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# U.S. Tax Treaties

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## Important Changes

**New tax treaties.** The United States recently exchanged instruments of ratification for new income tax treaties with Austria, Ireland, South Africa, Switzerland, Thailand, and Turkey. The new treaties with Austria, Ireland, and Switzerland replace existing treaties. Both the old and new provisions are discussed for these countries. The effective dates of the new treaties are as follows.

**Austria.** The provisions for taxes withheld at source are effective for amounts paid or credited on or after April 1, 1998. For other taxes, the provisions are effective for tax periods beginning on or after January 1, 1999.

You can elect to apply the old treaty in its entirety for the first tax year following the date the new treaty would otherwise apply.

**Ireland.** The provisions for taxes withheld at source are effective for amounts paid or credited on or after January 1, 1998. For other taxes, the provisions are effective for tax years beginning on or after January 1, 1998. You can elect to apply the old treaty in entirety for the 12-month period following the date the new treaty would otherwise apply.

**South Africa.** The provisions for taxes withheld at source are effective for amounts paid or credited on or after January 1, 1998. For other taxes, the provisions are effective for tax periods beginning on or after January 1, 1998.

**Switzerland.** The provisions for taxes withheld at source are effective for amounts paid or credited on or after February 1, 1998. For other taxes, the provisions are effective for tax years beginning on or after January 1, 1998. You can elect to apply the old treaty in entirety for the 12-month period following the date the new treaty would otherwise apply.

**Thailand.** The provisions for taxes withheld at source are effective for amounts paid or credited on or after June 1, 1998. For other taxes, the provisions are effective for tax periods beginning on or after January 1, 1998.

**Turkey.** The provisions for taxes withheld at source are effective for amounts paid or credited on or after January 1, 1998. For other

taxes, the provisions are effective for tax years beginning on or after January 1, 1998.

**New protocol.** The United States also exchanged instruments of ratification for a new protocol to the treaty with **Canada**.

The provisions of the protocol are generally effective for amounts paid or credited after December 31, 1995. The protocol changes the taxation of social security benefits (including tier 1 railroad retirement benefits but not including unemployment benefits.) Beginning January 1, 1998, tax will not be withheld from these benefits. In addition, Canadian residents can request refunds of U.S. tax withheld for 1996 and 1997 from the Canadian government. Contact Revenue Canada for information on the refund procedure.

The protocol also modifies the definition of real property in the provision dealing with gains (Article XIII of the treaty). This change is effective as of April 26, 1995.

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## Important Reminders

**Disclosure of a treaty-based position that reduces your tax.** If you take the position that any U.S. tax is overruled or otherwise reduced by a U.S. treaty (a treaty-based position), you generally must disclose that position on your affected return.


**U.S.–U.S.S.R. income tax treaty.** The U.S.–U.S.S.R. income tax treaty remains in effect for the following members of the Commonwealth of Independent States: Armenia, Azerbaijan, Belarus, Georgia, Kyrgyzstan, Moldova, Tajikistan, Turkmenistan, Ukraine, and Uzbekistan. That treaty will remain in effect until new treaties with these individual countries are negotiated and ratified. Provisions of the U.S.–U.S.S.R. income tax treaty are discussed in this publication under *Commonwealth of Independent States*.

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## Introduction

This publication will tell you whether a tax treaty between the United States and a particular country offers a reduced rate of, or possibly a complete exemption from, U.S. income tax for residents of that particular country.

Tables in the back of this publication show the countries that have income tax treaties with the United States, the tax rates on different kinds of income, and the kinds of income that are exempt from tax.

 **You should use this publication only for quick reference. It is not a complete guide to all provisions of every income tax treaty.**

## Useful Items

You may want to see:

### Publication

- 519** U.S. Tax Guide for Aliens
- 597** Information on the United States—Canada Income Tax Treaty
- 686** Certification for Reduced Tax Rates in Tax Treaty Countries

## Form (and Instructions)

- 8833** Treaty-Based Return Position Disclosure Under Section 6114 or 7701(b)

See *How To Get More Information* near the end of this publication for information about getting these publications and forms.

**Obtaining copies of treaties.** You can get complete information about treaty provisions from the taxing authority in the country from which you receive income or from the treaty itself. The text of some of the treaties can be obtained from:

Department of Treasury  
Office of Public Liaison  
1500 Pennsylvania Ave. NW — Rm. 4418  
Washington, D.C. 20220

If you have specific questions about a treaty, you can get this information from most Internal Revenue Service offices or from:

Internal Revenue Service  
Attn: CP:IN:D:CS  
950 L'Enfant Plaza South, S.W.  
Washington, DC 20024

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## Application of Treaties

The United States has income tax treaties with a number of foreign countries. Under these treaties, residents of foreign countries are taxed at a reduced rate, or are exempt from U.S. income taxes on certain items of income they receive from sources within the United States. These reduced rates and exemptions vary among countries and specific items of income.

If the treaty does not cover a particular kind of income, or if there is no treaty between your country and the United States, you must pay tax on the income in the same way and at the same rates shown in the instructions for Form 1040NR. Also see Publication 519.

Many of the individual states of the United States tax the income of their residents. Therefore, you should consult the tax authorities of the state in which you live to find out if that state taxes the income of individuals and, if so, whether the tax applies to any of your income.

Tax treaties reduce the U.S. taxes of residents of foreign countries. With certain exceptions, they **do not reduce** the U.S. taxes of U.S. citizens or residents. U.S. citizens and residents are subject to U.S. income tax on their worldwide income.

