent it is medically necessary; or

- Any temporary period of inpatient care in a residential medical care facility for medically necessary rehabilitation services.

With respect to each qualifying medical treatment, you must prepare (or obtain) and maintain documentation supporting your claim that such treatment meets the criteria to be considered days of presence in the relevant territory. You must be able to produce this documentation within 30 days if requested by the IRS or tax administrator for the relevant territory.

You must keep the following documentation.

1. Records that provide:
  - a. The patient's name and relationship to you (if the medical treatment is provided to a person you accompany);
  - b. The name and address of the hospital, hospice, or residential medical care facility where the medical treatment was provided;
  - c. The name, address, and telephone number of the physician who provided the medical treatment;
  - d. The date(s) on which the medical treatment was provided; and
  - e. Receipt(s) of payment for the medical treatment.
2. Signed certification by the providing or supervising physician that the medical treatment met the requirements for being qualified medical treatment, and setting forth:
  - a. The patient's name,
  - b. A reasonably detailed description of the medical treatment provided by (or under the supervision of) the physician,
  - c. The dates on which the medical treatment was provided, and
  - d. The medical facts that support the physician's certification and determination that the treatment was medically necessary.

## Charitable Sports Event

A charitable sports event is one that meets all of the following conditions.

- The main purpose is to benefit a qualified charitable organization.
- The entire net proceeds go to charity.
- Volunteers perform substantially all the work.

In figuring the days of presence in the United States, you can exclude only the days on which you actually competed in the charitable sports event. You cannot exclude the days on which you were in the United States to practice for the event, to perform promotional or other activities related to the event, or to travel between events.

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## Student

To qualify as a student, you must be, during some part of each of any 5 calendar months during the calendar year:

1. A full-time student at a school that has a regular teaching staff, course of study, and regularly enrolled body of students in attendance; or
2. A student taking a full-time, on-farm training course given by a school described in (1) above or by a state, county, or local government agency.

The 5 calendar months do not have to be consecutive.

**Full-time student.** A full-time student is a person who is enrolled for the number of hours or courses the school considers to be full-time attendance. However, school attendance exclusively at night is not considered full-time attendance.

**School.** The term “school” includes elementary schools, middle schools, junior and senior high schools, colleges, universities, and technical, trade, and mechanical schools. It does not include on-the-job training courses, correspondence schools, and schools offering courses only through the Internet.

## Significant Connection

One way in which you can meet the presence test is to have no significant connection to the United States during the tax year. This section looks at the factors that determine if a significant connection exists.

You are treated as having a significant connection to the United States if you:

1. Have a permanent home in the United States;
2. Are currently registered to vote in any political subdivision of the United States; or
3. Have a spouse or child (see item 2c under [Days of presence in a territory](#), earlier) who is under age 18 whose main home is in the United States, other than:
  - a. A child who is in the United States because they are the child of divorced or legally separated parents and they are living with a custodial parent under a custodial decree or multiple support agreement, or
  - b. A child who is in the United States as a student.

For the purpose of determining if you have a significant connection to the United States, the term “spouse” does not include a spouse from whom you are legally separated under a decree of divorce or separate maintenance.

**Permanent home.** A permanent home generally includes an accommodation such as a house, an apartment, or a furnished room that is either owned or rented by you or your spouse. The dwelling unit must be available at all times, continuously, not only for short stays.

**Exception for rental property.** If you or your spouse own the dwelling unit and at any time during the tax year it is rented to someone else at fair rental value, it will be considered your permanent home only if you or your spouse use that property for personal purposes for more than the greater of:

- 14 days, or
- 10% of the number of days during that tax year that the property is rented to others at a fair rental value.

You are treated as using rental property for personal purposes on any day the property is not being rented to someone else at fair rental value for the entire day.

A day of personal use of a dwelling unit is also any day that the unit is used by any of the following persons.

- You or any other person who has an interest in it, unless you rent it to another owner as their main home under a shared equity financing agreement.
- A member of your family or a member of the family of any other person who has an interest in it, unless the family member uses the dwelling unit as their main home and pays a fair rental price. Family includes only siblings, half-siblings, spouses, ancestors (parents, grandparents, etc.), and lineal descendants (children, grandchildren, etc.).
- Anyone under an arrangement that lets you use some other dwelling unit.
- Anyone at less than a fair rental price.

However, any day you spend working substantially full time repairing and maintaining (not improving) your property is not counted as a day of personal use. Whether your property is used mainly for this purpose is determined in light of all the facts and circumstances, such as:

- The amount of time you devote to repair and maintenance work,
- How often during the tax year you perform repair and maintenance work on this property, and
- The presence and activities of companions.

See Pub. 527, Residential Rental Property (Including Rental of Vacation Homes), for more information about personal use of a dwelling unit.

**Example—no significant U.S. connection.** You, a U.S. citizen, are a sales representative for a company based in Guam. You live with your spouse and young children in your house in Guam, where you are also registered to vote. Your business travel requires you to spend 120 days in the United States and another 120 days in foreign countries. When traveling on business, you generally stay at hotels but sometimes stay with your brother, who lives in the United States. Your stays are always of short duration and you ask your brother’s permission to stay with him. Your brother’s house is not your permanent home, nor do you have any other accommodations in the United States that would be considered your permanent home. You satisfy the presence test because you have no significant connection to the United States.

**Example—significant U.S. connection but presence test met.** Pat and Carter Brown live for part of the year in a condominium, which they own, in the CNMI. They also own a house in Maine where they live for 120 days every year to be near their grown children and grandchildren. The Browns are retired and their only income is from pension payments, dividends, interest, and social security benefits.

In 2025, Pat and Carter spent only 160 days in the CNMI because of an 85-day vacation to Europe and Asia and 120 days in the United States. Although the Browns were present in the United States for more than 90 days and had a significant connection to the United States because of their permanent home there, they satisfied the presence test with respect to the CNMI because they had no earned income in the United States and were considered physically present in the CNMI for at least 183 days (160 days plus 30 days deemed present during their 85-day vacation to Europe and Asia for a total of 190 days).

## Tax Home

You will have met the tax home test if you did not have a tax home outside the relevant territory during any part of the tax year. Your tax home is generally determined under the principles of section 911(d)(3) and section 162(a)(2) (relating to traveling expenses while away from home).

Your tax home is your regular or main place of business, employment, or post of duty regardless of where you maintain your family home. If you do not have a regular or main place of business because of the nature of your work, then your tax home is the place where you regularly live. If you do not fit either of these categories, you are considered an itinerant and your tax home is wherever you work.

## Exceptions

There are some special rules regarding tax home that provide exceptions to the general rule stated above.

### Students and Government Officials

Disregard the following days when determining whether you have a tax home outside the relevant territory.

- Days you were temporarily in the United States as a student (see [Student](#) under *Days of Presence in the United States or Relevant Territory*, earlier).
- Days you were in the United States serving as an elected representative of the relevant territory, or serving full time as an elected or appointed official or employee of the government of that territory (or any of its political subdivisions).

### Seafarers

You will not be considered to have a tax home outside the relevant territory solely because you are employed on a

ship or other seafaring vessel that is predominantly used in local and international waters. For this purpose, a vessel is considered to be predominantly used in local and international waters if, during the tax year, the total amount of time it is used in international waters and in the waters within 3 miles of the relevant territory exceeds the total amount of time it is used in the territorial waters of the United States, another territory, or any foreign country.

**Example.** In 2025, you, a U.S. citizen, were employed by a fishery and spent 250 days at sea on a fishing vessel. When not at sea, you lived with your spouse at a house you own in American Samoa. The fishing vessel on which you work departs and arrives at various ports in American Samoa, other territories, and foreign countries, but was in international or American Samoa's local waters for 225 days. For purposes of determining bona fide residency of American Samoa, you will not be considered to have a tax home outside that territory solely because of your employment on board the fishing vessel.

## Year of Move

If you are moving to or from a territory during the year, you may still be able to meet the tax home test for that year. See [Special Rules in the Year of a Move](#), later, in this chapter.

## Closer Connection

You will have met the closer connection test if, during any part of the tax year, you do not have a closer connection to the United States or a foreign country than to the relevant U.S. territory.

You will be considered to have a closer connection to a territory than to the United States or to a foreign country if you have maintained more significant contacts with the territories than with the United States or foreign country. In determining if you have maintained more significant contacts with the relevant territory, the facts and circumstances to be considered include, but are not limited to, the following.

- The location of your permanent home.
- The location of your family.
- The location of personal belongings, such as automobiles, furniture, clothing, and jewelry owned by you and your family.
- The location of social, political, cultural, professional, or religious organizations with which you have a current relationship.
- The location where you conduct your routine personal banking activities.
- The location where you conduct business activities (other than those that go into determining your tax home).
- The location of the jurisdiction in which you hold a driver's license.

- The location of the jurisdiction in which you vote.
- The location of charitable organizations to which you contribute.
- The country of residence you designate on forms and documents.
- The types of official forms and documents you file, such as Form W-8BEN or Form W-9.

Your connections to the relevant territory will be compared to the total of your connections with the United States and foreign countries. Your answers to the questions on Form 8898, Part III, will help establish the jurisdiction to which you have a closer connection.

**Example—closer connection to the United States.**

You, a U.S. citizen, moved to Puerto Rico in 2025 to start an investment consulting and venture capital business. Your spouse and two teenage children remained in California to allow the children to complete high school. You traveled back to the United States regularly to see your spouse and children, to engage in business activities, and to take vacations. You had an apartment available for your full-time use in Puerto Rico, but remained a joint owner of the residence in California where your spouse and children lived. You and your family had automobiles and personal belongings such as furniture, clothing, and jewelry located at both residences. Although you were a member of the Puerto Rico Chamber of Commerce, you also belonged to and had current relationships with social, political, cultural, and religious organizations in California. You received mail in California, including bank and brokerage statements and credit card bills. You conducted your personal banking activities in California. You held a California driver's license and were also registered to vote there. Based on all of the particular facts and circumstances pertaining to you, you were not a bona fide resident of Puerto Rico in 2025 because you had a closer connection to the United States than to Puerto Rico.

**Closer connection to another territory.** Generally, territories are not treated as foreign countries. Therefore, a closer connection to a territory other than the relevant territory will not be treated as a closer connection to a foreign country.

**Example—tax home and closer connection to territory.** You, a U.S. citizen, are a permanent employee of a hotel in Guam, but work only during the tourist season. For the remainder of each year, you live with your spouse and children in the CNMI, where you have no outside employment. Most of your personal belongings, including your automobile, are located in the CNMI. You are registered to vote in, and have a driver's license issued by, the CNMI. You do your personal banking in the CNMI and routinely list your CNMI address as your permanent address on forms and documents. You satisfy the presence test with respect to both Guam and the CNMI. You satisfy the tax home test with respect to Guam, because your regular place of business is in Guam. You satisfy the closer connection test with respect to both Guam and the CNMI because you do not have a closer connection to the United

States or to any foreign country. You are considered a bona fide resident of Guam, the location of your tax home.

## Exception for Year of Move

If you are moving to or from a territory during the year, you may still be able to meet the closer connection test for that year. See [Special Rules in the Year of a Move](#) next.

## Special Rules in the Year of a Move

If you are moving to or from a territory during the year, you may still be able to meet the tax home and closer connection tests for that year.

## Year of Moving to a Territory

You will satisfy the tax home and closer connection tests in the tax year of changing your residence to the relevant territory if you meet all of the following.

- You have not been a bona fide resident of the relevant territory in any of the 3 tax years immediately preceding your move.
- In the year of the move, you do not have a tax home outside the relevant territory or a closer connection to the United States or a foreign country than to the relevant territory during any of the last 183 days of the tax year.
- You are a bona fide resident of the relevant territory for each of the 3 tax years immediately following the tax year of your move.

**Example.** You, a U.S. citizen, file returns on a calendar year basis. You lived in the United States from January 2019 through May 2025. In June 2025, you moved to the USVI, purchased a house, and accepted a permanent job with a local employer. From July 1 through December 31, 2025 (more than 183 days), your principal place of business was in the USVI and, during that time, you did not have a closer connection to the United States or a foreign country than to the USVI.

If you are a bona fide resident of the USVI during all of 2026 through 2028, you will satisfy the tax home and closer connection tests for 2025. If you also satisfy the presence test in 2025, you will be considered a bona fide resident of the USVI for the 2025 tax year.

## Year of Moving From a Territory

In the year you cease to be a bona fide resident of American Samoa, the CNMI, Guam, or the USVI, you will satisfy the tax home and closer connection tests with respect to the relevant territory if you meet all of the following.

- You have been a bona fide resident of the relevant territory for each of the 3 tax years immediately preceding your change of residence.

- In the year of the move, you do not have a tax home outside the relevant territory or a closer connection to the United States or a foreign country than to the relevant territory during any of the first 183 days of the tax year.
- You are not a bona fide resident of the relevant territory for any of the 3 tax years immediately following the tax year of your move.

**Example.** You, a U.S. citizen, file returns on a calendar year basis. From January 2022 through December 2024, you were a bona fide resident of American Samoa. You continued to live there until September 6, 2025, when you accepted new employment and moved to Hawaii. Your principal place of business from January 1 through September 5, 2025 (more than 183 days), was in American Samoa, and during that period you did not have a closer connection to the United States or a foreign country than to American Samoa. If you continue to live and work in Hawaii for the rest of 2025 and throughout years 2026 through 2028, you will satisfy the tax home and closer connection tests for 2025 with respect to American Samoa. If you also satisfy the presence test in 2025, you will be considered a bona fide resident for the 2025 tax year.

## Puerto Rico

You will be considered a bona fide resident of Puerto Rico for the part of the tax year preceding the date on which you move if you:

- Are a U.S. citizen,
- Are a bona fide resident of Puerto Rico for at least 2 tax years immediately preceding the tax year of the move,
- Cease to be a bona fide resident of Puerto Rico during the tax year,
- Cease to have a tax home in Puerto Rico during the tax year, and
- Have a closer connection to Puerto Rico than to the United States or a foreign country throughout the part of the tax year preceding the date on which you cease to have a tax home in Puerto Rico.

**Example.** You, a U.S. citizen, file returns on a calendar year basis. For all of 2023 and 2024, you were a bona fide resident of Puerto Rico. From January through May 4, 2025, you continued to reside and maintain your principal place of business in and closer connection to Puerto Rico. On May 5, 2025, you moved and changed your tax home to Nevada. Later that year, you established a closer connection to the United States than to Puerto Rico. You did not satisfy the presence test for 2025 with respect to Puerto Rico, nor the tax home or closer connection tests. However, because you were a bona fide resident of Puerto Rico for at least 2 tax years before you moved to Nevada in 2025, you were a bona fide resident of Puerto Rico from January 1 through May 4, 2025.

## Reporting a Change in Bona Fide Residence

If you became or ceased to be a bona fide resident of a U.S. territory, you may need to file Form 8898. This applies to the U.S. territories of American Samoa, the CNMI, Guam, Puerto Rico, and the USVI.

## Who Must File

You must file Form 8898 for the tax year in which you meet both of the following conditions.

1. Your worldwide gross income (defined below) in that tax year is more than \$75,000.
2. You meet one of the following.
  - a. You take a position for U.S. tax purposes that you became a bona fide resident of a U.S. territory after a tax year for which you filed a U.S. income tax return as a citizen or resident alien of the United States but not as a bona fide resident of the territory.
  - b. You are a citizen or resident alien of the United States who takes the position for U.S. tax purposes that you ceased to be a bona fide resident of a U.S. territory after a tax year for which you filed an income tax return (with the IRS, the territory tax authority, or both) as a bona fide resident of the territory.
  - c. You take the position for U.S. tax purposes that you became a bona fide resident of Puerto Rico or American Samoa after a tax year for which you were required to file an income tax return as a bona fide resident of the CNMI, Guam, or the USVI.

**Worldwide gross income.** Worldwide gross income means all income you received in the form of money, goods, property, and services, including any income from sources outside the United States (even if you can exclude part or all of it) and before any deductions, credits, or rebates.

**Example.** You are a U.S. citizen who moved to the CNMI in December 2024, but did not become a bona fide resident of that territory until the 2025 tax year. You must file Form 8898 for the 2025 tax year if your worldwide gross income for that year was more than \$75,000.

## Penalty for Not Filing Form 8898

If you are required to file Form 8898 for any tax year and you fail to file it, you may owe a penalty of \$1,000. Also, you may owe this penalty if you do not include all the information required by the form or the form includes incorrect information. In either case, you will not owe this penalty if you can show that such failure is due to reasonable cause

and not willful neglect. This is in addition to any criminal penalty that may be imposed.

- Effectively connected with the conduct of a trade or business within the United States.

[Table 2-1](#) shows the general rules for determining whether income is from sources within the United States.

## 2.

### Territory Source Income

In order to determine where to file your return and which form(s) you need to complete, you may need to determine the source of each item of income you received during the tax year.

This chapter discusses the rules for determining if the source of your income is from:

- American Samoa,
- The Commonwealth of the Northern Mariana Islands,
- The Commonwealth of Puerto Rico (Puerto Rico),
- Guam, or
- The U.S. Virgin Islands.