Treaty provisions generally are reciprocal (apply to both treaty countries); therefore, a U.S. citizen or resident who receives income from a treaty country may refer to the tables in this publication to see if a tax treaty might affect the tax to be paid to that foreign country. Foreign taxing authorities sometimes require certification from the U.S. Government that an applicant filed an income tax return as a U.S. citizen or resident, as part of the proof of entitlement to the treaty benefits. For information on this, see Publication 686.

**Disclosure of a treaty-based position that reduces your tax.** If you take the position that any U.S. tax is overruled or otherwise reduced by a U.S. treaty (a treaty-based position), you generally must disclose that posi-

tion on Form 8833, *Treaty-Based Return Position Disclosure Under Section 6114 or 7701(b)*, and attach it to your return. If you are not required to file a return because of your treaty-based position, you must file a return anyway to report your position. The filing of Form 8833 does not apply to a reduced rate of withholding tax on noneffectively connected income, such as dividends, interest, rents or royalties, or to a reduced rate of tax on pay received for services performed as an employee, including pensions, annuities, and social security. For more information, get Publication 519, *U.S. Tax Guide for Aliens*.

If you fail to file Form 8833, you may have to pay a \$1,000 penalty. Corporations are subject to a \$10,000 penalty for each failure.

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## Tax Exemptions Provided by Treaties

In addition to the tables in the back of this publication, this publication contains discussions of the exemptions from tax and certain other effects of the tax treaties on the following types of income.

- 1) Pay for certain personal services performed in the United States.
- 2) Pay of a professor, teacher, or researcher who teaches or performs research in the United States for a limited time.
- 3) Amounts received for maintenance and studies by a foreign student or apprentice who is here for study or experience.
- 4) Wages, salaries, and pensions paid by a foreign government.

## Personal Services Income

Pay for certain personal services performed in the United States is exempt from U.S. income tax if you are a **resident** (not necessarily a citizen) of one of the countries discussed below, if you are in the United States for a limited number of days and if you meet certain other conditions. For this purpose, the word “day” means a day during any part of which you are physically present in the United States.

**Terms defined.** Several terms appear in many of the discussions that follow. The exact meanings of the terms are determined by the particular tax treaty under discussion; thus, the meanings vary among treaties. The definitions that follow are, therefore, general definitions that may not give the exact meaning intended by a particular treaty.

The terms **fixed base** and **permanent establishment** generally mean a fixed place of business, such as an office, a factory, a warehouse, or a mining site, through which an enterprise carries on its business.

The term **borne by** generally means having ultimate financial accounting responsibility for or providing the monetary resources for an expenditure or payment, even if another entity in another location actually made the expenditure or payment.

## Australia

Income that residents of Australia receive for performing personal services as independent contractors or self-employed individuals (independent personal services) in the United

States during the tax year is exempt from U.S. income tax if the residents:

- 1) Are in the United States for no more than 183 days during the tax year, and
- 2) Do not have a fixed base regularly available to them in the United States for the purpose of performing the services.

If they have a fixed base available in the United States, they are taxed on the income attributable to the fixed base.

Pay that residents of Australia receive for labor or personal services performed in the United States as employees (dependent personal services), including services as a director of a company, is exempt from U.S. income tax if:

- 1) The residents are in the United States for no more than 183 days during the tax year,
- 2) The pay is paid by, or on behalf of, an employer or company that is not a resident of the United States, and
- 3) The pay is not deductible in determining the taxable income of the trade or business of the employer (or company) in the United States.

These exemptions do not apply to public entertainers (such as theater, motion picture, radio, or television entertainers, musicians and athletes) from Australia who earn more than \$10,000 in gross receipts, including reimbursed expenses, from their entertainment activities in the United States during the tax year.

## Austria

Income that residents of Austria receive for labor or personal services (including practicing liberal professions and performing services as a director) performed in the United States is exempt from U.S. income tax if they are temporarily in the United States for no more than 183 days during the tax year and the income is not more than \$3,000.

Income, regardless of amount, received by residents of Austria who are temporarily in the United States for no more than 183 days during the tax year is also exempt from U.S. income tax if it is received for labor or personal services performed as an employee of, or under contract with, a natural person who is a resident of Austria or an Austrian corporation, and it is borne by that person or corporation.

**New treaty.** See *Important Changes for the effective dates.*

Income that residents of Austria receive for personal services as independent contractors or self-employed individuals (independent personal services) in the United States is exempt from U.S. income tax if they do not have a fixed base regularly available to them in the United States for performing the services. If they have a fixed base available in the United States, they are taxed on the income attributable to the fixed base.

Income that residents of Austria receive for services performed in the United States as employees (dependent personal services) is exempt from U.S. income tax if the residents meet the following requirements:

- 1) They are in the United States for no more than 183 days in any 12-month

period beginning or ending in the tax year,

- 2) Their income is paid by, or on behalf of, an employer who is not a U.S. resident, and
- 3) Their income is not borne by a permanent establishment or a fixed base that the employer has in the United States.

These exemptions do not apply to public entertainers (such as theater, motion picture, radio, or television entertainers, musicians and athletes) from Austria who earn more than \$20,000 in gross receipts, including reimbursed expenses, from their entertainment activities in the United States during the tax year.

Income received by a resident of Austria for services performed as an employee and member of the regular complement of a ship or aircraft operated in international traffic is exempt from U.S. income tax.

## Barbados

Income that residents of Barbados receive for performing personal services as independent contractors or self-employed individuals (independent personal services) in the United States during the tax year is exempt from U.S. income tax if the residents:

- 1) Are in the United States for no more than 89 days during the tax year,
- 2) Earn net income for independent services provided to U.S. residents that is not more than \$5,000 (there is no dollar limit if the contractors are not U.S. residents), and
- 3) Do not have a regular base available in the United States for performing the services.

If they have a regular base available in the United States but otherwise meet the conditions for exemption, they are taxed only on the income attributable to the regular base.

Income that residents of Barbados receive for personal services performed in the United States as employees (dependent personal services) is exempt from U.S. tax if the residents meet four requirements:

- 1) They are in the United States for no more than 183 days during the calendar year,
- 2) The income earned in the calendar year in the United States is not more than \$5,000,
- 3) Their income is paid by or for an employer who is not a U.S. resident, and
- 4) The income is not borne by a permanent establishment or regular base of the employer in the United States.

Income of a Barbadian resident from employment as a member of the regular complement of a ship or aircraft operated in international traffic is exempt from U.S. tax.

These exemptions do not apply to Barbadian resident public entertainers (such as theater, motion picture, radio, or television artists, musicians, or athletes) who receive gross receipts of more than \$250 per day or \$4,000 in the tax year, not including reimbursed expenses, from their entertainment activities in the United States. However, the exemptions do apply regardless of these limits on gross receipts if the entertainer's visit

to the United States is substantially supported by Barbadian public funds or if the entertainer's services are provided to a nonprofit organization.

## Belgium

Income that residents of Belgium receive for performing personal services as independent contractors or self-employed individuals (independent personal services) in the United States during the tax year is exempt from U.S. income tax if the residents:

- 1) Are present in the United States less than 183 days during the tax year, and
- 2) Do not maintain a fixed base in the United States for a period or periods that total more than 182 days during the tax year.

If they do not meet condition (2), they are taxed on the income attributed to the base.

The exemption for independent personal services does not apply to individuals who are public entertainers (theater, motion picture, or television artists, musicians, or athletes), if they are in the United States for more than 90 days during the tax year or if their pay for services as public entertainers is more than \$3,000.

Income that residents of Belgium receive for labor or personal services performed in the United States as employees (dependent personal services), including services as an officer of a corporation, is exempt from U.S. income tax if the residents meet three requirements:

- 1) They are present in the United States less than 183 days during the tax year,
- 2) They are employees of a resident of Belgium or of a permanent establishment in Belgium, and
- 3) Their income is not borne by a permanent establishment that the employer has in the United States.

Income for services performed by an individual as an employee aboard a ship or an aircraft registered in Belgium and operated by a resident of Belgium in international traffic is exempt from U.S. tax if the individual is a member of the regular complement of the ship or aircraft.

These exemptions do not apply to fees received by a resident of Belgium for services performed as a director of a U.S. corporation if the fees are treated as a distribution of profits and cannot be taken as a deduction by the corporation.

## Canada

Income that residents of Canada receive for personal services as independent contractors or self-employed individuals (independent personal services) that they perform during the tax year in the United States (except as public entertainers) is exempt from U.S. tax if they do not have a fixed base regularly available to them in the United States for performing the services. If they have a fixed base available in the United States, they are taxed on the income attributable to the fixed base.

Income that residents of Canada receive for personal services performed as employees (dependent personal services) in the United States (except as public entertainers) is exempt from U.S. tax if it is not more than

\$10,000 for the year. If it is more than \$10,000 for the year, it is exempt only if:

- 1) The residents are present in the United States for no more than 183 days during the calendar year, and
- 2) The income is not borne by a U.S. resident employer or by a permanent establishment or fixed base of an employer in the United States.

These exemptions do not apply to public entertainers (such as theater, motion picture, radio, or television artists, musicians, or athletes) from Canada who derive more than \$15,000 in gross receipts, including reimbursed expenses, from their entertainment activities in the United States during the calendar year. However, the exemptions do apply, regardless of this \$15,000 limit, to athletes participating in team sports in leagues with regularly scheduled games in both Canada and the United States.

Pay received by a resident of Canada for employment regularly done in more than one country on a ship, aircraft, motor vehicle, or train operated by a Canadian resident is exempt from U.S. tax.

## China, People's Republic of

Income that residents of the People's Republic of China receive for personal services as independent contractors or self-employed individuals (independent personal services) that they perform during the tax year in the United States (except as athletes or public entertainers) is exempt from U.S. income tax if the residents:

- 1) Are present in the United States for no more than 183 days in the calendar year, and
- 2) Do not have a fixed base regularly available in the United States for performing the services.

If they have a fixed base available in the United States, they are taxable on the income attributable to the fixed base.

Pay received by residents of the People's Republic of China for services performed as employees (dependent personal services) in the United States (except as athletes or public entertainers) is exempt from U.S. tax if:

- 1) The residents are present in the United States for no more than 183 days in the calendar year,
- 2) The pay is paid by or for an employer who is not a U.S. resident, and
- 3) The pay is not borne by a permanent establishment or fixed base that the employer has in the United States.

These exemptions do not apply to directors' fees for service on the board of directors of a U.S. corporation.

These exemptions generally do not apply to income received as a public entertainer (such as a theater, motion picture, radio, or television artist, musician, or athlete). However, income of athletes or public entertainers from China participating in a cultural exchange program agreed upon by the U.S. and Chinese governments is exempt from U.S. tax.

## Commonwealth of Independent States

Income that residents of a C.I.S. member receive for performing personal services in the United States is exempt from U.S. income tax if those residents are in the United States for no more than 183 days during the tax year.