Generally, the same rules that apply for determining U.S. source income also apply for determining territory source income. However, there are some important exceptions to these rules. Both the general rules and the exceptions are discussed in this chapter.

**U.S. income rule.** This rule states that income is not territory source income if, under the rules of Internal Revenue Code sections 861–865, it is treated as income:

- From sources within the United States, or

### Types of Income

This section looks at the most common types of income received by individuals, and the rules for determining the source of the income. Generally, the same rules shown in [Table 2-1](#) are used to determine if you have territory source income.

#### Compensation for Labor or Personal Services

Income from labor or personal services includes wages, salaries, commissions, fees, per diem allowances, employee allowances and bonuses, and fringe benefits. It also includes income earned by sole proprietors and general partners from providing personal services in the course of their trades or businesses.

**Services performed wholly within a relevant territory.** Generally, all pay you receive for services performed in a relevant territory is considered to be from sources within that territory. However, there are exceptions to this rule as discussed further below.

**U.S. Armed Forces.** Generally, military service pay during active duty will be sourced based on an individual’s state of legal residence, regardless of where services are performed. Accordingly, if you are a bona fide resident of a relevant territory, your military service pay on active duty will be sourced in that territory even if you perform the services in the United States or another territory.

Table 2-1. General Rules for Determining U.S. Source of Income

Item of income	Factor determining source
Salaries, wages, and other compensation for labor or personal services	Where labor or services performed <b>Note:</b> See <a href="#">Compensation for Labor or Personal Services</a> .
Pensions	Contributions: Where services were performed that earned the pension Investment earnings: Where pension trust is located
Interest	Residence of payer
Dividends	Where corporation created or organized
Rents	Location of property
Royalties: Natural resources Patents, copyrights, etc.	Location of property Where property is used
Sale of business inventory—purchased	Where sold
Sale of business inventory—produced	Where sold unless sold within the United States. Allocation if purchased in U.S. territory and sold within the United States.
Sale of real property	Location of property
Sale of personal property	Seller’s tax home (but see <a href="#">Special Rules for Gains From Dispositions of Certain Property</a> , later, for exceptions)
Sale of natural resources	Allocation based on fair market value of product at export terminal. For more information, see Regulations section 1.863-1(b).

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**Civilian spouse of active duty member of the U.S. Armed Forces.** If you are a bona fide resident of a U.S. territory and choose to keep that territory as your tax residence under MSRRA when relocating with your service member spouse under military orders, the source of income for your labor or personal services is considered to be that territory. Likewise, if your tax residence is in one of the 50 states or the District of Columbia before relocating and you choose to keep it as your tax residence, the source of income for services performed in any of the U.S. territories is considered to be the United States and, specifically, your state of residence or the District of Columbia.

For more information, see the following.

- Notice 2010-30, available at [IRS.gov/irb/2010-18\\_IRB#NOT-2010-30](https://www.irs.gov/irb/2010-18_IRB#NOT-2010-30).
- Notice 2011-16, available at [IRS.gov/irb/2011-17\\_IRB#NOT-2011-16](https://www.irs.gov/irb/2011-17_IRB#NOT-2011-16).
- Notice 2012-41, available at [IRS.gov/irb/2012-26\\_IRB#NOT-2012-41](https://www.irs.gov/irb/2012-26_IRB#NOT-2012-41).

Also, you can consult with state, local, or U.S. territory tax authorities regarding your tax obligations under MSRRA.

**De minimis exception.** There is an exception to the rule for determining the source of income earned in a territory. Generally, you will not have income from a territory if during a tax year you:

- Are a U.S. citizen or resident;
- Are not a bona fide resident of that territory;
- Are not employed by or under contract with an individual, partnership, or corporation that is engaged in a trade or business in that territory;
- Temporarily perform services in that territory for 90 days or less; and
- Earned \$3,000 or less from such services.

**Services performed partly inside and partly outside a relevant territory.** If you are an employee and receive compensation for labor or personal services performed both inside and outside the relevant territory, special rules apply in determining the source of the compensation. Compensation (other than certain fringe benefits) is sourced on a time basis. Certain fringe benefits (such as housing and education) are sourced on a geographical basis.

Or you may be permitted to use an alternative basis to determine the source of compensation. See [Alternative basis](#), later.

If you are self-employed, determine the source of your income for labor or personal services from self-employment on the basis that most correctly reflects the proper source of that income under the facts and circumstances of your particular case. In many cases, the facts and circumstances will call for an apportionment on a time basis, as explained next.

**Time basis.** Use a time basis to figure your compensation for labor or personal services from the relevant territory (other than the fringe benefits discussed later).

Do this by multiplying your total compensation (other than the fringe benefits discussed later) by the following fraction:

$$\frac{\text{Number of days you performed services in the relevant territory during the year}}{\text{Total number of days you performed services during the year}}$$

You can use a unit of time less than a day in the above fraction, if appropriate. The time period for which the income is made does not have to be a year. Instead, you can use another distinct, separate, and continuous time period if you can establish to the satisfaction of the IRS that this other period is more appropriate.

**Example.** In 2025, you worked in your employer’s office in the United States for 60 days and in the Puerto Rico office for 180 days, earning a total of \$80,000 for the year. Your Puerto Rico source income is \$60,000, figured as follows.

$$\frac{180 \text{ days}}{240 \text{ days}} \times \$80,000 = \$60,000$$

**Multi-year compensation.** The source of multi-year compensation is generally determined on a time basis over the period to which the compensation is attributable. Multi-year compensation is compensation that is included in your income in 1 tax year but is attributable to a period that includes 2 or more tax years. You determine the period to which the income is attributable based on the facts and circumstances of your case. For more information on multi-year compensation, see Regulations section 1.861-4(b).

**Certain fringe benefits sourced on a geographical basis.** If you received any of the following fringe benefits as compensation for labor or services performed as an employee partly inside and partly outside a relevant territory, you must source that income on a geographical basis.

- Housing.
- Education.
- Local transportation.
- Tax reimbursement.
- Hazardous or hardship duty pay.
- Moving expense reimbursement.

For information on determining the source of the fringe benefits listed above, see Regulations section 1.861-4(b).

**Alternative basis.** You can determine the source of your compensation under an alternative basis if you establish to the satisfaction of the IRS that, under the facts and circumstances of your case, the alternative basis more properly determines the source of your income than the time or geographical basis. If you use an alternative basis, you must keep (and have available for inspection) records to document why the alternative basis more properly determines the source of your income.

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**Pensions.** Generally, pension income has two components: contributions to the pension plan and the earnings accrued from investing those contributions. The contribution portion is sourced according to where services were performed that earned the pension. The investment earnings portion is sourced according to the location of the pension trust making the distributions.

**Example.** You are a U.S. citizen who worked in Puerto Rico for a U.S. company. All services were performed in Puerto Rico. Upon retirement, you remained in Puerto Rico and began receiving your pension from the U.S. pension trust of your employer. Distributions from the U.S. pension trust must be allocated between (1) contributions, which are Puerto Rico source income; and (2) investment earnings, which are U.S. source income.

**Disaster and coronavirus-related tax relief.** If you are required to file a U.S. federal income tax return, you may be entitled to some special disaster and coronavirus-related rules regarding the use of retirement funds. For more information, see Form 8915-F and its instructions.

To determine whether you are required to file a U.S. income tax return, see [chapter 3](#).

## Investment Income

This category includes such income as interest, dividends, rents, and royalties.

**Interest income.** The source of interest income is generally determined by the residence of the payer. Interest paid by corporations created or organized in a relevant territory (territory corporation) or by individuals who are bona fide residents of a relevant territory is considered income from sources within that territory.

However, there is an exception to this rule if you are a bona fide resident of a relevant territory, receive interest from a corporation created or organized in that territory, and are a shareholder of that corporation, and you own, directly or indirectly, at least 10% of the total voting stock of the corporation. See Regulations section 1.937-2(i) for more information.

**Dividends.** Generally, dividends paid by a corporation created or organized in a relevant territory will be considered income from sources within that territory. There are additional rules for bona fide residents of a relevant territory who receive dividend income from territory corporations, and who own, directly or indirectly, at least 10% of the voting stock of the corporation. For more information, see Regulations section 1.937-2(g).

**Rental income.** Rents from property located in a relevant territory are treated as income from sources within that territory.

**Royalties.** Royalties from natural resources located in a relevant territory are considered income from sources within that territory.

Also considered territory source income are royalties received for the use of, or for the privilege of using, in a relevant territory, patents, copyrights, secret processes

and formulas, goodwill, trademarks, trade brands, franchises, and other like property.

## Sales or Other Dispositions of Property

The source rules for sales or other dispositions of property are varied. The most common situations are discussed below.

**Real property.** Real property includes land and buildings, and generally anything built on, growing on, or attached to land. The location of the property generally determines the source of income from the sale. For example, if you are a bona fide resident of Guam and sell your home that is located in Guam, the gain on the sale is sourced in Guam. If, however, the home you sold was located in the United States, the gain is U.S. source income.

**Personal property.** The term “personal property” refers to property (such as machinery, equipment, or furniture) that is not real property. Generally, gain (or loss) from the sale or other disposition is sourced according to the seller’s tax home. If personal property is sold by a bona fide resident of a relevant territory, the gain (or loss) from the sale is treated as sourced within that territory.

This rule does not apply to the sale of inventory, intangible property, depreciable personal property, or property sold through a foreign office or fixed place of business. The rules applying to sales of inventory are discussed below. For information on sales of the other types of property mentioned, see Internal Revenue Code section 865.

**Inventory.** Your inventory is personal property that is stock in trade or that is held primarily for sale to customers in the ordinary course of your trade or business. The source of income from the sale of inventory depends on whether the inventory was purchased or produced.

**Purchased.** Income from the sale of inventory that you purchased is sourced where you sell the property. Generally, this is where title to the property passes to the buyer. However, income from the sale of inventory purchased within a U.S. territory and sold within the United States is sourced based on an allocation. For information on making the allocation, see Regulations section 1.863-3.

**Produced.** Income from the sale of inventory that you produced in a relevant territory and sold outside that territory (or vice versa) is sourced based on an allocation. For information on making the allocation, see Regulations section 1.863-3.

## Special Rules for Gains From Dispositions of Certain Property

There are special rules for gains from dispositions of certain investment property (for example, stocks, bonds, debt instruments, diamonds, and gold) owned by a U.S. citizen or resident alien prior to becoming a bona fide resident of

a territory. You are subject to these special rules if you meet both of the following conditions.

- For the tax year for which the source of the gain must be determined, you are a bona fide resident of the relevant territory.
- For any of the 10 years preceding that year, you were a citizen or resident alien of the United States (other than a bona fide resident of the relevant territory).

If you meet these conditions, gains from the disposition of this property will not be treated as income from sources within the relevant territory for purposes of the Internal Revenue Code. Accordingly, bona fide residents of American Samoa and Puerto Rico, for example, may not exclude the gain on their U.S. tax return. (See [chapter 3](#) for additional filing information.) With respect to the CNMI, Guam, and the USVI, the gain from the disposition of this property will not meet the requirements for certain tax rules that may allow bona fide residents of those territories to reduce or obtain a rebate of taxes on income from sources within the relevant territories.

For details, see Regulations section 1.937-2(f)(1) and Examples 1 and 2 of section 1.937-2(k).

**Example 1.** In 2019, you, a U.S. citizen, lived in the United States and paid \$1,000 for 100 shares of stock in the Rose Corporation, a U.S. corporation listed on the New York Stock Exchange. On March 1, 2022, you moved to Puerto Rico and changed your tax home to Puerto Rico on the same date. You satisfied the presence test in 2022 and, under the year-of-move exception, you were considered a bona fide resident of Puerto Rico for the rest of 2022. On March 1, 2022, the closing value of your stock in the Rose Corporation was \$2,000. On January 5, 2025, while still a bona fide resident of Puerto Rico, you sold all your Rose Corporation stock for \$7,000. Under the [special rules](#) discussed earlier, none of your \$6,000 gain will be treated as income from sources within Puerto Rico.

**Caution:** The source rules discussed in the preceding paragraphs supplement, and may apply in conjunction with, an existing special rule. This existing special rule applies if you are a U.S. citizen or resident alien who becomes a bona fide resident of American Samoa, the CNMI, or Guam, and who has gain from the disposition of certain U.S. assets during the 10-year period beginning when you became a bona fide resident. The gain is U.S. source income that is generally subject to U.S. tax if the property is either (1) located in the United States; (2) stock issued by a U.S. corporation or a debt obligation of a U.S. person or of the United States, a state (or political subdivision), or the District of Columbia; or (3) property that has a basis in whole or in part by reference to property described in (1) or (2). See [chapter 3](#) for filing information.

**Special election.** You can choose to treat the part of gain (or loss) attributable to the time you held the property while a bona fide resident of the relevant territory (the territory holding period) as gain (or loss) from sources within that territory. Make the election by reporting the gain attrib-

utable to the territory holding period on your income tax return for the year of disposition. This election overrides both of the special rules discussed earlier.

There are two methods for figuring the gain (or loss) for the territory holding period, one for marketable securities and another for other types of investment property.

**Marketable securities.** Marketable securities are those actively traded on an established financial market, such as stock in a publicly held corporation. Under the [special election](#), allocate the gain (or loss) by figuring the appreciation separately for your territory and U.S. holding periods.

Your territory holding period begins on the first day you do not have a tax home outside the relevant territory. The gain (or loss) attributable to the territory holding period is the difference in fair market value of the security at the close of the market on the first and last days of this holding period. This is your gain (or loss) that is treated as being from sources within the relevant territory. If you were a bona fide resident of the relevant territory for more than one continuous period, combine the gains (or losses) from each territory holding period.

**Example 2.** Assume the same facts as in *Example 1*, except that you make the special election to allocate the gain between your U.S. and territory holding periods. Your territory holding period began March 1, 2022, the date your tax home changed to Puerto Rico. Therefore, the portion of the gain attributable to your territory holding period is \$5,000 (\$7,000 sale price – \$2,000 closing value on the first day of the territory holding period). By reporting \$5,000 of your \$6,000 gain as Puerto Rico source income on your 2025 Puerto Rico tax return (and the remainder as non-Puerto Rico source income), you elect to treat that amount as Puerto Rico source income.

**Other personal property.** For personal property other than marketable securities, use a time-based allocation. Figure the gain (or loss) attributable to the territory holding period by multiplying your total gain (or loss) by the following fraction.

$$\frac{\text{Number of days in the territory holding period}}{\text{Total number of days in your holding period}}$$

The result is your gain (or loss) that is treated as being from sources within the relevant territory.

**Example 3.** In addition to the stock in Rose Corporation, you acquired a 5% interest in the Alder Partnership on January 1, 2021. On March 1, 2022, when you established bona fide residency in Puerto Rico, your partnership interest was not considered a marketable security. On September 15, 2025, while still a bona fide resident of Puerto Rico, you sold your interest in Alder Partnership for a \$100,000 gain. You had owned the interest for a total of 1,719 days. Your territory holding period (from March 1, 2022, through September 15, 2025) is 1,295 days. The portion of your gain attributable to Puerto Rico is \$75,334 (\$100,000 x (1,295 Puerto Rico days ÷ 1,719 total days)). By reporting \$75,334 of your \$100,000 gain as Puerto

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Rico source income on your 2025 Puerto Rico tax return (and the remainder as non-Puerto Rico source income), you elect to treat \$75,334 as Puerto Rico source income.

## Scholarships, Fellowships, Grants, Prizes, and Awards

The source of these types of income is generally the residence of the payer, regardless of who actually disburses the funds. Therefore, in order to be territory source income, the payer must be a resident of the relevant territory, such as an individual who is a bona fide resident or a corporation created or organized in that territory.

**Caution:** These rules do not apply to amounts paid as salary or other compensation for services. See [Compensation for Labor or Personal Services](#), earlier in this chapter, for the source rules that apply.

## Effectively Connected Income

In limited circumstances, some kinds of income from sources outside the relevant territory must be treated as effectively connected with a trade or business in that territory. These circumstances are listed below.

- You have an office or other fixed place of business in the relevant territory to which the income can be attributed.
- That office or place of business is a material factor in producing the income.
- The income is produced in the ordinary course of the trade or business carried on through that office or other fixed place of business.

An office or other fixed place of business is a material factor if it significantly contributes to, and is an essential economic element in, the earning of the income.

The three kinds of income from sources outside the relevant territory to which these rules apply are the following.

1. Rents and royalties for the use of, or for the privilege of using, intangible personal property located outside the relevant territory or from any interest in such property. Included are rents or royalties for the use of, or for the privilege of using, outside the relevant territory, patents, copyrights, secret processes and formulas, goodwill, trademarks, trade brands, franchises, and similar properties if the rents or royalties are from the active conduct of a trade or business in the relevant territory.
2. Dividends or interest from the active conduct of a banking, financing, or similar business in the relevant territory.
3. Income, gain, or loss from the sale or exchange outside the relevant territory, through the office or other fixed place of business in the relevant territory, of:

- a. Stock in trade,
- b. Property that would be included in inventory if on hand at the end of the tax year, or
- c. Property held primarily for sale to customers in the ordinary course of business.

Item (3) above will not apply if you sold the property for use, consumption, or disposition outside the relevant territory and an office or other fixed place of business in a foreign country was a material factor in the sale.