Pay received by an employee who is a member of the regular complement of a ship or aircraft operated in international traffic by a C.I.S. member or a resident of a C.I.S. member is exempt from U.S. tax.

## Cyprus

Income that residents of Cyprus receive for performing personal services as independent contractors or self-employed individuals (independent personal services) in the United States during the tax year is exempt from U.S. income tax if the residents:

- 1) Are present in the United States for less than 183 days in the tax year, and
- 2) Do not have a fixed base regularly available to them in the United States for performing the services.

If they have a fixed base available in the United States, they are taxable on the income attributable to the fixed base.

Pay received by residents of Cyprus from services performed as employees (dependent personal services), including services as an officer of a corporation, is exempt from U.S. income tax if:

- 1) The residents are in the United States for less than 183 days during the tax year,
- 2) The pay is paid by or for an employer who is not a U.S. resident, and
- 3) The pay is not borne by a permanent establishment, fixed base, or trade or business that the employer has in the United States.

Pay received by a Cyprus resident for performing personal services as an employee and member of the regular complement of a ship or aircraft operated in international traffic by a resident of Cyprus is exempt from U.S. tax.

These exemptions do not apply to Cyprus resident public entertainers (theater, motion picture, radio, or television artists, musicians, or athletes) who receive gross receipts of more than \$500 per day or \$5,000 for the tax year, not including reimbursed expenses, from their entertainment activities in the United States.

Directors' fees received by residents of Cyprus for service on the board of directors of a U.S. corporation are exempt from U.S. income tax to the extent of a reasonable fixed amount payable to all directors for each day of attendance at directors' meetings held in the United States.

## Czech Republic

Income that residents of the Czech Republic receive for performing personal services as independent contractors or self-employed individuals (independent personal services) in the United States is exempt from U.S. income tax if the residents:

- 1) Are present in the United States for no more than 183 days in any 12-month period, and

- 2) Do not have a fixed base regularly available to them in the United States for performing the services.

If they have a fixed base available, they are taxed only on income attributable to the fixed base.

Income that residents of the Czech Republic receive for employment in the United States (dependent personal services) is exempt from U.S. income tax if the following three requirements are met:

- 1) The resident is present in the United States for no more than 183 days in any 12-month period,
- 2) The income is paid by, or on behalf of, an employer who is not a U.S. resident, and
- 3) The income is not borne by a permanent establishment or a fixed base that the employer has in the United States.

These exemptions do not apply to income residents of the Czech Republic receive as public entertainers (such as theater, motion picture, radio, or television artists, or musicians) or sportsmen if their gross receipts, including reimbursed expenses, are more than \$20,000 during the tax year. Regardless of these limits, income of Czech entertainers and sportsmen is exempt from U.S. income tax if their visit to the United States is substantially supported by public funds of the Czech Republic, its political subdivisions, or local authorities, or the visit is made pursuant to a specific arrangement between the United States and the Czech Republic.

These exemptions do not apply to directors' fees and similar payments received by a resident of the Czech Republic as a member of the board of directors of a company that is a resident of the United States.

Income from employment as a member of the regular complement of a ship or aircraft operated by a Czech enterprise in international traffic is exempt from U.S. income tax.

## Denmark

Income that residents of Denmark receive for labor or personal services (including practicing liberal professions) performed in the United States is exempt from U.S. income tax if they are temporarily in the United States for no more than 90 days during the tax year and their pay is not more than \$3,000.

All income for labor or personal services that residents of Denmark perform as employees of, or under contract with, a resident, corporation, or other entity of Denmark is exempt from U.S. income tax if they are in the United States for no more than 180 days during the tax year.

## Egypt

Income that residents of Egypt receive for performing personal services as independent contractors or as self-employed individuals (independent personal services) in the United States during the tax year is exempt from U.S. income tax if they are in the United States for no more than 89 days during the tax year.

Income that residents of Egypt receive for labor or personal services performed in the United States as employees (dependent personal services), including income for services performed by an officer of a corporation or company, is exempt from U.S. income tax if the residents meet four requirements:

- 1) They are in the United States for no more than 89 days during the tax year,
- 2) They are employees of a resident of, or a permanent establishment in, Egypt,
- 3) Their income is not borne by a permanent establishment that the employer has in the United States, and
- 4) Their income is subject to Egyptian tax.

Pay received by a resident of Egypt who is an employee and member of the regular complement of a ship or an aircraft operated in international traffic by a resident of Egypt is exempt.

These exemptions do not apply to Egyptian resident public entertainers (theater, motion picture, radio, or television artists, musicians, or athletes), who earn income for services as public entertainers (both independent and dependent personal services) if the gross amount of the income is more than \$400 for each day they are in the United States performing the services.

### Finland

Income that residents of Finland receive for performing personal services as independent contractors or self-employed individuals (independent personal services) in the United States is exempt from U.S. income tax if they do not have a fixed base regularly available to them in the United States for performing the services. If they have a fixed base available in the United States, they are taxed on the income attributable to the fixed base.

Income that residents of Finland receive for labor or personal services performed in the United States as employees (dependent personal services) is exempt from U.S. income tax if the residents meet three requirements:

- 1) They are in the United States for no more than 183 days during any 12-month period,
- 2) Their income is paid by, or on behalf of, an employer who is not a resident of the United States, and
- 3) Their income is not borne by a permanent establishment, fixed base, or trade or business that the employer has in the United States.

Income received for performing personal services as an employee and member of the regular complement of a ship or aircraft operated in international traffic by a resident of Finland is exempt from U.S. tax.

These exemptions do not apply to income residents of Finland receive as public entertainers or sportsmen if the gross income, including reimbursed expenses, is more than \$20,000 for their personal activities in the United States during the calendar year.

### France

Income that residents of France receive for performing personal services as independent contractors or self-employed individuals (independent personal services) in the United States is exempt from U.S. income tax if they do not have a fixed base regularly available to them in the United States for performing the services. If they have a fixed base available in the United States, they are taxed on the income attributable to the fixed base.

Income that residents of France receive for labor or personal services performed in

the United States as employees (dependent personal services) is exempt from U.S. income tax if the residents meet three requirements:

- 1) They are in the United States for no more than 183 days in any 12-month period,
- 2) Their income is paid by, or on behalf of, an employer who is not a resident of the United States, and
- 3) Their income is not borne by a permanent establishment or a fixed base that the employer has in the United States.

Income for services performed by a resident of France as an employee and member of the regular complement of a ship or an aircraft operated in international traffic is exempt from tax in the United States.

These exemptions do not apply to public entertainers (such as theater, motion picture, radio, or television artists, musicians), or sportsmen from France who earn more than \$10,000 in gross receipts, including reimbursed expenses, from their entertainment activities in the United States during the tax year. Regardless of these limits, income of French entertainers or sportsmen is exempt from U.S. tax if their visit is principally supported by public funds of France.

These exemptions do not apply to directors' fees and similar payments received by a resident of France as a member of the board of directors of a company that is a resident of the United States.

### Germany

Income that residents of Germany receive for performing personal services as independent contractors or self-employed individuals (independent personal services) in the United States is exempt from U.S. income tax if the income is not attributable to a fixed base regularly available in the United States.

Income that residents of Germany receive for labor or personal services performed in the United States as employees (dependent personal services) is exempt from U.S. tax if the residents meet three requirements:

- 1) They are in the United States for no more than 183 days during the calendar year,
- 2) The income is paid by, or on behalf of, an employer who is not a resident of the United States, and
- 3) The income is not borne by a permanent establishment or a fixed base that the employer has in the United States.

Pay received by a resident of Germany for services performed as an employee and member of the regular complement of a ship or aircraft operated in international traffic is exempt from U.S. tax.

These exemptions do not apply to directors' fees and other similar payments received by a resident of Germany for services performed in the United States as a member of the board of directors of a company resident in the United States.

These exemptions do not apply to income residents of Germany receive as public entertainers (such as theater, motion picture, radio or television artists, or musicians) or athletes if their gross receipts, including reimbursed expenses, are more than \$20,000 during the calendar year. Regardless of these

limits, income of German entertainers or athletes is exempt from U.S. tax if their visit to the United States is substantially supported by public funds of Germany, its political subdivisions, or local authorities.

### Greece

Income that residents of Greece receive for labor or personal services (including practicing liberal and artistic professions) is exempt from U.S. income tax if they are in the United States for no more than 183 days during the tax year and the pay is not more than \$10,000. The pay, regardless of amount, is exempt from U.S. income tax if it is for labor or personal services performed as employees of, or under contract with, a resident of Greece or a Greek corporation or other entity of Greece, and if the residents are in the United States for no more than 183 days during the tax year.

### Hungary

Income that residents of Hungary receive for performing personal services as independent contractors or self-employed individuals (independent personal services) in the United States during the tax year is exempt from U.S. tax if the residents:

- 1) Are in the United States for no more than 183 days during the tax year, and
- 2) Do not have a fixed base regularly available in the United States.

If they have a fixed base available in the United States, they are taxed on the income attributable to the fixed base.

Income that residents of Hungary receive for labor or personal services performed in the United States as employees (dependent personal services) is exempt from U.S. income tax if the residents meet three requirements:

- 1) They are in the United States for no more than 183 days during the tax year,
- 2) Their income is paid by or on behalf of an employer who is not a resident of the United States, and
- 3) Their income is not borne by a permanent establishment or a fixed base that the employer has in the United States.

Pay received by an employee who is a member of the regular complement of a ship or aircraft operated by a resident of Hungary in international traffic is also exempt.

### Iceland

Income that residents of Iceland receive for performing personal services as independent contractors or self-employed individuals (independent personal services) in the United States during the tax year is exempt from U.S. income tax if the residents:

- 1) Are present in the United States for no more than 182 days during the tax year, and
- 2) Do not maintain a fixed base in the United States for a period or periods totaling more than 182 days during the tax year.

If they do not meet condition (2), they are taxed on the income that is attributable to the fixed base.

This exemption does not apply to residents of Iceland who are public entertainers (theater, motion picture, or television artists, musicians, or athletes) if they are in the United States for more than 90 days during the tax year or their pay for services as public entertainers is more than \$100 per day.

Income that residents of Iceland receive for labor or personal services performed in the United States as employees (dependent personal services) is exempt from U.S. income tax if the employees meet three requirements:

- 1) They are in the United States for no more than 182 days during the tax year,
- 2) They are employees of a resident of Iceland or of a permanent establishment of a resident of a state other than Iceland if the permanent establishment is located in Iceland, and
- 3) Their income is not borne by a permanent establishment that the employer has in the United States.

Income for services performed by an employee aboard a ship or an aircraft operated by a resident of Iceland in international traffic or in fishing on the high seas is exempt from U.S. tax if the individual is a member of the regular complement of the ship or aircraft.