**Example.** You are a bona fide resident of American Samoa. Your business, which you conduct from an office in American Samoa, is developing and selling specialized computer software. A software purchaser will frequently pay you an additional amount to install the software on the purchaser's operating system and to ensure that the software is functioning properly. You install the software at the purchaser's place of business, which may be in American Samoa, in the United States, or in another country. The income from selling the software is effectively connected with the conduct of your business in American Samoa, even though the product's destination may be outside the territory. However, the compensation you receive for installing the software (personal services) outside of American Samoa is not effectively connected with the conduct of your business in the territory—the income is sourced where you perform the services.

## 3.

## Filing Information for Individuals in Certain U.S. Territories

If you have income from American Samoa, the CNMI, Guam, Puerto Rico, or the USVI, you may have to file a tax return with the tax department of that territory. Or you may have to file two annual tax returns, one with the territory's tax department and the other with the IRS. This chapter covers the general rules for filing returns in the five territories.

You must first determine if you are a bona fide resident of the relevant territory. See [chapter 1](#) for a discussion of the requirements you must meet.

You should ask for forms and advice about the filing of territory tax returns from that territory's tax department, not the IRS. Contact information is listed in this chapter under the heading for each territory.

**Disaster tax relief.** If you are required to file an income tax return with the IRS, you may be entitled to disaster tax

relief. For more information about the tax relief that may be available, see [chapter 4](#).

## American Samoa

American Samoa has its own separate and independent tax system. Although its tax laws are modeled on the U.S. Internal Revenue Code, there are certain differences.

### Where To Get Forms and Information

Requests for advice about matters connected with American Samoan taxation should be sent to:

American Samoa Government Tax Office  
Executive Office Building  
Pago Pago, AS 96799

The phone number is 684-633-4181.

You can access the American Samoa Government Tax Office at [www.americansamoa.gov/tax-office](http://www.americansamoa.gov/tax-office).

The fax number is 684-633-1513.

**Caution:** The addresses and phone numbers listed above are subject to change.

### Which Returns To File

Your residency status and your source of income with regard to American Samoa determine whether you file your return and pay your tax to American Samoa, to the United States, or to both.

In addition to the information below that is categorized by residency status, the [Special Rules for American Samoa](#) section, later, contains important information for determining the correct forms to file.

#### Bona Fide Resident of American Samoa

Bona fide residents of American Samoa are generally exempt from U.S. tax on their American Samoa source income.

**U.S. citizen or resident alien.** If you are a U.S. citizen (or national) or resident alien and a bona fide resident of American Samoa during the tax year, you must generally file the following returns.

- An American Samoa tax return reporting your gross income from worldwide sources. If you report non-American Samoa source income on your American Samoa tax return, you can claim a credit against your American Samoa tax liability for income taxes paid on that income to the United States, a foreign country, or another territory.
- A U.S. tax return reporting income from worldwide sources, but excluding income from sources within American Samoa. However, amounts received for services performed as an employee of the United

States or any of its agencies cannot be excluded (see [U.S. Government employees](#) under *Special Rules for American Samoa*, later).

To exclude American Samoa source income, attach a completed Form 4563 to your U.S. tax return (see [Form 4563](#), later, for more information). If you are excluding American Samoa source income on your U.S. tax return, you will not be allowed any deductions from gross income or credits against tax that are directly or indirectly allocable to the excluded income. For more information, see [Special Rules for Completing Your U.S. Tax Return](#) in chapter 4.

If all of your income is from American Samoa sources, you are not required to file a U.S. tax return. However, if you have self-employment income, see [Self-employment tax](#), later.

**Nonresident alien.** If you are a bona fide resident of American Samoa during the tax year, but a nonresident alien of the United States, you must generally file the following returns.

- An American Samoa tax return reporting worldwide income.
- A U.S. tax return (Form 1040 or 1040-SR) reporting income from worldwide sources, but excluding American Samoa source income other than amounts for services performed as an employee of the United States or any of its agencies. For more information, see [U.S. Government employees](#) under *Special Rules for American Samoa*, later. To exclude income from sources within American Samoa, attach a completed Form 4563 to your U.S. tax return (see [Form 4563](#), later, for more information).

For all other tax purposes, however, you will be treated as a nonresident alien individual. For example, you are not allowed the standard deduction, you cannot file a joint return, and you are not allowed a deduction for a dependent unless that person is a citizen or national of the United States. There are also limitations on what deductions and credits are allowed. See Pub. 519 for more information.

**Form 4563.** If you must file a U.S. income tax return and you qualify to exclude any of your income from American Samoa, claim the exclusion by completing Form 4563 and attaching it to your Form 1040 or 1040-SR. Form 4563 cannot be filed by itself.

**Where to file.** If you are a bona fide resident of American Samoa during the tax year and you are not including a check or money order, send your U.S. tax return and all attachments (including Form 4563) to:

Department of the Treasury  
Internal Revenue Service  
Austin, TX 73301-0215  
USA

If you are including a check or money order, send your U.S. tax return and all attachments (including Form 4563) to:

Internal Revenue Service  
P.O. Box 1303  
Charlotte, NC 28201-1303  
USA

Send your American Samoa tax return and all attachments to the address given under [Where To Get Forms and Information](#), earlier.

**Self-employment tax.** If you are not required to file a U.S. tax return but have income that is effectively connected with a trade or business in American Samoa, you must file Form 1040-SS with the United States. On this form, you will report your self-employment income to the United States, and, if necessary, pay self-employment tax on that income. For more information, see [Self-Employment Tax](#) in chapter 4.

**Additional Medicare Tax.** You may be required to pay Additional Medicare Tax. Also, you may need to report Additional Medicare Tax withheld by your employer. For more information, see [Additional Medicare Tax](#) under *Special Rules for Completing Your U.S. Tax Return* in chapter 4.

**Net Investment Income Tax (NIIT).** The NIIT is 3.8% of the lesser of an individual's net investment income or the excess of the individual's modified adjusted gross income over a specified threshold amount. The NIIT will apply to a bona fide resident of American Samoa if a taxpayer has modified adjusted gross income from sources outside of American Samoa that exceeds a specified threshold amount, for example, \$200,000 for single filers. The NIIT does not apply to any individual who is a nonresident alien with respect to the United States. See Form 8960 and its instructions for more information on the NIIT.

**Estimated tax payments.** To see if you are required to make payments of estimated income tax, self-employment tax, Additional Medicare Tax, and/or NIIT to the IRS, get Form 1040-ES.

To pay by check or money order, send your payment with the Form 1040-ES payment voucher to:

Internal Revenue Service  
P.O. Box 1303  
Charlotte, NC 28201-1303  
USA

To get information on paying electronically (by credit or debit card, or through the Electronic Federal Tax Payment System (EFTPS)), go to [IRS.gov/Payments](https://www.irs.gov/Payments).

For information on making estimated income tax payments to American Samoa, see [Where To Get Forms and Information](#), earlier.

## Not a Bona Fide Resident of American Samoa

An individual who is not a bona fide resident of American Samoa for the tax year but has income sourced in American Samoa generally files both U.S. and American Samoa

tax returns, and claims a foreign tax credit on the U.S. return for taxes paid to American Samoa.

**U.S. citizen or resident alien.** If you are a U.S. citizen or resident alien but not a bona fide resident of American Samoa during the tax year, you must generally file the following returns.

- An American Samoa tax return reporting only your income from sources within American Samoa. Wages for services performed in American Samoa, whether for a private employer, the U.S. Government, or otherwise, are income from sources within American Samoa.
- A U.S. tax return reporting your income from worldwide sources. You can take a credit against your U.S. tax liability if you paid income taxes to American Samoa (or other territory or foreign country) and reported income from those sources on your U.S. tax return.

**De minimis exception to determining source of income.** In certain situations, you will not have income from a territory. See [De minimis exception](#) under *Compensation for Labor or Personal Services* in chapter 2.

**Nonresident alien.** If you are a nonresident alien of the United States who does not qualify as a bona fide resident of American Samoa for the tax year, you must generally file the following returns.

- An American Samoa tax return reporting only your income from sources within American Samoa. In this situation, wages for services performed in American Samoa, whether for a private employer, the U.S. Government, or otherwise, is income from sources within American Samoa.
- A U.S. tax return (Form 1040-NR) reporting U.S. source income according to the rules for a nonresident alien. See the Instructions for Form 1040-NR.

**Where to file.** If you are not a bona fide resident of American Samoa during the tax year, and you are not including a check or money order, send your U.S. tax return and all attachments to:

Department of the Treasury  
Internal Revenue Service  
Austin, TX 73301-0215  
USA

If you are including a check or money order, send your U.S. tax return and all attachments to:

Internal Revenue Service  
P.O. Box 1303  
Charlotte, NC 28201-1303  
USA

Send your American Samoa tax return and all attachments to the address given under [Where To Get Forms and Information](#), earlier.

## Special Rules for American Samoa

In addition to the general rules given earlier for filing U.S. and American Samoa tax returns, there are some special rules that apply to certain individuals and types of income.

**U.S. Government employees.** U.S. Government wages, including for services performed in American Samoa, must be included in U.S. gross income and reported on both your U.S. and American Samoa income tax returns.

Regardless of whether you are a bona fide resident of American Samoa, you may have to file an income tax return with both the United States and American Samoa.

- You must generally report all income on your U.S. income tax return, regardless of source. Although a bona fide resident of American Samoa may generally exclude American Samoa source income from their U.S. income tax return, pay from the U.S. Government for services performed in American Samoa must be included on your U.S. income tax return regardless of whether you are a bona fide resident of American Samoa. You can claim a withholding credit on your U.S. income tax return for federal income taxes withheld from your federal wages (as well as a foreign tax credit for income tax paid to American Samoa on the same income).
- On your American Samoa income tax return, you must report all income from American Samoa sources (and from all other sources if you are a bona fide resident of American Samoa), including your wages from the U.S. Government for services performed in American Samoa. For further information about your American Samoa income tax obligations, contact the American Samoa Government Tax Office at the address and phone number indicated in chapter 3.

**Active duty member of the U.S. Armed Forces.** If you are an active duty member of the U.S. Armed Forces whose state of legal residence is American Samoa, your military income is American Samoa-source income. In this case, you will follow the tax rules for U.S. Government employee wages above, regardless of where you are stationed. If you are an active duty member of the U.S. Armed Forces whose state of legal residence is not American Samoa, the source of your military wages is generally the same as your state of legal residence (that is, not sourced in American Samoa). In that case, you will follow the tax rules for U.S. Government employee wages for your state of legal residence, regardless of where you are stationed.

**Civilian spouse of active duty member of the U.S. Armed Forces.** If you are a civilian spouse of an active duty member of the U.S. Armed Forces, see [Special rule for civilian spouse of active duty member of the U.S. Armed Forces](#) in chapter 1 for more information.

The spouse of the service member may elect to use the same residence for tax purposes as the service member regardless of the date on which the marriage of the spouse and service member occurred.

**Federal retiree pension income.** Federal retirees who are bona fide residents of American Samoa must file an income tax return with American Samoa to report all income from all sources, including federal pension income. The retiree may also have an income tax filing requirement with the United States, depending upon the source of the retiree's pension income. Pension income can have multiple sources. See [Pensions](#) and other source of income rules in chapter 2 for more information. If any part of the pension income is sourced in the United States, the retiree must also file an income tax return with the United States.

**Disaster and coronavirus-related tax relief.** If you are required to file a U.S. federal income tax return, you may be entitled to some special disaster and coronavirus-related rules regarding the use of retirement funds. For more information, see Form 8915-F and its instructions.

**Moving expense deduction.** The deduction for moving expenses is suspended unless you are a member of the U.S. Armed Forces who moves pursuant to a military order and incident to a permanent change of station. For more information, see Pub. 3.

## Double Taxation

A mutual agreement procedure exists to settle cases of double taxation between the United States and American Samoa. See [Double Taxation](#) in chapter 4.

## The Commonwealth of Puerto Rico

The Commonwealth of Puerto Rico has its own separate and independent tax system. Although it is modeled after the U.S. system, there are differences in law and tax rates.

## Where To Get Forms and Information

Requests for information about the filing of Puerto Rico tax returns should be addressed to:

Departamento de Hacienda  
Área de Política Contributiva  
P.O. Box 9024140  
San Juan, Puerto Rico 00902-4140

The phone numbers are 787-622-0123 and 787-620-2323.

You can access the Hacienda website at [www.hacienda.pr.gov](http://www.hacienda.pr.gov).

**Caution:** The addresses and phone numbers listed above are subject to change.

## Which Returns To File

Generally, you will file returns with both Puerto Rico and the United States. The income reported on each return depends on your residency status in Puerto Rico. To determine if you are a bona fide resident of Puerto Rico and have income sourced within and outside Puerto Rico, see the information in [chapter 1](#).

### Bona Fide Resident of Puerto Rico

Bona fide residents of Puerto Rico will generally pay tax to Puerto Rico on their worldwide income.

**U.S. citizen or resident alien.** If you are a U.S. citizen or resident alien and also a bona fide resident of Puerto Rico during the tax year, you must generally file the following returns.

- A Puerto Rico tax return reporting income from worldwide sources. If you report U.S. source income on your Puerto Rico tax return, you can claim a credit against your Puerto Rico tax, up to the amount allowable, for income taxes paid to the United States.
- A U.S. tax return reporting income from worldwide sources, but excluding Puerto Rico source income. However, see [U.S. Government employees](#) under [Special Rules for Puerto Rico](#), later, for an exception.

If you are excluding Puerto Rico income on your U.S. tax return, you will not be allowed any deductions or credits that are directly or indirectly allocable to exempt income. For more information, see [Special Rules for Completing Your U.S. Tax Return](#) in chapter 4.

If all of your income is from Puerto Rico sources, you are not required to file a U.S. tax return. However, if you have self-employment income, see [Self-employment tax](#), later.

**U.S. citizen only.** If you are a U.S. citizen, you may also qualify under these rules if you have been a bona fide resident of Puerto Rico for at least 2 years before moving from Puerto Rico. In this case, you can exclude your income derived from sources within Puerto Rico (but not wages and salaries received as an employee of the U.S. Government or its agencies) that you earned before the date you changed your residence. For more information, see [Puerto Rico](#) under [Year of Moving From a Territory](#) in chapter 1.

**Nonresident alien.** If you are a bona fide resident of Puerto Rico during the tax year, but a nonresident alien of the United States, you must generally file the following returns.

- A Puerto Rico tax return reporting income from worldwide sources. If you report U.S. source income on your Puerto Rico tax return, you can claim a credit against your Puerto Rico tax, up to the amount allowable, for income taxes paid to the United States.
- A U.S. tax return (Form 1040 or 1040-SR) reporting income from worldwide sources, but excluding Puerto Rico source income (other than amounts for services performed as an employee of the United States or any

of its agencies). For tax purposes other than reporting income, however, you will be treated as a nonresident alien individual. For example, you are not allowed the standard deduction, you cannot file a joint return, and you are not allowed a deduction for a dependent unless that person is a citizen or national of the United States. There are also limitations on what deductions and credits are allowed. See Pub. 519 for more information.

**Self-employment tax.** If you have no U.S. filing requirement but have income that is effectively connected with a trade or business in Puerto Rico, you must file Form 1040-SS with the United States to report your self-employment income and, if necessary, pay self-employment tax. For more information, see [Self-Employment Tax](#) in chapter 4.

**Additional Medicare Tax.** You may be required to pay Additional Medicare Tax. Also, you may need to report Additional Medicare Tax withheld by your employer. For more information, see [Additional Medicare Tax](#) under [Special Rules for Completing Your U.S. Tax Return](#) in chapter 4.

**Net Investment Income Tax (NIIT).** The NIIT is 3.8% of the lesser of an individual's net investment income or the excess of the individual's modified adjusted gross income over a specified threshold amount. The NIIT will apply to a bona fide resident of Puerto Rico if a taxpayer has modified adjusted gross income from sources outside of Puerto Rico that exceeds a specified threshold amount, for example, \$200,000 for single filers. The NIIT does not apply to any individual who is a nonresident alien with respect to the United States. See Form 8960 and its instructions for more information on the NIIT.

**Estimated tax payments.** To see if you are required to make payments of estimated income tax, self-employment tax, Additional Medicare Tax, and/or NIIT to the IRS, get Form 1040-ES.

To pay by check or money order, send your payment with the Form 1040-ES payment voucher to:

Internal Revenue Service  
P.O. Box 1303  
Charlotte, NC 28201-1303  
USA

To get information on paying electronically (by credit or debit card, or through the Electronic Federal Tax Payment System (EFTPS)), go to [IRS.gov/Payments](#).

For information on making estimated income tax payments to Hacienda, see [Where To Get Forms and Information](#), earlier.

### Not a Bona Fide Resident of Puerto Rico

An individual who is not a bona fide resident of Puerto Rico for the tax year may have to file tax returns with both Puerto Rico and the United States.

**U.S. citizen or resident alien.** If you are a U.S. citizen or resident alien but not a bona fide resident of Puerto Rico during the tax year, you must generally file the following returns.

- A Puerto Rico tax return reporting only your income from Puerto Rico sources. Wages for services performed in Puerto Rico, whether for a private employer, the U.S. Government, or otherwise, are income from Puerto Rico sources.
- A U.S. tax return reporting income from worldwide sources. Generally, you can claim a foreign tax credit for income taxes paid to Puerto Rico on the Puerto Rico income that is subject to Puerto Rico taxes and not exempt from U.S. taxes (see [chapter 4](#) for more information).

**Nonresident alien.** If you are a nonresident alien of the United States who does not qualify as a bona fide resident of Puerto Rico for the tax year, you must generally file the following returns.

- A Puerto Rico tax return reporting only your income from Puerto Rico sources. Wages for services performed in Puerto Rico, whether for a private employer, the U.S. Government, or otherwise, is income from Puerto Rico sources.
- A U.S. tax return (Form 1040-NR) according to the rules for a nonresident alien. See the Instructions for Form 1040-NR.

***De minimis exception to determining source of income.*** In certain situations, you will not have income from a territory. See [De minimis exception](#) under *Compensation for Labor or Personal Services* in chapter 2.

**Where to file.** Use the addresses listed below to file your U.S. and Puerto Rico income tax returns.

If you are not including a check or money order, send your U.S. tax return and all attachments to:

Department of the Treasury  
Internal Revenue Service  
Austin, TX 73301-0215  
USA

If you are including a check or money order, send your U.S. tax return and all attachments to:

Internal Revenue Service  
P.O. Box 1303  
Charlotte, NC 28201-1303  
USA

If you request a refund on your Puerto Rico return, send your Puerto Rico tax return and all attachments to:

Departamento de Hacienda  
P.O. Box 9024140  
San Juan, PR 00902-6272

Send all other Puerto Rico tax returns, with all attachments, to:

Departamento de Hacienda  
P.O. Box 9024140  
San Juan, PR 00902-2501

## Special Rules for Puerto Rico

In addition to the general rules given earlier for filing U.S. and Puerto Rico tax returns, there are some special rules that apply to certain individuals and types of income.

**U.S. Government employees.** Wages and cost-of-living allowances paid by the U.S. Government (or one of its agencies) for working in Puerto Rico are Puerto Rico source income and thus subject to Puerto Rico tax. However, the cost-of-living allowances are excluded from Puerto Rico gross income up to the amount exempt from U.S. tax. In order to claim this exclusion, you must:

- Include with your Puerto Rico tax return evidence to show the amount received during the year, and
- Be in full compliance with your Puerto Rico tax responsibilities.

Although bona fide residents of Puerto Rico may generally exclude Puerto Rico source income from their U.S. tax return, these wages are also subject to U.S. tax because U.S. Government wages do not qualify for the exclusion. However, the cost-of-living allowances are excludable from U.S. gross income. A foreign tax credit is available in order to avoid double taxation.

**Active duty member of the U.S. Armed Forces.** If you are an active duty member of the U.S. Armed Forces whose state of legal residence is Puerto Rico, your military income is Puerto Rico-source income. In this case, you will follow the tax rules for U.S. Government employee wages above, regardless of where you are stationed. If you are an active duty member of the U.S. Armed Forces whose state of legal residence is not Puerto Rico, the source of your military wages is generally the same as your state of legal residence (that is, not sourced in Puerto Rico). In that case, you will follow the tax rules for U.S. Government employee wages for your state of legal residence, regardless of where you are stationed.

**Civilian spouse of active duty member of the U.S. Armed Forces.** If, under the rule discussed at the beginning of chapter 1 (see [Special rule for civilian spouse of active duty member of the U.S. Armed Forces](#)), your tax residence is Puerto Rico, follow the guidance in the section for [bona fide residents](#) under *Which Returns To File*, earlier. However, if your tax residence is one of the 50 states or the District of Columbia and your only income from Puerto Rico is from wages, salaries, tips, or self-employment, you will be taxed on your worldwide income and file only a U.S. tax return (Form 1040 or 1040-SR) and a state and/or local tax return, if required. If you have income from Puerto Rico other than wages, salaries, tips, or self-employment that is considered to be sourced in that territory (see [Table 2-1](#)), contact the Hacienda for guidance.

The spouse of the service member may elect to use the same residence for tax purposes as the service member regardless of the date on which the marriage of the spouse and service member occurred.

**Income from sources outside Puerto Rico and the United States.** If you are a U.S. citizen and bona fide resident of Puerto Rico and you have income from sources outside both Puerto Rico and the United States, that income is treated as foreign source income under both tax systems. In addition to your Puerto Rico and U.S. tax returns, you may also have to file a return with the country or territory from which your outside income was derived. To avoid double taxation, a foreign tax credit is generally available for either the U.S. or Puerto Rico return.

**Example.** You are a bona fide resident of Puerto Rico and a U.S. citizen. You traveled to the Dominican Republic and worked in the construction industry for 1 month. Your wages were \$20,000. Because the wages were earned outside Puerto Rico and outside the United States, you must file a tax return with Puerto Rico and the United States. You may also have to file a tax return with the Dominican Republic.

**Moving expense deduction.** The deduction for moving expenses is suspended unless you are a member of the U.S. Armed Forces who moves pursuant to a military order and incident to a permanent change of station. For more information, see Pub. 3.

**Additional child tax credit (ACTC).** If you are not required to file a U.S. income tax return, this credit is available only if you meet all three of the following conditions.

- You were a bona fide resident of Puerto Rico during the entire tax year.
- Social security and Medicare taxes were withheld from your wages or you paid self-employment tax.
- You had one or more qualifying children. (For the definition of a qualifying child, see the Instructions for Form 1040-SS.)

If your income exceeds certain levels, you may be disqualified from receiving this credit. Use Form 1040-SS to claim the ACTC.

## Double Taxation

A mutual agreement procedure exists to settle cases of double taxation between the United States and the Commonwealth of Puerto Rico. See [Double Taxation](#) in chapter 4.

## The Commonwealth of the Northern Mariana Islands

The CNMI has its own tax system based partly on the same tax laws and tax rates that apply to the United

States and partly on local taxes imposed by the CNMI government.

## Where To Get Forms and Information

Requests for advice about CNMI residency and tax matters should be addressed to:

Commonwealth of the Northern Mariana Islands  
Division of Revenue and Taxation  
P.O. Box 5234 CHRB  
Dandan Commercial Center  
Saipan, MP 96950

You can order forms and publications by calling 670-664-1000.

You can order forms and publications through fax at 670-664-1015.

You can access the CNMI website at [www.finance.gov.mp/forms.php](http://www.finance.gov.mp/forms.php).

**Caution:** The addresses and phone numbers listed above are subject to change.

## Which Return To File

In general, all individuals with income from the CNMI will file only one return, either to the CNMI or to the United States. Your residency status with regard to the CNMI determines which return you will file. Be sure to check the [Special Rules for the Commonwealth of the Northern Mariana Islands](#), later, for additional information about filing your tax return.

## Bona Fide Resident of the Commonwealth of the Northern Mariana Islands

If you are a U.S. citizen, resident alien, or nonresident alien and a bona fide resident of the CNMI during the tax year, file your income tax return with the CNMI.

- Include income from worldwide sources on your CNMI return. In determining your total tax payments, include all income tax withheld and paid to either the CNMI or the United States, any credit for an overpayment of income tax to either the CNMI or the United States, and any payments of estimated tax to either the CNMI or the United States. Pay any balance of tax due with your tax return.
- Generally, if you properly file your return with, and fully pay your income tax to, the CNMI, then you are not liable for filing an income tax return with, or for paying tax to, the United States for the tax year. However, if you were self-employed in 2025, see [Self-employment tax](#), later.

**Example.** You were a bona fide resident of the CNMI for 2025. You received wages of \$30,000 paid by a private employer in the CNMI and dividends of \$4,000 from U.S. corporations that carry on business mainly in the United States. You must file a 2025 income tax return with the

CNMI Division of Revenue and Taxation. You report your total income of \$34,000 on the CNMI return.

**Where to file.** If you are a bona fide resident of the CNMI for the tax year, send your return and all attachments to the Division of Revenue and Taxation at the address given earlier.

**U.S. Citizen or Resident Alien (Other Than a Bona Fide Resident of the Commonwealth of the Northern Mariana Islands)**

If you have income from sources within the CNMI and are a U.S. citizen or resident alien, but you are not a bona fide resident of the CNMI during the tax year, file your income tax return with the United States.

- Include income from worldwide sources on your U.S. return. In determining your total tax payments, include all income tax withheld and paid to either the United States or the CNMI, any credit for an overpayment of income tax to either the United States or the CNMI, and any payments of estimated tax to either the CNMI or the United States. Pay any balance of tax due with your tax return.
- **Note:** You may also need to complete Form 5074.
- You are not liable for filing an income tax return with, or for paying tax to, the CNMI for the tax year.

**Form 5074.** If you file a U.S. income tax return, attach a completed Form 5074 if you (and your spouse if filing a joint return) have:

- Adjusted gross income of \$50,000 or more for the tax year, and
- Gross income of \$5,000 or more from sources within the CNMI.

The United States and the CNMI use this form to divide your income taxes.

**De minimis exception to determining source of income.** In certain situations, you will not have income from a territory. See [De minimis exception](#) under *Compensation for Labor or Personal Services* in chapter 2.

**Citizen or resident alien of the United States but not a bona fide resident of the Commonwealth of the Northern Mariana Islands.** If you are a citizen or resident alien of the United States but not a bona fide resident of the CNMI during the tax year and you are not including a check or money order, send your return and all attachments to:

Department of the Treasury  
Internal Revenue Service  
Austin, TX 73301-0215  
USA

If you are including a check or money order, send your U.S. tax return and all attachments to:

Internal Revenue Service  
P.O. Box 1303  
Charlotte, NC 28201-1303  
USA

**Nonresident Alien (Other Than a Bona Fide Resident of the Commonwealth of the Northern Mariana Islands)**

If you are a nonresident alien of the United States who does not qualify as a bona fide resident of the CNMI for the tax year, you must generally file the following returns.

- A CNMI tax return reporting only your income from sources within the CNMI. In this situation, wages for services performed in the CNMI, whether for a private employer, the U.S. Government, or otherwise, are income from sources within the CNMI.
- A U.S. tax return (Form 1040-NR) reporting U.S. source income according to the rules for a nonresident alien. See the Instructions for Form 1040-NR.

If you are not a bona fide resident of the CNMI during the tax year and you are not including a check or money order, send your U.S. tax return and all attachments to:

Department of the Treasury  
Internal Revenue Service  
Austin, TX 73301-0215  
USA

If you are including a check or money order, send your U.S. tax return and all attachments to:

Internal Revenue Service  
P.O. Box 1303  
Charlotte, NC 28201-1303  
USA

Send your CNMI tax return and all attachments to:

Department of Finance  
Division of Revenue and Taxation  
Commonwealth of the Northern Mariana Islands  
P.O. Box 5234 CHRB  
Saipan, MP 96950

**Citizen of the Commonwealth of the Northern Mariana Islands**

If you are a citizen of the CNMI (meaning that you were born or naturalized in the CNMI) but not otherwise a U.S. citizen or a U.S. resident alien during the tax year, file your income tax return with the CNMI. Include income from worldwide sources on your CNMI return. Take into account tax withheld by both jurisdictions in determining if there is tax overdue or an overpayment. Pay any balance of tax due with your tax return. Send your return and all attachments to:

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Department of Finance  
 Division of Revenue and Taxation  
 Commonwealth of the Northern Mariana Islands  
 P.O. Box 5234 CHRB  
 Saipan, MP 96950

## Special Rules for the Commonwealth of the Northern Mariana Islands

Special rules apply to certain types of income, employment, and filing status.

**Joint return.** If you file a joint return, file your return (and pay the tax) with the jurisdiction where the spouse who has the greater adjusted gross income (AGI) would have to file if you were filing separately. If the spouse with the greater AGI is a bona fide resident of the CNMI during the tax year, file the joint return with the CNMI. If the spouse with the greater AGI is a U.S. citizen or resident alien but not a bona fide resident of the CNMI during the tax year, file your joint return with the United States. For this purpose, income is determined without regard to community property laws.

**Example.** You, a U.S. citizen, were a resident of the United States, and your spouse, a citizen of both the CNMI and the United States, was a bona fide resident of the CNMI during the tax year. You earned \$65,000 as a computer programmer in the United States. Your spouse earned \$20,000 as an artist in the CNMI. You and your spouse will file a joint return. Because you have the greater AGI, you and your spouse must file your return with the United States and report the entire \$85,000 on that return.

**U.S. Armed Forces.** If you are a member of the U.S. Armed Forces on active duty who qualified as a bona fide resident of the CNMI in a prior tax year, your absence from the CNMI solely in compliance with military orders will not change your bona fide residency. If you did not qualify as a bona fide resident of the CNMI in a prior tax year, your presence in the CNMI solely in compliance with military orders will not qualify you as a bona fide resident of the CNMI.

**Civilian spouse of active duty member of the U.S. Armed Forces.** If, under the rule discussed at the beginning of chapter 1 (see [Special rule for civilian spouse of active duty member of the U.S. Armed Forces](#)), your tax residence is the CNMI, follow the guidance in the section for [bona fide residents](#) under *Which Return To File*, earlier. However, if your tax residence is one of the 50 states or the District of Columbia and your only income from the CNMI is from wages, salaries, tips, or self-employment, you will be taxed on your worldwide income and file only a U.S. tax return (Form 1040 or 1040-SR) and a state and/or local tax return, if required. If you have income from the CNMI other than wages, salaries, tips, or self-employment that is considered to be sourced in that territory (see [Table 2-1](#)), you may need to file Form 5074 with your U.S. tax return.

The spouse of the service member may elect to use the same residence for tax purposes as the service member regardless of the date on which the marriage of the spouse and service member occurred.

**Moving expense deduction.** The deduction for moving expenses is suspended unless you are a member of the U.S. Armed Forces who moves pursuant to a military order and incident to a permanent change of station. For more information, see Pub. 3. If you meet these requirements, see the discussion below.

If you are a bona fide resident in the tax year of your move, enter your deductible expenses on your CNMI tax return.

If you are not a bona fide resident, enter your deductible expenses on Form 3903, and enter the deductible amount on Schedule 1 (Form 1040), line 14, and on Form 5074, line 20.

**Self-employment tax.** If you have no U.S. filing requirement, but have income that is effectively connected with a trade or business in the CNMI, you must file Form 1040-SS with the United States to report your self-employment income and, if necessary, pay self-employment tax.

**Additional Medicare Tax.** You may be required to pay Additional Medicare Tax. Also, you may need to report Additional Medicare Tax withheld by your employer. For more information, see [Additional Medicare Tax](#) under *Special Rules for Completing Your U.S. Tax Return* in chapter 4.

**Estimated tax payments.** To see if you are required to make payments of estimated income tax, self-employment tax, and/or Additional Medicare Tax to the IRS, get Form 1040-ES.

**Payment of estimated tax.** If you must pay estimated tax, make your payment to the jurisdiction where you would file your income tax return if your tax year were to end on the date your first estimated tax payment is due. Generally, you should make the rest of your quarterly payments of estimated tax to the jurisdiction where you made your first payment of estimated tax. However, estimated tax payments to either jurisdiction will be treated as payments to the jurisdiction with which you file the tax return.

If you make a joint payment of estimated tax, make your payment to the jurisdiction where the spouse who has the greater estimated AGI would have to pay (if a separate payment were made). For this purpose, income is determined without regard to community property laws.

**Early payment.** If you make your first payment of estimated tax early, follow the rules given earlier to determine where to send it. If you send it to the wrong jurisdiction, make all later payments to the jurisdiction to which the first payment should have been sent.

To pay by check or money order, send your payment with the Form 1040-ES payment voucher to:

Internal Revenue Service  
 P.O. Box 1303  
 Charlotte, NC 28201-1303  
 USA

To get information on paying electronically (by credit or debit card, or through the Electronic Federal Tax Payment System (EFTPS)), go to [IRS.gov/Payments](https://www.irs.gov/Payments).

For information on making estimated income tax payments to the CNMI, see [Where To Get Forms and Information](#), earlier.

## Double Taxation

A mutual agreement procedure exists to settle cases of double taxation between the United States and the Commonwealth of the Northern Mariana Islands. See [Double Taxation](#) in chapter 4.

## Guam

Guam has its own tax system based on the same tax laws and tax rates that apply in the United States.

## Where To Get Forms and Information

Requests for advice about Guam residency and tax matters should be addressed to:

Department of Revenue and Taxation  
Taxpayer Services Division  
P.O. Box 23607  
GMF, Guam 96921

You can order forms and publications by calling 671-635-1840 or 671-635-1841.

You can order forms and publications through fax at 671-633-2643.

You can get forms and publications at [www.guamtax.com](http://www.guamtax.com).

**Caution:** The addresses and phone numbers listed above are subject to change.

## Which Return To File

Bona fide residents of Guam are subject to special U.S. tax rules. In general, all individuals with income from Guam will file only one return—either to Guam or the United States.

### Bona Fide Resident of Guam

If you are a bona fide resident of Guam during the tax year, file your return with Guam. This applies to all bona fide residents who are citizens, resident aliens, or nonresident aliens of the United States.