## India

Income that residents of India receive for performing personal services in the United States during the tax year as independent contractors or self-employed individuals (independent personal services) is exempt from U.S. income tax if the residents:

- 1) Are present in the United States for no more than 89 days during the tax year, and
- 2) Do not have a fixed base regularly available to them in the United States for performing the services.

If they have a fixed base available, they are taxed only on income attributable to the fixed base.

Income that residents of India receive for personal services performed in the United States as employees (dependent personal services) is exempt from U.S. income tax if the residents meet three requirements:

- 1) They are present in the United States for no more than 183 days during the tax year,
- 2) The income is paid by, or on behalf of, an employer who is not a resident of the United States, and
- 3) The income is not borne by a permanent establishment, fixed base, or trade or business the employer has in the United States.

These exemptions do not apply to directors' fees and similar payments received by an Indian resident as a member of the board of directors of a company that is a U.S. resident.

Pay received by a resident of India for services performed as an employee aboard a ship or aircraft operated by an Indian enterprise in international traffic is exempt from U.S. tax.

These exemptions do not apply to income residents of India receive as public

entertainers (such as theater, motion picture, radio, or television artists, or musicians) or athletes if their net income is more than \$1,500 during the tax year for their entertainment activities in the United States. Regardless of this limit, the income of Indian entertainers and athletes is exempt from U.S. tax if their visit to the United States is wholly or substantially supported from the public funds of the Indian Government, its political subdivisions, or local authorities.

## Indonesia

Income that residents of Indonesia receive for performing personal services as individual contractors or self-employed individuals (independent personal services) in the United States during the tax year is exempt from U.S. income tax if the residents:

- 1) Are present in the United States for no more than 119 days during any consecutive 12-month period, and
- 2) Do not have a fixed base regularly available to them in the United States for performing the services.

If they have a fixed base available, they are taxed only on the income attributable to the fixed base.

Income that residents of Indonesia receive for personal services performed in the United States as employees (dependent personal services) is exempt from U.S. income tax if the residents meet three requirements:

- 1) They are present in the United States no more than 119 days during any consecutive 12-month period,
- 2) The income is paid by, or on behalf of, an employer who is not a resident of the United States, and
- 3) The income is not borne or reimbursed by a permanent establishment the employer has in the United States.

Pay received by an individual for services performed as an employee aboard a ship or aircraft operated by an Indonesian resident in international traffic is exempt from U.S. tax if the individual is a member of the regular complement of the ship or aircraft.

These exemptions do not apply to income residents of Indonesia receive as public entertainers (such as theater, motion picture, radio, or television artists, or musicians) or athletes if their gross receipts, including reimbursed expenses, are more than \$2,000 during any consecutive 12-month period. Regardless of these limits, income of Indonesian entertainers and athletes is exempt from U.S. tax if their visit to the United States is substantially supported or sponsored by the Indonesian Government and the Indonesian competent authority certifies that the entertainers or athletes qualify for this exemption.

## Ireland

Income that residents of Ireland receive for personal services (including professional services) performed during the tax year in the United States for, or on behalf of, a person resident in Ireland is exempt from U.S. income tax if the residents are not present in the United States for more than 183 days during that tax year.

**New treaty.** See *Important Changes for the effective dates.*

Income that residents of Ireland receive for personal services as independent contractors or self-employed individuals (independent personal services) in the United States is exempt from U.S. income tax if they do not have a fixed base regularly available to them in the United States for performing the services. If they have a fixed base available in the United States, they are taxed on the income attributable to the fixed base.

Income that residents of Ireland receive for services performed in the United States as employees (dependent personal services) is exempt from U.S. income tax if the residents meet the following requirements:

- 1) They are in the United States for no more than 183 days in any 12-month period beginning or ending in the tax year,
- 2) Their income is paid by, or on behalf of, an employer who is not a U.S. resident, and
- 3) Their income is not borne by a permanent establishment or a fixed base that the employer has in the United States.

These exemptions do not apply to directors' fees and similar payments received by a resident of Ireland as a member of the board of directors of a company that is a resident of the United States. However, amounts received for attending meetings in Ireland are not subject to U.S. income tax.

These exemptions do not apply to public entertainers (such as theater, motion picture, radio, or television entertainers, musicians and athletes) from Ireland who earn more than \$20,000 in gross receipts, including reimbursed expenses, from their entertainment activities in the United States during the tax year.

Income received by a resident of Ireland for services performed as an employee and member of the regular complement of a ship or aircraft operated in international traffic is exempt from U.S. income tax.

## Israel

Income that residents of Israel receive for performing personal services as independent contractors or as self-employed individuals (independent personal services) in the United States during the tax year is exempt from U.S. income tax if they are in the United States for no more than 182 days during the tax year.

Income that residents of Israel receive for labor or personal services performed in the United States as employees (dependent personal services), including income for services performed by an officer of a corporation or company, is exempt from U.S. income tax if the residents meet four requirements:

- 1) They are in the United States for no more than 182 days during the tax year,
- 2) They are employees of a resident of, or a permanent establishment in, Israel,
- 3) Their income is not borne by a permanent establishment that the employer has in the United States, and
- 4) Their income is subject to Israeli tax.

Generally, pay received by an employee of a resident of Israel for labor or personal services performed as a member of the regular complement of a ship or an aircraft op-

erated in international traffic by a resident of Israel is exempt.

These exemptions do not apply to income that residents of Israel receive as public entertainers (such as theater, motion picture, radio or television artists, musicians, or athletes), if the gross amount of the income is more than \$400 for each day they are in the United States performing the services.