- Include income from worldwide sources on your Guam return. In determining your total tax payments, include all income tax withheld and paid to either Guam or the United States, any credit for an overpayment of income tax to either Guam or the United States, and any payments of estimated tax to either Guam or the

United States. Pay any balance of tax due with your tax return.

- Generally, if you properly file your return with, and fully pay your income tax to, Guam, then you are not liable for filing an income tax return with, or for paying tax to, the United States. However, if you were self-employed in 2025, see [Self-employment tax](#), later.

**Example.** You were a bona fide resident of Guam for 2025. You received wages of \$25,000 paid by a private employer in Guam and dividends of \$2,000 from U.S. corporations that carry on business mainly in the United States. You must file a 2025 income tax return with the government of Guam. You report your total income of \$27,000 on the Guam return.

If you are a bona fide resident of Guam for the tax year, send your return and all attachments to:

Department of Revenue and Taxation  
Taxpayer Services Division  
P.O. Box 23607  
GMF, Guam 96921

### U.S. Citizen or Resident Alien (Other Than a Bona Fide Resident of Guam)

If you have income from sources within Guam and are a U.S. citizen or resident alien, but you are not a bona fide resident of Guam during the tax year, file your income tax return with the United States.

- Include income from worldwide sources on your U.S. return. In determining your total tax payments, include all income tax withheld and paid to either the United States or Guam, any credit for an overpayment of income tax to either the United States or Guam, and any payments of estimated tax to either Guam or the United States. Pay any balance of tax due with your tax return. You may also need to complete Form 5074.
- You are not liable for filing an income tax return with, or for paying tax to, Guam for the tax year.

**Form 5074.** If you file a U.S. income tax return, attach a completed Form 5074 if you (and your spouse if filing a joint return) have:

- Adjusted gross income of \$50,000 or more for the tax year, and
- Gross income of \$5,000 or more from sources within Guam.

The United States and Guam use this form to divide your income taxes.

**De minimis exception to determining source of income.** In certain situations, you will not have income from a territory. See [De minimis exception](#) under *Compensation for Labor or Personal Services* in chapter 2.

If you are a citizen or resident alien of the United States but not a bona fide resident of Guam during the tax year and you are not including a check or money order, send

your U.S. tax return and all attachments (including Form 5074) to:

Department of the Treasury  
Internal Revenue Service  
Austin, TX 73301-0215  
USA

If you are including a check or money order, send your U.S. tax return and all attachments (including Form 5074) to:

Internal Revenue Service  
P.O. Box 1303  
Charlotte, NC 28201-1303  
USA

### Nonresident Alien (Other Than a Bona Fide Resident of Guam), Where To File

If you are a nonresident alien of the United States who does not qualify as a bona fide resident of Guam for the tax year, you must generally file the following returns.

- A Guam tax return reporting only your income from sources within Guam. In this situation, wages for services performed in Guam, whether for a private employer, the U.S. Government, or otherwise, are income from sources within Guam.
- A U.S. tax return (Form 1040-NR) reporting U.S. source income according to the rules for a nonresident alien. See the Instructions for Form 1040-NR.

If you are not a bona fide resident of Guam during the tax year and you are not including a check or money order, send your U.S. tax return and all attachments to:

Department of the Treasury  
Internal Revenue Service  
Austin, TX 73301-0215  
USA

If you are including a check or money order, send your U.S. tax return and all attachments to:

Internal Revenue Service  
P.O. Box 1303  
Charlotte, NC 28201-1303  
USA

Send your Guam tax return and all attachments to:

Department of Revenue and Taxation  
Taxpayer Services Division  
P.O. Box 23607  
GMF, Guam 96921

### Citizen of Guam

If you are a citizen of Guam (meaning that you were born or naturalized in Guam) but not otherwise a U.S. citizen or a U.S. resident alien during the tax year, file your income

tax return with Guam. Include income from worldwide sources on your Guam return. Take into account tax withheld by both jurisdictions in determining if there is tax overdue or an overpayment. Pay any balance of tax due with your tax return.

If you are a citizen of Guam, send your return and all attachments to:

Department of Revenue and Taxation  
Taxpayer Services Division  
P.O. Box 23607  
GMF, Guam 96921

### Special Rules for Guam

Special rules apply to certain types of income, employment, and filing status.

**Joint return.** If you file a joint return, you should file your return (and pay the tax) with the jurisdiction where the spouse who has the greater adjusted gross income (AGI) would have to file if you were filing separately. If the spouse with the greater AGI is a bona fide resident of Guam during the tax year, file the joint return with Guam. If the spouse with the greater AGI is a U.S. citizen or resident alien but not a bona fide resident of Guam during the tax year, file the joint return with the United States. For this purpose, income is determined without regard to community property laws.

**Example.** You, a U.S. citizen, were a resident of the United States, and your spouse, a citizen of both Guam and the United States, was a bona fide resident of Guam during the tax year. You earned \$45,000 as an engineer in the United States. Your spouse earned \$15,000 as a teacher in Guam. You and your spouse will file a joint return. Because you have the greater AGI, you and your spouse must file your return with the United States and report the entire \$60,000 on that return.

**U.S. Armed Forces.** If you are a member of the U.S. Armed Forces on active duty who qualified as a bona fide resident of Guam in a prior tax year, your absence from Guam solely in compliance with military orders will not change your bona fide residency. If you did not qualify as a bona fide resident of Guam in a prior tax year, your presence in Guam solely in compliance with military orders will not qualify you as a bona fide resident of Guam.

**Civilian spouse of active duty member of the U.S. Armed Forces.** If, under the rule discussed at the beginning of chapter 1 (see [Special rule for civilian spouse of active duty member of the U.S. Armed Forces](#)), your tax residence is Guam, follow the guidance in the section for [bona fide residents](#) under *Which Return To File*, earlier. However, if your tax residence is one of the 50 states or the District of Columbia and your only income from Guam is from wages, salaries, tips, or self-employment, you will be taxed on your worldwide income and file only a U.S. tax return (Form 1040 or 1040-SR) and a state and/or local tax return, if required. If you have income from Guam other than wages, salaries, tips, or self-employment that is

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considered to be sourced in that territory (see [Table 2-1](#)), you may need to file Form 5074 with your U.S. tax return.

The spouse of the service member may elect to use the same residence for tax purposes as the service member regardless of the date on which the marriage of the spouse and service member occurred.

**Moving expense deduction.** The deduction for moving expenses is suspended unless you are a member of the U.S. Armed Forces who moves pursuant to a military order and incident to a permanent change of station. For more information, see Pub. 3. If you meet these requirements, see the discussion below.

If you are a bona fide resident in the tax year of your move, enter your deductible expenses on your Guam tax return.

If you are not a bona fide resident, enter your deductible expenses on Form 3903, and enter the deductible amount on Schedule 1 (Form 1040), line 14, and on Form 5074, line 20.

**Self-employment tax.** If you have no U.S. filing requirement, but have income that is effectively connected with a trade or business in Guam, you must file Form 1040-SS with the United States to report your self-employment income and, if necessary, pay self-employment tax.

**Additional Medicare Tax.** You may be required to pay Additional Medicare Tax. Also, you may need to report Additional Medicare Tax withheld by your employer. For more information, see [Additional Medicare Tax](#) under *Special Rules for Completing Your U.S. Tax Return* in chapter 4.

**Estimated tax payments.** To see if you are required to make payments of estimated income tax, self-employment tax, and/or Additional Medicare Tax to the IRS, see Form 1040-ES.

**Payment of estimated tax.** If you must pay estimated tax, make your payment to the jurisdiction where you would file your income tax return if your tax year were to end on the date your first estimated tax payment is due. Generally, you should make the rest of your quarterly payments of estimated tax to the jurisdiction where you made your first payment of estimated tax. However, estimated tax payments to either jurisdiction will be treated as payments to the jurisdiction with which you file the tax return.

If you make a joint payment of estimated tax, make your payment to the jurisdiction where the spouse who has the greater estimated AGI would have to pay (if a separate payment were made). For this purpose, income is determined without regard to community property laws.

**Early payment.** If you make your first payment of estimated tax early, follow the rules given earlier to determine where to send it. If you send it to the wrong jurisdiction, make all later payments to the jurisdiction to which the first payment should have been sent.

To pay by check or money order, send your payment with the Form 1040-ES payment voucher to:

Department of Revenue and Taxation  
Taxpayer Services Division  
P.O. Box 23607  
GMF, Guam 96921

To get information on paying electronically (by credit or debit card, or through the Electronic Federal Tax Payment System (EFTPS)), go to [IRS.gov/Payments](https://www.irs.gov/Payments).

For information on making estimated income tax payments to the Department of Revenue and Taxation, see [Where To Get Forms and Information](#), earlier.

## Double Taxation

A mutual agreement procedure exists to settle cases of double taxation between the United States and Guam. See [Double Taxation](#) in chapter 4.

## The U.S. Virgin Islands

The USVI has its own tax system based on the same tax laws and tax rates that apply in the United States. An important factor in USVI taxation is whether, during the tax year, you are a bona fide resident of the USVI.

## Where To Get Forms and Information

For information about filing your USVI tax return or about Form 1040INFO in St. Thomas, contact:

Virgin Islands Bureau of Internal Revenue  
6115 Estate Smith Bay  
Suite 225  
St. Thomas, USVI 00802

You can order forms and publications by calling 340-715-1040.

You can order forms and publications through fax at 340-774-2672.

For information about filing your USVI tax return or about Form 1040INFO in St. Croix, contact:

Virgin Islands Bureau of Internal Revenue  
4008 Estate Diamond Plot 7-B  
Christiansted, USVI 00820-4421

You can order forms and publications by calling 340-773-1040.

You can order forms and publications through fax at 340-773-1006.

You can access the USVI website at <http://bir.vi.gov/>.

**Caution:** The addresses and phone numbers listed above are subject to change.

## Which Return To File

In general, bona fide residents of the USVI pay income taxes only to the USVI. U.S. citizens or resident aliens (but

not bona fide residents of the USVI) with USVI source income pay a portion of the tax to each jurisdiction.

### Bona Fide Resident of the U.S. Virgin Islands

File your tax return with the USVI if you are a U.S. citizen, resident alien, or nonresident alien and a bona fide resident of the USVI during the tax year.

- Include your worldwide income on your USVI return. In determining your total tax payments, take into account all income tax withheld and paid to either the USVI or the United States, any credit for an overpayment of income tax to either the USVI or the United States, and any payments of estimated tax to either the USVI or the United States. Pay any balance of tax due with your tax return. Filing this return with the USVI generally also starts the statute of limitations on assessment of your U.S. income tax.
- You generally do not have to file with the United States for any tax year in which you are a bona fide resident of the USVI during the tax year, provided you report and pay tax on your income from all sources to the USVI and identify the source(s) of the income on the return.
- If you have self-employment income, you may be required to file Form 1040-SS with the United States. For more information, see [Self-employment tax](#) under *Special Rules for the U.S. Virgin Islands*, later.

**Form 1040INFO.** If you are a bona fide resident of the USVI and have non-USVI source income, you must also file Virgin Islands Bureau of Internal Revenue Form 1040INFO, Non-Virgin Islands Source Income of Virgin Islands Residents, with the USVI. Attach Form 1040INFO to your USVI tax return before filing. You can get Form 1040INFO by contacting the address or website given earlier.

If you are a bona fide resident of the USVI for the tax year, file your return and all attachments with the U.S. Virgin Islands Bureau of Internal Revenue at:

Bureau of Internal Revenue  
6115 Estate Smith Bay  
St. Thomas, USVI 00802

### U.S. Citizen or Resident Alien (Other Than a Bona Fide Resident of the U.S. Virgin Islands)

If you are a U.S. citizen or resident alien but not a bona fide resident of the USVI during the tax year, you must file your original Form 1040 or 1040-SR with the United States and an identical copy of that return with the USVI if you have:

- Income from sources in the USVI, or
- Income effectively connected with the conduct of a trade or business in the USVI.

File your original Form 1040 or 1040-SR with the United States and file a signed copy of the U.S. return (including all attachments, forms, and schedules) with the U.S. Virgin Islands Bureau of Internal Revenue by the due date for filing Form 1040 or 1040-SR. Use Form 8689 to figure the amount of tax you must pay to the USVI.

**Form 8689.** Complete this form and attach it to both the return you file with the United States and the copy you file with the USVI. Figure the amount of tax you must pay to the USVI as follows:

$$\text{Total tax on U.S. return (after certain adjustments)} \times \frac{\text{USVI AGI}}{\text{Worldwide AGI}}$$

Pay any tax due to the USVI when you file your return with the U.S. Virgin Islands Bureau of Internal Revenue. To receive credit on your U.S. return for taxes paid to the USVI, include the amounts from Form 8689, lines 40 and 45, in the total on Form 1040 or 1040-SR, line 33. On the dotted line next to line 33, enter "Form 8689" and show the amounts.

**De minimis exception to determining source of income.** In certain situations, you will not have income from a territory. See [De minimis exception](#) under *Compensation for Labor or Personal Services* in chapter 2.

If you are not a bona fide resident of the USVI during the tax year, but you have USVI source income, and you are not including a check or money order, file Form 1040 or 1040-SR and all attachments (including Form 8689) with the:

Department of the Treasury  
Internal Revenue Service  
Austin, TX 73301-0215  
USA

If you are including a check or money order, send your U.S. tax return and all attachments (including Form 8689) to:

Internal Revenue Service  
P.O. Box 1303  
Charlotte, NC 28201-1303  
USA

File a copy of your U.S. Form 1040 or 1040-SR with the U.S. Virgin Islands Bureau of Internal Revenue at:

Bureau of Internal Revenue  
6115 Estate Smith Bay  
St. Thomas, USVI 00802

### Nonresident Alien (Other Than a Bona Fide Resident of the U.S. Virgin Islands)

If you are a nonresident alien of the United States who does not qualify as a bona fide resident of the USVI for the tax year, you must generally file the following returns.

- A USVI tax return reporting only your income from sources within the USVI. In this situation, wages for

services performed in the USVI, whether for a private employer, the U.S. Government, or otherwise, are income from sources within the USVI.

- A U.S. tax return (Form 1040-NR) reporting U.S. source income according to the rules for a nonresident alien. See the Instructions for Form 1040-NR.

If you are not a bona fide resident of the USVI during the tax year, and you are not including a check or money order, send your U.S. tax return and all attachments (including Form 8689) to:

Department of the Treasury  
Internal Revenue Service  
Austin, TX 73301-0215  
USA

If you are including a check or money order, send your U.S. tax return and all attachments (including Form 8689) to:

Internal Revenue Service  
P.O. Box 1303  
Charlotte, NC 28201-1303  
USA

Send your USVI tax return and all attachments to:

Bureau of Internal Revenue  
6115 Estate Smith Bay  
St. Thomas, USVI 00802

## Special Rules for the U.S. Virgin Islands

There are some special rules for certain types of income, employment, and filing status.

**Joint return.** If you file a joint return, you should file your return (and pay the tax) with the jurisdiction where the spouse who has the greater adjusted gross income (AGI) would have to file if you were filing separately. If the spouse with the greater AGI is a bona fide resident of the USVI during the tax year, file the joint return with the USVI. If the spouse with the greater AGI is a U.S. citizen or resident alien of the United States but not a bona fide resident of the USVI during the tax year, file the joint return with the United States. For this purpose, income is determined without regard to community property laws.

**Example.** You, a U.S. citizen, were a resident of the United States, and your spouse, a citizen of both the USVI and the United States, was a bona fide resident of the USVI during the tax year. You earned \$55,000 as an architect in the United States. Your spouse earned \$30,000 as a librarian in the USVI. You and your spouse will file a joint return. Because you have the greater AGI, you and your spouse must file your return with the United States and report the entire \$85,000 on that return.

**U.S. Armed Forces.** If you are a member of the U.S. Armed Forces on active duty who qualified as a bona fide

resident of the USVI in a prior tax year, your absence from the USVI solely in compliance with military orders will not change your bona fide residency. If you did not qualify as a bona fide resident of the USVI in a prior tax year, your presence in the USVI solely in compliance with military orders will not qualify you as a bona fide resident of the USVI.

**Civilian spouse of active duty member of the U.S. Armed Forces.** If, under the rule discussed at the beginning of chapter 1 (see [Special rule for civilian spouse of active duty member of the U.S. Armed Forces](#)), your tax residence is the USVI, follow the guidance in [Bona Fide Residents of the U.S. Virgin Islands](#) under *Which Return To File*, earlier. However, if your tax residence is one of the 50 states or the District of Columbia and your only income from the USVI is from wages, salaries, tips, or self-employment, you will be taxed on your worldwide income and file only a U.S. tax return (Form 1040 or 1040-SR) and a state and/or local tax return, if required. If you have income from the USVI other than wages, salaries, tips, or self-employment that is considered to be sourced in that territory (see [Table 2-1](#)), you may need to file Form 8689 with your U.S. tax return. In this case, follow the guidance under [U.S. Citizen or Resident Alien \(Other Than a Bona Fide Resident of the U.S. Virgin Islands\)](#), earlier.

The spouse of the service member may elect to use the same residence for tax purposes as the service member regardless of the date on which the marriage of the spouse and service member occurred.