## Italy

Income that residents of Italy receive for performing personal services in the United States during the tax year as independent contractors or self-employed individuals (independent personal services) is exempt from U.S. income tax if the residents:

- 1) Are present in the United States for no more than 183 days in the tax year, and
- 2) Do not have a fixed base regularly available to them in the United States for performing the services.

If they have a fixed base available, they are taxed only on the income attributable to the fixed base.

Income that residents of Italy receive for personal services performed in the United States as employees (dependent personal services) is exempt from U.S. income tax if:

- 1) The residents are present in the United States for not more than 183 days during the tax year,
- 2) The income is paid by or for an employer who is not a U.S. resident, and
- 3) The income is not borne by a permanent establishment or fixed base that the employer has in the United States.

Pay received by a resident of Italy from employment regularly exercised aboard a ship or aircraft operated by an Italian enterprise in international traffic is exempt from U.S. tax.

These exemptions do not apply to directors' fees and similar payments received by an Italian resident as a member of the board of directors of a company that is a U.S. resident.

These exemptions do not apply to income residents of Italy receive as public entertainers (such as theater, motion picture, radio, or television artists, musicians, or athletes) if they are present in the United States for more than 90 days during the tax year or their gross receipts, including reimbursed expenses, are more than \$12,000 during the tax year for their entertainment activities in the United States.

## Jamaica

Income that residents of Jamaica receive for the performance of personal services as independent contractors or self-employed individuals (independent personal services) in the United States during the tax year is exempt from U.S. income tax if the residents:

- 1) Are in the United States for no more than 89 days during the tax year,
- 2) Do not have a fixed base regularly available to them in the United States for performing their services, and
- 3) Earn net income for those services that is not more than \$5,000 during the tax

year if the income is from a U.S. contractor.

If they have a fixed base available in the United States, they are taxed only on the income that is attributable to the fixed base. There is no dollar limit for condition (3) if the contractor is from a country other than the United States.

Income that residents of Jamaica receive for personal services performed in the United States as employees (dependent personal services) is exempt from U.S. income tax if the residents meet four requirements:

- 1) They are in the United States for no more than 183 days during the tax year,
- 2) Their income is paid by or for an employer who is not a resident of the United States,
- 3) Their income is not borne by a permanent establishment or a fixed base that the employer has in the United States, and
- 4) Their net income received for the services is not more than \$5,000 during the tax year.

Pay received from employment as a member of the regular complement of a ship or an aircraft operated in international traffic by a Jamaican enterprise is exempt.

These exemptions do not apply to income that residents of Jamaica receive for performing services (both independent and dependent personal services) in the United States as entertainers, such as theater, motion picture, radio, or television artists, musicians, or athletes, if the gross receipts (excluding reimbursements for expenses) from the services are more than \$400 a day or \$5,000 for the tax year.

Directors' fees received by residents of Jamaica for services performed in the United States as members of boards of directors of U.S. corporations are exempt from U.S. tax if the fees (excluding reimbursed expenses) are not more than \$400 per day for each day the directors are present in the United States to perform the services.

## Japan

Income that residents of Japan receive for performing personal services as independent contractors or self-employed individuals (independent personal services) in the United States during the tax year is exempt from U.S. income tax if the residents:

- 1) Are present in the United States for no more than 183 days during the tax year, and
- 2) Do not maintain a fixed base in the United States for more than 183 days during the tax year.

If they do not meet condition (2), they are taxed on only the income attributable to the fixed base.

This exemption does not apply to residents of Japan who are public entertainers (theater, motion picture, or television artists, musicians, or athletes) if they are in the United States for more than 90 days during the tax year or their pay (excluding reimbursed travel expenses) for services as public entertainers is more than \$3,000 during the tax year.

Income that residents of Japan receive for labor or personal services performed in the United States as employees (dependent personal services), including pay received by an officer or a member of the board of directors of a corporation, is exempt from U.S. income tax if the residents meet three requirements:

- 1) They are in the United States for no more than 183 days during the tax year,
- 2) They are employees of a resident of Japan or of a permanent establishment of a resident of a state **other than Japan** if the permanent establishment is located in Japan, and
- 3) Their income is not borne by a permanent establishment that the employer has in the United States.

However, the exemption does not apply in certain cases in which the employee owns stock of the employer or is a member of the employer's board of directors.

Pay received from employment as a member of the regular complement of a ship or aircraft operated in international traffic by a resident of Japan is exempt.

## Kazakhstan

Income that residents of Kazakhstan receive for performing personal services as independent contractors or self-employed individuals (independent personal services) in the United States is exempt from U.S. income tax if:

- 1) The residents are in the United States for no more than 183 days in any consecutive 12-month period, and
- 2) The income is not attributable to a fixed base in the United States which is regularly available to the residents.

If the residents have a fixed base available, they are taxed only on the income attributable to the fixed base.

Income that residents of Kazakhstan receive for employment in the United States (dependent personal services) is exempt from U.S. income tax if the following three requirements are met:

- 1) The resident is in the United States for no more than 183 days in any 12-month period,
- 2) The income is paid by, or on behalf of, an employer who is not a resident of the United States, and
- 3) The income is not borne by a permanent establishment or a fixed base that the employer has in the United States.

Income from employment as a member of the regular complement of a ship or aircraft operated in international traffic is exempt from U.S. tax.

These exemptions do not apply to directors' fees and similar payments received by a resident of Kazakhstan as a member of the board of directors or similar body of a company that is a U.S. resident.