**Moving expense deduction.** The deduction for moving expenses is suspended unless you are a member of the U.S. Armed Forces who moves pursuant to a military order and incident to a permanent change of station. For more information, see Pub. 3. If you meet these requirements, see the discussion below.

If you are a bona fide resident in the tax year of your move, enter your deductible expenses on your USVI tax return.

If you are not a bona fide resident, enter your deductible expenses on Form 3903, and enter the deductible amount on Schedule 1 (Form 1040), line 14, and on Form 8689, line 20.

If your move was to the United States, complete Form 3903, and enter the deductible amount on Schedule 1 (Form 1040), line 14.

**Self-employment tax.** If you have no U.S. filing requirement, but have income that is effectively connected with a trade or business in the USVI, you must file Form 1040-SS with the United States to report your self-employment income and, if necessary, pay self-employment tax.

**Additional Medicare Tax.** You may be required to pay Additional Medicare Tax. Also, you may need to report Additional Medicare Tax withheld by your employer. For more information, see [Additional Medicare Tax](#) under *Special Rules for Completing Your U.S. Tax Return* in chapter 4.

**Estimated tax payments.** To see if you are required to make payments of estimated income tax, self-employment

tax, and/or Additional Medicare Tax to the IRS, get Form 1040-ES.

To pay by check or money order, send your payment with the Form 1040-ES payment voucher to:

Bureau of Internal Revenue  
6115 Estate Smith Bay  
St. Thomas, USVI 00802

To get information on paying electronically (by credit or debit card, or through the Electronic Federal Tax Payment System (EFTPS)), go to [IRS.gov/Payments](https://www.irs.gov/Payments).

For information on making estimated income tax payments to the Bureau of Internal Revenue, see [Where To Get Forms and Information](#), earlier.

**Extension of time to file.** You can get an automatic 6-month extension of time to file your tax return. See [Extension of Time To File](#) in chapter 4. Bona fide residents of the USVI during the tax year must file a paper Form 4868 with the U.S. Virgin Islands Bureau of Internal Revenue. Nonresidents of the USVI should file separate extension requests with the IRS and the U.S. Virgin Islands Bureau of Internal Revenue and make any payments due to the respective jurisdictions. However, the U.S. Virgin Islands Bureau of Internal Revenue will honor an extension request that is timely filed with the IRS.

## Double Taxation

A mutual agreement procedure exists to settle cases of double taxation between the United States and the U.S. Virgin Islands. See [Double Taxation](#) in chapter 4.

# 4.

## Filing U.S. Tax Returns

The information in [chapter 3](#) will tell you if a U.S. income tax return is required for your situation. If a U.S. return is required, your next step is to see if you meet the filing requirements. If you do meet the filing requirements, the information presented in this chapter will help you understand the special procedures involved. This chapter discusses:

- Filing requirements,
- When to file your return,
- Where to send your return,
- How to adjust your deductions and credits if you are excluding income from American Samoa or Puerto Rico,
- How to make estimated tax payments and pay self-employment tax, and

- How to request assistance in resolving instances of double taxation.

## Who Must File

If you are not required to file a territory tax return that includes your worldwide income, you must generally file a Form 1040 or 1040-SR U.S. income tax return if your gross income is at least the amount shown in [Table 4-1](#), for your filing status and age. Use the Instructions for Form 1040 to help you complete Form 1040 or 1040-SR.

As discussed in [chapter 3](#), bona fide residents of the CNMI, Guam, and the U.S. Virgin Islands do not generally have an income tax filing requirement with the IRS. Bona fide residents of American Samoa and Puerto Rico may have to file an income tax return with the IRS, the territory tax department, or both, as discussed in chapter 3. These individuals will have to file an income tax return with the IRS if they have income that is sourced outside the territory in an amount that exceeds U.S. filing requirements.

Some individuals (such as those who can be claimed as a dependent on another person's return or who owe certain taxes, such as self-employment tax) must file a tax return even though the gross income is less than the amount shown in [Table 4-1](#) for their filing status and age. For more information, see the Instructions for Form 1040.

## Filing Requirement for U.S. Income Tax Return if Territory Income Is Excluded

Bona fide residents of American Samoa or Puerto Rico are required to file a U.S. income tax return if they have gross income subject to U.S. income tax in an amount that equals or exceeds the applicable filing requirement. The filing requirement is generally based on the standard deduction amount used to file a U.S. income tax return shown in [Table 4-1](#).

You must adjust the standard deduction amount based on the percentage of gross income subject to U.S. income tax over gross income from all sources (including excluded territory income) to determine whether you meet the filing requirement for a U.S. income tax return. To make this determination, follow the instructions and examples below.

**Standard deduction amount.** For 2025, the standard deduction amounts for all taxpayers are:

Single or Married filing separately . . . . .	\$15,750
Head of household . . . . .	\$23,625
Married filing jointly or Qualifying surviving spouse . . . . .	\$31,500

If you or your spouse was born before January 2, 1961, or either of you is blind, figure your standard deduction using the Standard Deduction Chart for People Who Were Born Before January 2, 1961, or Were Blind in the 2025 Instructions for Form 1040.

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**Allowable standard deduction.** Unless your filing status is married filing separately, or married filing jointly but you did not live with your spouse at the end of 2025 (or on the date your spouse died), the minimum income level at which you must file a return is generally based on the standard deduction for your filing status and age. Because the standard deduction applies to all types of income, it must be divided between your excluded income and income from other sources. Multiply the regular standard deduction for your filing status and age by the following fraction:

$$\frac{\text{Gross income subject to U.S. income tax}}{\text{Gross income from all sources (including excluded territory income)}}$$

**Example.** Terry, a U.S. citizen, is single, under 65, and a bona fide resident of American Samoa. During 2025, Terry received \$20,000 of income from American Samoa sources (qualifies for exclusion) and \$8,000 of income from sources outside the territory (subject to U.S. income tax). Terry's allowable standard deduction for 2025 is figured as follows:

$$\frac{\$8,000}{\$28,000} \times \$15,750 \text{ (regular standard deduction)} = \$4,500$$

Table 4-1. 2025 Filing Requirements Chart for Most Taxpayers

IF your filing status is...	AND at the end of 2025 you were*...	THEN file a return if your gross income** was at least...
Single	under 65	\$15,750
	65 or older	\$17,750
Married filing jointly***	under 65 (both spouses)	\$31,500
	65 or older (one spouse)	\$33,100
	65 or older (both spouses)	\$34,700
Married filing separately	any age	\$5
Head of household	under 65	\$23,625
	65 or older	\$25,225
Qualifying surviving spouse	under 65	\$31,500
	65 or older	\$33,100

\* If you were born on January 1, 1961, you are considered to be age 65 at the end of 2025. (If your spouse died in 2025 or if you are preparing a return for someone who died in 2025, see Pub. 501.)

\*\* **Gross income** means all income you received in the form of money, goods, property, and services that is not exempt from tax, including any income from sources outside the United States or from the sale of your main home (even if you can exclude part or all of it). **Do not** include any social security benefits unless (a) you are married filing a separate return and you lived with your spouse at any time during 2025, or (b) one-half of your social security benefits plus your other gross income and any tax-exempt interest is more than \$25,000 (\$32,000 if married filing jointly). If (a) or (b) applies, see the Instructions for Form 1040 or Pub. 915 to figure the taxable part of social security benefits you must include in gross income. Gross income includes gains, but not losses, reported on Form 8949 or Schedule D. Gross income from a business means, for example, the amount on Schedule C, line 7, or Schedule F, line 9. But, in figuring gross income, do not reduce your income by any losses, including any loss on Schedule C, line 7, or Schedule F, line 9.

\*\*\* If you did not live with your spouse at the end of 2025 (or on the date your spouse died) and your gross income was at least \$5, you must file a return regardless of your age.

**Example 1.** Casey and Riley Thompson, one over 65, are U.S. citizens and bona fide residents of Puerto Rico during the tax year. They file a joint income tax return. During 2025, they received \$35,000 of income from Puerto Rico sources (qualifies for exclusion) and \$6,000 of income from sources outside Puerto Rico (subject to U.S. income tax). Their allowable standard deduction for 2025 is figured as follows:

$$\frac{\$6,000}{\$41,000} \times \$33,100 \text{ (standard deduction for 65 or older (one spouse))} = \$4,844$$

The Thompsons have to file a U.S. income tax return because their gross income subject to U.S. tax (\$6,000) is more than their allowable standard deduction (\$4,844).

**Example 2.** Terry (see [Example](#) under *Allowable standard deduction*, earlier) must file a U.S. income tax return because their gross income subject to U.S. tax (\$8,000) is more than their allowable standard deduction (\$4,500).

**Tip:** If you must file a U.S. income tax return, you may be able to file electronically using [IRS.gov/efile](https://www.irs.gov/efile). See the Instructions for Form 1040 or visit IRS.gov.

## When To File

If you file on a calendar year basis, the due date for filing your U.S. income tax return is April 15 following the end of

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your tax year. If you use a fiscal year (a year ending on the last day of a month other than December), the due date is the 15th day of the 4th month after the end of your fiscal year. If any due date falls on a Saturday, Sunday, or legal holiday, your tax return is due on the next business day.

For your 2025 tax return, the due date is April 15, 2026.

If you mail your federal tax return, it is considered timely if it bears an official postmark dated on or before the due date, including any extensions. If you use a private delivery service designated by the IRS, generally the postmark date is the date the private delivery service records in its database or marks on the mailing label. Go to [IRS.gov/PDS](https://www.irs.gov/PDS) for the current list of designated private delivery services.

## Extension of Time To File

You can get an extension of time to file your U.S. income tax return. Special rules apply for those living outside the United States.

### Automatic 6-Month Extension

If you cannot file your 2025 return by the due date, you can get an automatic 6-month extension of time to file.

**Example.** If your return must be filed by April 15, 2026, you will have until October 15, 2026, to file.

**Caution:** Although you are not required to make a payment of the tax you estimate as due, [Form 4868](#) does not extend the time to pay taxes. If you do not pay the amount due by the regular due date (generally, April 15), you will owe interest on any unpaid tax from the original due date to the date you pay the tax. You may also be charged penalties (see Form 4868).

**How to get the automatic extension.** You can get the automatic 6-month extension if you do one of the following by the due date for filing your return.

- *E-file* Form 4868 using your personal computer or a tax professional.
- *E-file* and pay by credit or debit card. Your payment must be at least \$1. You may pay by phone or over the Internet. Do not file Form 4868.
- File a paper Form 4868. If you are a fiscal year taxpayer, you must file a paper Form 4868.

See Form 4868 for information on getting an extension using these options.

**When to file.** You must request the automatic extension by the due date for your return. You can file your return any time before the 6-month extension period ends.

**When you file your return.** Enter any payment you made related to the extension of time to file on Schedule 3 (Form 1040), line 10.

**Tip:** You cannot ask the IRS to figure your tax if you use the extension of time to file.

## Individuals Outside the United States and Puerto Rico

You are allowed an automatic 2-month extension (until June 15, 2026, if you use the calendar year) to file your 2025 return and pay any federal income tax due if:

1. You are a U.S. citizen or resident; and
2. On the due date of your return:
  - a. You are living outside of the United States and Puerto Rico, and your main place of business or post of duty is outside the United States and Puerto Rico; or
  - b. You are in military or naval service on duty outside the United States and Puerto Rico.

However, if you pay the tax due after the regular due date (generally, April 15), interest will be charged from April 15 until the date the tax is paid.

If you serve in a combat zone or qualified hazardous duty area, you may be eligible for a longer extension of time to file. For more information, see Pub. 3.

**Married taxpayers.** If you file a joint return, only one spouse has to qualify for this automatic extension. However, if you and your spouse file separate returns, this automatic extension applies only to the spouse who qualifies.

**How to get the extension.** To use this special automatic extension, you must attach a statement to your return explaining what situation qualified you for the extension. (See the situations listed in item 2 in the list above.)

**Extension beyond 2 months.** If you cannot file your 2025 return within the automatic 2-month extension period, you can get an additional 4-month extension, for a total of 6 months. File Form 4868 by the end of the automatic extension period (June 15, 2026, for calendar year taxpayers). Be sure to check the box on Form 4868, line 8, if appropriate.

**Extension beyond 6 months.** In addition to this 6-month extension, taxpayers who are out of the country (as defined in item 2 in the list above) can request a discretionary 2-month additional extension of time to file their returns (to December 15, 2026, for calendar year taxpayers).

To request this extension, you must send the IRS a letter explaining the reasons why you need the additional 2 months. Send the letter by the extended due date (October 15 for calendar year taxpayers) to:

Department of the Treasury  
Internal Revenue Service  
Austin, TX 73301-0215  
USA

You will not receive any notification from the IRS unless your request is denied for being untimely.

## Taxpayers Affected by Federally Declared Disasters

To find information on the most recent tax relief provisions for taxpayers affected by disaster situations, see [Tax relief in disaster situations](#) on IRS.gov. See [Pub. 547](#) for discussions on the special rules that apply to federally declared disaster areas.

## Where To File

Use the addresses listed below if you have to file Form 1040 or 1040-SR with the United States and you are excluding territory income from American Samoa or Puerto Rico.

If you are not including a check or money order, send your U.S. tax return and all attachments to:

Department of the Treasury  
Internal Revenue Service  
Austin, TX 73301-0215  
USA

If you are including a check or money order, send your U.S. tax return and all attachments to:

Internal Revenue Service  
P.O. Box 1303  
Charlotte, NC 28201-1303  
USA

Send your U.S. return to these addresses if you are attaching Form 5074 or Form 8689. If you are not in either of the above categories, send your return to the address shown in the Instructions for Form 1040 for the territory or state in which you reside.

## Special Rules for Completing Your U.S. Tax Return

The following rules may apply if you are required to file a U.S. federal income tax return.

**Earned income credit.** If you are not excluding territory income from your U.S. tax return, follow the Instructions for Form 1040. However, you may not qualify to claim the earned income credit (EIC).

Even if you maintain a household in one of the territories discussed in this publication that is your main home and the home of your qualifying child, you cannot claim the EIC on your U.S. tax return. This credit is available only if you maintain the household in the United States or you are serving on extended active duty in the U.S. Armed Forces.

**U.S. Armed Forces.** U.S. military personnel stationed outside the United States on extended active duty are considered to live in the United States during that duty

period for purposes of the EIC. Extended active duty means you are called or ordered to duty for an indefinite period or for a period of more than 90 days. Once you begin serving your extended active duty, you are still considered to have been on extended active duty even if you do not serve more than 90 days.

**Income from American Samoa or Puerto Rico excluded.** You will not be allowed to take deductions and credits that apply to the excluded income. The additional information you need follows.

## Deductions if Territory Income Is Excluded

Deductions that specifically apply to your excluded territory income are not allowable on your U.S. income tax return.

Deductions that do not specifically apply to any particular type of income must be divided between your excluded income from sources in the relevant territory and income from all other sources to find the part that you can deduct on your U.S. tax return. Examples of such deductions are alimony payments, the standard deduction, and certain itemized deductions (such as medical expenses, charitable contributions, real estate taxes, and mortgage interest on your home).

**Note:** Under section 11051 of P.L. 115-97 (TCJA), alimony payments are no longer deductible if the divorce or separation agreement is executed after December 31, 2018, or if executed before January 1, 2019, but modified after December 31, 2018, the modification must state that section 11051 of P.L. 115-97 applies to the modification.

**Figuring the deduction.** To find the part of a deduction that is allowable, multiply the deduction by the following fraction:

$$\frac{\text{Gross income subject to U.S. income tax}}{\text{Gross income from all sources (including excluded territory income)}}$$

## Adjustments to Income

Your adjusted gross income equals your gross income minus certain deductions (adjustments).

**Moving expense deduction.** The deduction for moving expenses is suspended unless you are a member of the U.S. Armed Forces who moves pursuant to a military order and incident to a permanent change of station. For more information, see the separate discussions of the moving expense deduction for each territory in chapter 3.

**Self-employment tax deduction.** Generally, if you are reporting self-employment income on your U.S. return, you can include the deductible part of your self-employment tax on Schedule 1 (Form 1040), line 15. This is an income tax deduction only; it is not a deduction in figuring

net earnings from self-employment (for self-employment tax).

However, if you are a bona fide resident of American Samoa or Puerto Rico and you exclude all of your self-employment income from gross income, you cannot take the deduction on Schedule 1 (Form 1040), line 15, because the deduction is related to excluded income.

If only part of your self-employment income is excluded, the part of the deduction that is based on the nonexcluded income is allowed. This would happen if, for instance, you have two businesses and only the income from one of them is excludable.

For purposes of the deduction only, figure the self-employment tax on the nonexcluded income by multiplying your total self-employment tax (from Schedule SE (Form 1040)) by the following fraction:

$$\frac{\text{Self-employment income subject to U.S. income tax}}{\text{Total self-employment income (including excluded territory income)}}$$

The result is your self-employment tax on nonexcluded income. Include the deductible part of this amount on Schedule 1 (Form 1040), line 15.

**Individual retirement arrangement (IRA) deduction.** Do not take excluded income into account when figuring your deductible IRA contribution.

**Deductions for qualified tips and qualified overtime.** For purposes of determining eligibility for these deductions, you must include your excluded territory income in your modified adjusted gross income. The deductions for qualified tips and qualified overtime compensation may be claimed on a U.S. tax return only with respect to income that is included in your U.S. gross income. You may not claim these deductions on a U.S. tax return when your qualified tips or qualified overtime compensation are excluded from your U.S. gross income. If part of your qualified tips or overtime compensation is excluded from your U.S. gross income (for example, because you worked part of the year within the United States and part of the year within a territory), you may take a deduction on your U.S. tax return for qualified tips or qualified overtime compensation only with respect to the qualified tips or qualified overtime compensation that you did not exclude from your U.S. gross income.

**Deduction for qualified passenger vehicle loan interest payments.** For purposes of determining eligibility for this deduction, you must include your excluded territory income in your modified adjusted gross income. If you take the qualified passenger vehicle loan interest payment deduction, you generally must apportion the deduction between the income included in your U.S. tax return and all other income to find the part that you can deduct on your U.S. tax return. To find the amount of the deduction that you can claim on your U.S. tax return, first calculate the full amount of the qualified passenger vehicle loan interest payment deduction otherwise allowable. Then multiply the full amount of the otherwise allowable deduction by the following fraction.

Gross income subject to U.S. income tax

Gross income from all sources  
(including excluded territory income)

**Enhanced deduction for seniors.** For purposes of determining eligibility for this deduction, you must include your excluded territory income in your modified adjusted gross income. If you are eligible for this deduction, you may claim the full amount of the allowed deduction on your U.S. tax return.

## Standard Deduction

**Disaster tax relief.** If you are allowed to claim the standard deduction, and you had a net qualified disaster loss resulting from certain federally declared disasters (see [IRS.gov/DisasterTaxRelief](https://www.irs.gov/DisasterTaxRelief)), you can elect to increase your standard deduction by the amount of your net qualified disaster loss. You must report your increased standard deduction on Schedule A (Form 1040).

To figure your net qualified disaster loss, see Form 4684 and its instructions. For more information on how to report the increased standard deduction, see *Line 16* in the [Instructions for Schedule A \(Form 1040\)](#).

The standard deduction is composed of the regular standard deduction amount and the additional standard deduction for taxpayers who are blind or age 65 or over.

To find the amount you can claim on Form 1040 or 1040-SR, line 12, first figure your full standard deduction according to the Instructions for Form 1040. Then multiply your full standard deduction by the following fraction:

$$\frac{\text{Gross income subject to U.S. income tax}}{\text{Gross income from all sources (including excluded territory income)}}$$

In the space above line 9, enter “Standard deduction modified due to income excluded under section 931 (if American Samoa) or section 933 (if Puerto Rico).”

**Caution:** This calculation may not be the same as the one you used to determine if you need to file a U.S. tax return.

## Itemized Deductions

**Disaster tax relief.** If you had a net qualified disaster loss resulting from certain federally declared disasters (see [IRS.gov/DisasterTaxRelief](https://www.irs.gov/DisasterTaxRelief)), you may be allowed to claim the net qualified disaster loss on Schedule A (Form 1040). Also, if certain requirements are met, you may be able to make an election to deduct the loss in 2024.

To figure your net qualified disaster loss, see Form 4684 and its instructions. For more information on how to report a net qualified disaster loss as an itemized deduction, see the [Instructions for Schedule A \(Form 1040\)](#).

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Most itemized deductions do not apply to a particular type of income. However, itemized deductions can be divided into three categories.

- Those that apply specifically to excluded income are not deductible.
- Those that apply specifically to income subject to U.S. income tax are fully allowable under the Instructions for Schedule A (Form 1040).
- Those that do not apply to specific income must be allocated between your gross income subject to U.S. income tax and your total gross income from all sources.

The example given later shows how to figure the deductible part of each type of expense that is not related to specific income.

**Example.** In 2025, you and your spouse are both under 65 and U.S. citizens who are bona fide residents of Puerto Rico during the tax year. You file a joint income tax return. During 2025, you earned \$24,000 from Puerto Rico sources (excluded from U.S. gross income) and your spouse earned \$96,000 from the U.S. Government. You have \$42,250 of itemized deductions that do not apply to any specific type of income. These are medical expenses of \$11,000, real estate taxes of \$10,000, home mortgage interest of \$16,250, and charitable contributions of \$5,000 (cash contributions). You determine the amount of each deduction that you can claim on your Schedule A (Form 1040), Itemized Deductions, by multiplying the deduction by the fraction shown under [Figuring the deduction](#), earlier, under *Deductions if Territory Income Is Excluded*.

<b>Medical expenses</b>				
	$\frac{\$96,000}{\$120,000}$	×	\$11,000	= \$8,800 (enter on line 1 of Schedule A)
<b>Real estate taxes</b>				
	$\frac{\$96,000}{\$120,000}$	×	\$10,000	= \$8,000 (enter on line 5b of Schedule A)
<b>Home mortgage interest</b>				
	$\frac{\$96,000}{\$120,000}$	×	\$16,250	= \$13,000 (enter on line 8a of Schedule A)
<b>Charitable contributions</b> (cash contributions)				
	$\frac{\$96,000}{\$120,000}$	×	\$5,000	= \$4,000 (enter on line 11 of Schedule A)

Enter on Schedule A (Form 1040) only the allowable portion of each deduction.

## Foreign Tax Credit if Territory Income Is Excluded

If you must report American Samoa or Puerto Rico source income on your U.S. tax return, you can claim a foreign tax credit for income taxes paid to the territory on that income. However, you cannot claim a foreign tax credit for taxes paid on territory income that is excluded on your U.S. tax return. The foreign tax credit is generally figured on Form 1116.

If you have income, such as U.S. Government wages, that is not excludable, and you also have territory source

income that is excludable, you must figure the credit by reducing your foreign taxes paid or accrued by the taxes based on the excluded income. You make this reduction for each separate income category. To find the amount of this reduction, use the following formula for each income category.

$$\frac{\text{Excluded income from territory sources less deductible expenses based on that income}}{\text{Total income subject to territory tax less deductible expenses based on that income}} \times \frac{\text{Tax paid or accrued to the territory}}{\text{Total income subject to territory tax less deductible expenses based on that income}} = \text{Reduction in foreign taxes}$$

Enter the amount of the reduction on Form 1116, line 12.

For more information on the foreign tax credit, see Pub. 514.

**Example.** Jessie and Jamie Reddy (both under 65) are U.S. citizens who were bona fide residents of Puerto Rico during all of 2025. They file a joint tax return. The following table shows their excludable and taxable income for U.S. federal income tax purposes.

	Taxable	Excludable
Jessie's wages from U.S. Government . . . . .	\$25,000	
Jamie's wages from Puerto Rico corp. . . . .		\$15,000
Dividend from Puerto Rico corp. doing business in Puerto Rico . . . . .		200
Dividend from U.S. corp. doing business in U.S.* . . . . .	1,000	
<b>Totals</b> . . . . .	\$26,000	\$15,200

\* Income from sources outside Puerto Rico is taxable.

Jessie and Jamie must file 2025 income tax returns with both Puerto Rico and the United States. They have gross income of \$26,000 for U.S. tax purposes. They paid taxes to Puerto Rico of \$4,000 (\$3,980 on their wages and \$20 on the dividend from the Puerto Rico corporation). They figure their foreign tax credit on two Forms 1116, which they must attach to their U.S. return. They fill out one Form 1116 for wages (general category income) and one Form 1116 for the dividend (passive category income). Jessie and Jamie figure the Puerto Rico taxes on excluded income as follows.

Wages:	(\$15,000 ÷ \$40,000)	×	\$3,980	=	\$1,493
Dividend:	(\$200 ÷ \$200)	×	\$20	=	\$20

They enter \$1,493 on Form 1116, line 12, for wages and \$20 on the second Form 1116, line 12, for the dividend.

## Self-Employment Tax

Self-employment tax includes both social security and Medicare taxes for individuals who are self-employed.

A self-employed U.S. citizen, resident alien, or individual who is both a bona fide resident of a territory and a

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nonresident alien must pay self-employment tax to the IRS on net self-employment earnings of \$400 or more. This rule applies whether or not the earnings are excludable from gross income (or whether or not a U.S. income tax return must otherwise be filed). Bona fide residents of the territories discussed in this publication are considered U.S. residents for this purpose and are subject to the self-employment tax.

**Coronavirus tax relief.** See Form 1040-SS and its instructions regarding coronavirus tax relief provisions applicable to filers of Form 1040-SS.

**Forms to file.** If you have net self-employment income and are subject to self-employment tax, file one of the following with the United States.

- If you are required to file Form 1040 or 1040-SR with the United States, complete Schedule SE (Form 1040) and attach it to your Form 1040 or 1040-SR.
- If you are not required to file Form 1040 or 1040-SR with the United States **and** you are a bona fide resident of American Samoa, the CNMI, Guam, Puerto Rico, or the USVI, file Form 1040-SS. **Do not** file Form 1040-SS with Form 1040 or 1040-SR.
- If you are required to pay Additional Medicare Tax (discussed later) on your self-employment income, attach Form 8959 to Form 1040, Form 1040-SR, or Form 1040-SS, as applicable.

**Chapter 11 bankruptcy cases.** While you are a debtor in a chapter 11 bankruptcy case, your net profit or loss from self-employment will be included on the Form 1041 (income tax return) of the bankruptcy estate. However, you—not the bankruptcy estate—are responsible for paying self-employment tax on your net earnings from self-employment.

Use Schedule SE (Form 1040) or Form 1040-SS, as determined above, to figure your correct amount of self-employment tax.

For other reporting requirements, see *Chapter 11 Bankruptcy Cases* in the Instructions for Form 1040.

## Additional Medicare Tax

A 0.9% Additional Medicare Tax applies to Medicare wages, railroad retirement (RRTA) compensation, and self-employment income that are more than \$125,000 if married filing separately; \$250,000 if married filing jointly; or \$200,000 if single, head of household, or qualifying surviving spouse.

Medicare wages and self-employment income are combined to determine if income exceeds the threshold. A self-employment loss should not be considered for purposes of this tax. RRTA compensation should be separately compared to the threshold.

Your employer is responsible for withholding the 0.9% Additional Medicare Tax on Medicare wages or RRTA compensation it pays to you in excess of \$200,000. You should consider this withholding, if applicable, in

determining whether you need to make estimated tax payments.

There are no special rules for U.S. citizens and nonresident aliens living abroad for purposes of this provision. Wages, RRTA compensation, and self-employment income that are subject to Medicare tax will also be subject to Additional Medicare Tax if in excess of the applicable threshold.

For more information, see Form 8959 and its instructions, or visit [IRS.gov/ADMT](https://www.irs.gov/ADMT).

**Caution:** You cannot include the Additional Medicare Tax as a deductible part of your self-employment tax.

## Net Investment Income Tax

The Net Investment Income Tax (NIIT) imposes a 3.8% tax on the lesser of an individual's net investment income or the excess of the individual's modified adjusted gross income over a specified threshold amount. Bona fide residents of Puerto Rico and American Samoa who may have a federal income tax return filing obligation may be liable for the NIIT if the taxpayer's modified adjusted gross income from non-territory sources exceeds a specified threshold amount. The NIIT does not apply to any individual who is a nonresident alien with respect to the United States. Bona fide residents must take into account any additional tax liability associated with the NIIT when calculating the estimated tax payments. Because bona fide residents of the CNMI, Guam, and the U.S. Virgin Islands generally do not have a federal income tax return filing obligation, these persons generally do not have an NIIT filing or payment obligation with the U.S. IRS. Bona fide residents of the CNMI, Guam, and the U.S. Virgin Islands should contact their local territorial tax department for guidance on the mirrored application of the NIIT under the territorial income tax laws of these jurisdictions.

**Forms to file.** If you are a bona fide resident of American Samoa or Puerto Rico and you are required to pay the NIIT, you must file Form 1040 or 1040-SR with the United States and attach Form 8960. For more information, see Form 8960 and its instructions.

## Paying Your Taxes

You may find that not all of your income tax has been paid through withholding to either the United States or the territory. This is often true if you have income that is not subject to withholding, such as self-employment, interest, or rental income. In this situation, you may need to make estimated tax payments.

## Estimated Tax

If your estimated income tax obligation is to the United States, use the worksheet in Form 1040-ES to figure your estimated tax, including self-employment tax. Include the Additional Medicare Tax and Net Investment Income Tax,

if applicable. If you are paying by check or money order, use the payment vouchers in the Form 1040-ES, or you can make your payments electronically and not have to file any paper forms. See [Form 1040-ES](#) for information on making payments.

Commissioner, Large Business  
and International Division  
Internal Revenue Service  
SE:LB:TTPO:APMA:TAIT:K  
1111 Constitution Avenue NW  
Washington, DC 20224  
USA  
(Attention: TAIT)

## Double Taxation

Mutual agreement procedures exist to settle issues where there is inconsistent tax treatment between the IRS and the taxing authorities of the following territories.

- American Samoa.
- The Commonwealth of Puerto Rico.
- The Commonwealth of the Northern Mariana Islands.
- Guam.
- The U.S. Virgin Islands.

These issues usually involve allocations of income, deductions, credits, or allowances between related persons; determinations of residency; and determinations of the source of income and related expenses.

## Competent Authority Assistance

The tax coordination agreements between the United States and the territory tax departments contain provisions allowing the competent authorities of the United States and the relevant territory to resolve, by mutual agreement, inconsistent tax treatment by the two jurisdictions.

**How to make your request.** Your request for competent authority assistance must be in the form of a letter addressed to the Commissioner, Large Business & International Division. It must contain a statement that competent authority assistance is requested under the mutual agreement procedure with the territory. You (or a person having authority to sign your federal return) must sign and date the request. For more information, see Revenue Procedure 2006-23, available at [IRS.gov/irb/2006-20\\_IRB#RP-2006-23](#).

Go to [IRS.gov/Individuals/International-Taxpayers/Competent-Authority-Arrangements](#) for information on the Competent Authority Arrangements for the territories.

**Tip:** Revenue Procedure 2015-40 includes procedures for requests for assistance from the U.S. competent authority arising under U.S. tax treaties. Procedures for requesting assistance of the U.S. competent authority in addressing inconsistencies in tax treatment by the IRS and a U.S. territory are under Revenue Procedure 2006-23, available at [IRS.gov/irb/2006-20\\_IRB#RP-2006-23](#).

**Caution:** Nonresident aliens must generally present their initial request for assistance to the relevant territory tax agency.

Send your written request for U.S. assistance under this procedure to:

## Credit or Refund

In addition to the tax assistance request, if you seek a credit or refund of any overpayment of U.S. tax paid on the income in question, you should file a claim on Form 1040-X. Indicate on the form that a request for assistance under the mutual agreement procedure with the territory has been filed. Attach a copy of the request to the form.

Also, you should take whatever steps must be taken under the territory tax code to prevent the expiration of the statutory period for filing a claim for credit or refund of a territory tax.

See Revenue Procedure 2006-23 (or its successor), section 9, for complete information on protective measures involving inconsistencies in tax treatment by the IRS and a U.S. territory, available at [IRS.gov/irb/2006-20\\_IRB#RP-2006-23](#). For additional information on protective claims related to requests for assistance arising under U.S. tax treaties, see Revenue Procedure 2015-40, available at [IRS.gov/irb/2015-35\\_IRB#RP-2015-40](#).

## 5.

## How To Get Tax Help

Assistance for overseas taxpayers is available in the United States and certain foreign locations.

## Taxpayer Assistance Inside the United States

If you have questions about a tax issue; need help preparing your tax return; or want to download free publications, forms, or instructions, go to [IRS.gov](#) to find resources that can help you right away.

**Tax reform.** Tax reform legislation impacting federal taxes, credits, and deductions was enacted in P.L. 119-21, commonly known as the One Big Beautiful Bill Act, on July 4, 2025. Go to [IRS.gov/OBBB](#) for more information and updates on how this legislation affects your taxes.

**Preparing and filing your tax return.** After receiving all your wage and earnings statements (Forms W-2, W-2G,

1099-R, 1099-MISC, 1099-NEC, etc.); unemployment compensation statements (by mail or in a digital format) or other government payment statements (Form 1099-G); and interest, dividend, and retirement statements from banks and investment firms (Forms 1099), you have several options to choose from to prepare and file your tax return. You can prepare the tax return yourself, see if you qualify for free tax preparation, or hire a tax professional to prepare your return.

**Free options for tax preparation.** Your options for preparing and filing your return online or in your local community, if you qualify, include the following.

- **Free File.** This program lets you prepare and file your federal individual income tax return for free using software or Free File Fillable Forms. However, state tax preparation may not be available through Free File. Go to [IRS.gov/FreeFile](https://www.irs.gov/FreeFile) to see if you qualify for free online federal tax preparation, e-filing, and direct deposit or payment options.
- **VITA.** The Volunteer Income Tax Assistance (VITA) program offers free tax help to people with low-to-moderate incomes, persons with disabilities, and limited-English-speaking taxpayers who need help preparing their own tax returns. Go to [IRS.gov/VITA](https://www.irs.gov/VITA), download the free IRS2Go app, or call 800-906-9887 for information on free tax return preparation.
- **TCE.** The Tax Counseling for the Elderly (TCE) program offers free tax help for all taxpayers, particularly those who are 60 years of age and older. TCE volunteers specialize in answering questions about pensions and retirement-related issues unique to seniors. Go to [IRS.gov/TCE](https://www.irs.gov/TCE) or download the free IRS2Go app for information on free tax return preparation.
- **MilTax.** Members of the U.S. Armed Forces and qualified veterans may use MilTax, a free tax service offered by the Department of Defense through Military OneSource. For more information, go to [MilitaryOneSource \(MilitaryOneSource.mil/MilTax\)](https://www.MilitaryOneSource.com/MilTax).  
Also, the IRS offers Free Fillable Forms, which can be completed online and then e-filed regardless of income.

**Using online tools to help prepare your return.** Go to [IRS.gov/Tools](https://www.irs.gov/Tools) for the following.

- The [Earned Income Tax Credit Assistant \(IRS.gov/EITCAssistant\)](https://www.irs.gov/EITCAssistant) determines if you're eligible for the earned income credit (EITC).
- The [Online EIN Application \(IRS.gov/EIN\)](https://www.irs.gov/EIN) helps you get an employer identification number (EIN) at no cost.
- The [Tax Withholding Estimator \(IRS.gov/W4App\)](https://www.irs.gov/W4App) makes it easier for you to estimate the federal income tax you want your employer to withhold from your paycheck. This is tax withholding. See how your withholding affects your refund, take-home pay, or tax due.

- The [Sales Tax Deduction Calculator \(IRS.gov/SalesTax\)](https://www.irs.gov/SalesTax) figures the amount you can claim if you itemize deductions on Schedule A (Form 1040).



**Getting answers to your tax questions.** On IRS.gov, you can get up-to-date information on current events and changes in tax law.

- [IRS.gov/Help](https://www.irs.gov/Help): A variety of tools to help you get answers to some of the most common tax questions.
- [IRS.gov/ITA](https://www.irs.gov/ITA): The Interactive Tax Assistant, a tool that will ask you questions and, based on your input, provide answers on a number of tax topics.
- [IRS.gov/Forms](https://www.irs.gov/Forms): Find forms, instructions, and publications. You will find details on the most recent tax changes and interactive links to help you find answers to your questions.
- You may also be able to access tax information in your e-filing software.

**Need someone to prepare your tax return?** There are various types of tax return preparers, including enrolled agents, certified public accountants (CPAs), accountants, and many others who don't have professional credentials. If you choose to have someone prepare your tax return, choose that preparer wisely. A paid tax preparer is:

- Primarily responsible for the overall substantive accuracy of your return,
- Required to sign the return, and
- Required to include their preparer tax identification number (PTIN).



*Although the tax preparer always signs the return, you're ultimately responsible for providing all the information required for the preparer to accurately prepare your return and for the accuracy of every item reported on the return. Anyone paid to prepare tax returns for others should have a thorough understanding of tax matters. For more information on how to choose a tax preparer, go to [Tips for Choosing a Tax Preparer](https://www.irs.gov/TipsForChoosingATaxPreparer) on IRS.gov.*

**Employers can register to use Business Services Online.** The Social Security Administration (SSA) offers online service at [SSA.gov/employer](https://www.SSA.gov/employer) for fast, free, and secure W-2 filing options to CPAs, accountants, enrolled agents, and individuals who process Form W-2, Wage and Tax Statement; and Form W-2c, Corrected Wage and Tax Statement.

**Business tax account.** If you are a sole proprietor, a partnership, an S corporation, a C corporation, or a single-member limited liability company (LLC), you can view your tax information on record with the IRS and do more with a business tax account. Go to [IRS.gov/BusinessAccount](https://www.irs.gov/BusinessAccount) for more information.

**IRS social media.** Go to [IRS.gov/SocialMedia](https://www.irs.gov/SocialMedia) to see the various social media tools the IRS uses to share the latest information on tax changes, scam alerts, initiatives, products, and services. At the IRS, privacy and security

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are our highest priority. We use these tools to share public information with you. **Don't** post your social security number (SSN) or other confidential information on social media sites. Always protect your identity when using any social networking site.

The following IRS YouTube channels provide short, informative videos on various tax-related topics in English and ASL.

- [Youtube.com/irsvideos](https://www.youtube.com/irsvideos).
- [Youtube.com/irsvideosASL](https://www.youtube.com/irsvideosASL).

**Online tax information in other languages.** You can find information on [IRS.gov/MyLanguage](https://www.irs.gov/MyLanguage) if English isn't your native language.

**Over-the-Phone Interpreter (OPI) Service.** The IRS offers the OPI Service to taxpayers needing language interpretation. The OPI Service is available at Taxpayer Assistance Centers (TACs), most IRS offices, and every VITA/TCE tax return site. This service is available in Spanish, Mandarin, Cantonese, Korean, Vietnamese, Russian, and Haitian Creole.

**Accessibility Helpline available for taxpayers with disabilities.** Taxpayers who need information about accessibility services can call 833-690-0598. The Accessibility Helpline can answer questions related to current and future accessibility products and services available in alternative media formats (for example, braille-ready, large print, audio, etc.). The Accessibility Helpline does not have access to your IRS account. For help with tax law, refunds, or account-related issues, go to [IRS.gov/LetUsHelp](https://www.irs.gov/LetUsHelp).

**Alternative media preference.** Form 9000, Alternative Media Preference, or Form 9000(SP) allows you to elect to receive certain types of written correspondence in the following formats.

- Standard Print.
- Large Print.
- Braille.
- Audio (MP3).
- Plain Text File (TXT).
- Braille-Ready File (BRF).

**Disasters.** Go to [IRS.gov/DisasterRelief](https://www.irs.gov/DisasterRelief) to review the available disaster tax relief.

**Getting tax forms and publications.** Go to [IRS.gov/Forms](https://www.irs.gov/Forms) to view, download, or print all the forms, instructions, and publications you may need. Or you can go to [IRS.gov/OrderForms](https://www.irs.gov/OrderForms) to place an order.

**Mobile-friendly forms.** You'll need an IRS Online Account (OLA) to complete mobile-friendly forms that require signatures. You'll have the option to submit your form(s) online or download a copy for mailing. You'll need scans of your documents to support your submission. Go to [IRS.gov/MobileFriendlyForms](https://www.irs.gov/MobileFriendlyForms) for more information.

**Getting tax publications and instructions in eBook format.** Download and view most tax publications and instructions (including the Instructions for Form 1040) on mobile devices as eBooks at [IRS.gov/eBooks](https://www.irs.gov/eBooks).

IRS eBooks have been tested using Apple's iBooks for iPad. Our eBooks haven't been tested on other dedicated eBook readers, and eBook functionality may not operate as intended.

**Access your online account (individual taxpayers only).** Go to [IRS.gov/Account](https://www.irs.gov/Account) to securely access information about your federal tax account.

- View the amount you owe and a breakdown by tax year.
- See payment plan details or apply for a new payment plan.
- Make a payment or view 5 years of payment history and any pending or scheduled payments.
- Access your tax records, including key data from your most recent tax return, and transcripts.
- View digital copies of select notices from the IRS.
- Approve or reject authorization requests from tax professionals.

**Get a transcript of your return.** With an online account, you can access a variety of information to help you during the filing season. You can get a transcript, review your most recently filed tax return, and get your adjusted gross income. Create or access your online account at [IRS.gov/Account](https://www.irs.gov/Account).

**Tax Pro Account.** This tool lets your tax professional submit an authorization request to access your individual taxpayer IRS OLA. For more information, go to [IRS.gov/TaxProAccount](https://www.irs.gov/TaxProAccount).

**Using direct deposit.** The safest and easiest way to receive a tax refund is to *e-file* and choose direct deposit, which securely and electronically transfers your refund directly into your financial account. Direct deposit also avoids the possibility that your check could be lost, stolen, destroyed, or returned undeliverable to the IRS. Eight in 10 taxpayers use direct deposit to receive their refunds. If you don't have a bank account, go to [IRS.gov/DirectDeposit](https://www.irs.gov/DirectDeposit) for more information on where to find a bank or credit union that can open an account online.

**Reporting and resolving your tax-related identity theft issues.**

- Tax-related identity theft happens when someone steals your personal information to commit tax fraud. Your taxes can be affected if your SSN is used to file a fraudulent return or to claim a refund or credit.
- The IRS doesn't initiate contact with taxpayers by email, text messages (including shortened links), telephone calls, or social media channels to request or verify personal or financial information. This includes requests for personal identification numbers (PINs),

passwords, or similar information for credit cards, banks, or other financial accounts.

- Go to [IRS.gov/IdentityTheft](https://www.irs.gov/IdentityTheft), the IRS Identity Theft Central webpage, for information on identity theft and data security protection for taxpayers, tax professionals, and businesses. If your SSN has been lost or stolen or you suspect you're a victim of tax-related identity theft, you can learn what steps you should take.
- Get an Identity Protection PIN (IP PIN). IP PINs are six-digit numbers assigned to taxpayers to help prevent the misuse of their SSNs on fraudulent federal income tax returns. When you have an IP PIN, it prevents someone else from filing a tax return with your SSN. To learn more, go to [IRS.gov/IPPIN](https://www.irs.gov/IPPIN).

**Ways to check on the status of your refund.**

- Go to [IRS.gov/Refunds](https://www.irs.gov/Refunds).
- Download the official IRS2Go app to your mobile device to check your refund status.
- Call the automated refund hotline at 800-829-1954.

 *The IRS can't issue refunds before mid-February for returns that claimed the EITC or the additional child tax credit (ACTC). This applies to the entire refund, not just the portion associated with these credits.*

**Making a tax payment.** The IRS recommends paying electronically whenever possible. Options to pay electronically are included in the list below. Payments of U.S. tax must be remitted to the IRS in U.S. dollars. [Digital assets](https://www.irs.gov/DigitalAssets) are **not** accepted. Go to [IRS.gov/Payments](https://www.irs.gov/Payments) for information on how to make a payment using any of the following options.

- [IRS Direct Pay](https://www.irs.gov/DirectPay): Pay taxes from your bank account. It's free and secure, and no sign-in is required. You can change or cancel within 2 days of scheduled payment.
- [Debit Card, Credit Card, or Digital Wallet](https://www.irs.gov/DebitCard): Choose an approved payment processor to pay online or by phone.
- [Electronic Funds Withdrawal](https://www.irs.gov/ElectronicFundsWithdrawal): Schedule a payment when filing your federal taxes using tax return preparation software or through a tax professional.
- [Electronic Federal Tax Payment System](https://www.irs.gov/ElectronicFederalTaxPaymentSystem): This is the best option for businesses. Enrollment is required.
- [Check or Money Order](https://www.irs.gov/CheckOrMoneyOrder): Mail your payment to the address listed on the notice or instructions.
- [Cash](https://www.irs.gov/Cash): You may be able to pay your taxes with cash at a participating retail store.
- [Same-Day Wire](https://www.irs.gov/SameDayWire): You may be able to do same-day wire from your financial institution. Contact your financial institution for availability, cost, and time frames.

**Note:** The IRS uses the latest encryption technology to ensure that the electronic payments you make online, by phone, or from a mobile device using the IRS2Go app are safe and secure. Paying electronically is quick and easy.

**What if I can't pay now?** Go to [IRS.gov/Payments](https://www.irs.gov/Payments) for more information about your options.

- Apply for an [online payment agreement \(IRS.gov/OPA\)](https://www.irs.gov/OPA) to meet your tax obligation in monthly installments if you can't pay your taxes in full today. Once you complete the online process, you will receive immediate notification of whether your agreement has been approved.
- Use the [Offer in Compromise Pre-Qualifier](https://www.irs.gov/OIC) to see if you can settle your tax debt for less than the full amount you owe. For more information on the Offer in Compromise program, go to [IRS.gov/OIC](https://www.irs.gov/OIC).

**Filing an amended return.** Go to [IRS.gov/1040X](https://www.irs.gov/1040X) for information and updates.

**Checking the status of your amended return.** Go to [IRS.gov/WMAR](https://www.irs.gov/WMAR) to track the status of Form 1040-X amended returns.



*It can take up to 3 weeks from the date you filed your amended return for it to show up in our system, and processing it can take up to 16 weeks.*

**Understanding an IRS notice or letter you've received.** Go to [IRS.gov/Notices](https://www.irs.gov/Notices) to find additional information about responding to an IRS notice or letter.

**IRS Document Upload Tool.** You may be able to use the Document Upload Tool to respond digitally to eligible IRS notices and letters by securely uploading required documents online through IRS.gov. For more information, go to [IRS.gov/DUT](https://www.irs.gov/DUT).

**Schedule LEP.** You can use Schedule LEP (Form 1040), Request for Change in Language Preference, to state a preference to receive notices, letters, or other written communications from the IRS in an alternative language. You may not immediately receive written communications in the requested language. The IRS's commitment to LEP taxpayers is part of a multi-year timeline that began providing translations in 2023. You will continue to receive communications, including notices and letters, in English until they are translated to your preferred language.

**Contacting your local TAC.** Keep in mind, many questions can be answered on IRS.gov without visiting a TAC. Go to [IRS.gov/LetUsHelp](https://www.irs.gov/LetUsHelp) for the topics people ask about most. If you still need help, TACs provide tax help when a tax issue can't be handled online or by phone. All TACs now provide service by appointment, so you'll know in advance that you can get the service you need without long wait times. Before you visit, go to [IRS.gov/TAC](https://www.irs.gov/TAC) to find the nearest TAC and to check hours, available services, and appointment options. Or, on the IRS2Go app, under the Stay Connected tab, choose the Contact Us option and click on "Local Offices."

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Below is a message to you from the Taxpayer Advocate Service, an independent organization established by Congress.

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## The Taxpayer Advocate Service (TAS) 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). TAS helps taxpayers resolve problems with the IRS, makes administrative and legislative recommendations to prevent or correct the problems, and protects taxpayer rights. We work to ensure that every taxpayer is treated fairly and that you know and understand your rights under the Taxpayer Bill of Rights. We are Your Voice at the IRS.

### How Can TAS Help Me?

TAS can help you resolve problems that you haven't been able to resolve with the IRS on your own. Always try to resolve your problem with the IRS first, but if you can't, then come to TAS. **Our services are free.**

- TAS helps all taxpayers (and their representatives), including individuals, businesses, and exempt organizations. You may be eligible for TAS help if your IRS problem is causing financial difficulty, if you've tried and been unable to resolve your issue with the IRS, or if you believe an IRS system, process, or procedure just isn't working as it should.
- To get help any time with general tax topics, visit [www.TaxpayerAdvocate.IRS.gov](http://www.TaxpayerAdvocate.IRS.gov). The site can help you with common tax issues and situations, such as what to do if you make a mistake on your return or if you get a notice from the IRS.
- TAS works to resolve large-scale (systemic) problems that affect many taxpayers. You can report systemic issues at [www.IRS.gov/SAMS](http://www.IRS.gov/SAMS). (Be sure not to include any personal identifiable information.)

### How Do I Contact TAS?

TAS has offices in every state, the District of Columbia, and Puerto Rico. To find your local advocate's number:

- Go to [www.TaxpayerAdvocate.IRS.gov/Contact-Us](http://www.TaxpayerAdvocate.IRS.gov/Contact-Us),
- Check your local directory, or
- Call TAS toll free at 877-777-4778.

### What Are My Rights as a Taxpayer?

The Taxpayer Bill of Rights describes ten basic rights that all taxpayers have when dealing with the IRS. Go to

[www.TaxpayerAdvocate.IRS.gov/Taxpayer-Rights](http://www.TaxpayerAdvocate.IRS.gov/Taxpayer-Rights) for more information about the rights, what they mean to you, and how they apply to specific situations you may encounter with the IRS. TAS strives to protect taxpayer rights and ensure the IRS is administering the tax law in a fair and equitable way.

## Taxpayer Assistance Outside the United States

If you are outside the United States, you can call 267-941-1000 (English-speaking only). This number is not toll free.

If you wish to write instead of calling, address your letter to:

Internal Revenue Service  
International Accounts  
Philadelphia, PA 19255-0725  
U.S.A.

Additional contacts for taxpayers who live outside the United States are available at [IRS.gov/uac/Contact-My-Local-Office-Internationally](http://IRS.gov/uac/Contact-My-Local-Office-Internationally).

**Taxpayer Advocate Service (TAS).** If you live outside the United States, you can call TAS at +15.15.56.46.827 or through email at [tas.international@irs.gov](mailto:tas.international@irs.gov). Your call will be automatically routed to Hawaii or Puerto Rico depending on your location. If you select Spanish, your call will be routed to the Puerto Rico office for assistance. You can contact the Taxpayer Advocate at:

Internal Revenue Service  
Taxpayer Advocate Service  
48 Carr 165 Km. 1.2  
City View Plaza II Bldg.  
Guaynabo, PR 00968-8000

You can call TAS toll free at 877-777-4778. For more information on TAS and contacts if you are outside of the United States, go to [TaxpayerAdvocate.IRS.gov/Get-Help/International/](http://TaxpayerAdvocate.IRS.gov/Get-Help/International/).

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To help us develop a more useful index, please let us know if you have ideas for index entries. See “Comments and Suggestions” in the “Introduction” for the ways you can reach us.

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