## Korea, Republic of

Income that residents of the Republic of Korea receive for performing personal services as independent contractors or self-employed individuals (independent personal services) in the United States during the tax year is exempt from U.S. tax if the residents:

- 1) Are in the United States for no more than 182 days during the tax year,
- 2) Earn income for those services that is not more than \$3,000 during the tax year, and
- 3) Do not maintain a fixed base in the United States for more than 182 days during the tax year.

If they maintain a fixed base in the United States for more than 182 days, they are taxed on the income attributable to the fixed base.

Income that residents of Korea receive for labor or personal services performed in the United States as employees (dependent personal services), including pay for services performed as an officer of a corporation, is exempt from U.S. tax if the residents meet four requirements:

- 1) They are in the United States for no more than 182 days during the tax year,
- 2) They are employees of a resident of Korea or of a permanent establishment maintained in Korea,
- 3) Their compensation is not borne by a permanent establishment that the employer has in the United States, and
- 4) Their income for those services is not more than \$3,000.

Pay received by employees who are members of the regular complement of a ship or aircraft operated by a resident of Korea in international traffic is exempt.

## Luxembourg

Income (other than corporate directors' fees) that residents of Luxembourg receive for labor or personal services performed in the United States during the tax year is exempt from U.S. income tax if the residents are in the United States for no more than 180 days during the tax year and the income is not more than \$3,000.

All income (other than corporate directors' fees) that residents of Luxembourg receive for labor or personal services performed in the United States as an employee is exempt from U.S. income tax if:

- 1) The residents are in the United States for no more than 180 days during the tax year, and
- 2) The income is borne by an employer that is a resident or corporation of Luxembourg, or a permanent establishment of a U.S. enterprise in Luxembourg.

## Mexico

Income that residents of Mexico receive for performing personal services as independent contractors or self-employed individuals (independent personal services) in the United States is exempt from U.S. income tax if the residents:

- 1) Are in the United States for no more than 183 days in a 12-month period, and
- 2) Do not have a fixed base that they regularly use for performing the services.

If they have a fixed base available, they are taxed only on income attributable to the fixed base.

Income that residents of Mexico receive for employment in the United States (de-

pendent personal services) is exempt from U.S. tax if the following three requirements are met:

- 1) The resident is present in the United States for no more than 183 days in a 12-month period,
- 2) The income is paid by, or on behalf of, an employer who is not a resident of the United States, and
- 3) The income is not borne by a permanent establishment or fixed base that the employer has in the United States.

These exemptions do not apply to director's fees and similar payments received by a resident of Mexico for services performed outside Mexico as a director or overseer of a company that is a U.S. resident.

These exemptions do not apply to income residents of Mexico receive as public entertainers (such as theater, motion picture, radio, or television artists, or musicians) or athletes if the income, including reimbursed expenses, is more than \$3,000 during the tax year for their entertainment activities in the United States. This includes income from activities performed in the United States relating to the entertainer or athlete's reputation, such as endorsements of commercial products. Regardless of this limit, the income of Mexican entertainers and athletes is exempt from U.S. tax if their visit to the United States is substantially supported by public funds of Mexico, its political subdivisions, or local authorities.

## Morocco

Income that residents of Morocco receive for performing personal services as independent contractors or as self-employed persons (independent personal services) in the United States during the tax year is exempt from U.S. income tax if the residents:

- 1) Are in the United States for no more than 182 days during the tax year,
- 2) Do not maintain a fixed base in the United States for more than 89 days during the tax year, and
- 3) Earn total income for those services that is not more than \$5,000.

If they have a fixed base in the United States for more than 89 days, they are taxed only on the income attributable to the fixed base.

Income that residents of Morocco receive for labor or personal services performed in the United States as employees (dependent personal services) is exempt from U.S. income tax if the residents meet three requirements:

- 1) They are in the United States for less than 183 days during the tax year,
- 2) They are employees of a resident of Morocco or of a permanent establishment of a resident of a country other than Morocco if the permanent establishment is located in Morocco, and
- 3) Their income is not borne by a permanent establishment that the employer has in the United States.

Compensation received for services performed by a member of the board of directors of a corporation does not qualify for this exemption.

Income received by an individual for performing labor or personal services as an employee aboard a ship or an aircraft operated in international traffic by a Moroccan resident is exempt from U.S. income tax if the individual is a member of the regular complement of the ship or aircraft.

These exemptions do not apply to income received for services (both independent and dependent personal services) performed in the United States by professional entertainers, including theater, film, radio, and television performers, musicians, and athletes, unless the services are performed by, or for the account of, a Moroccan nonprofit organization.

## Netherlands

Income that residents of the Netherlands receive for performing personal services as independent contractors or self-employed individuals (independent personal services) in the United States is exempt from U.S. income tax if the income is not attributable to a fixed base in the United States that is regularly available for performing the services.

Income that residents of the Netherlands receive for employment in the United States (dependent personal services) is exempt from U.S. income tax if the following three requirements are met:

- 1) The resident is in the United States for no more than 183 days during the tax year,
- 2) The income is paid by, or on behalf of, an employer who is not a U.S. resident, and
- 3) The income is not borne by a permanent establishment or fixed base the employer has in the United States.

Income received by a Netherlands resident for employment as a member of the regular complement of a ship or aircraft operated in international traffic is exempt from U.S. tax.

These exemptions do not apply to directors' fees and other similar payments received by a resident of the Netherlands for services performed outside the Netherlands as a member of the board of directors of a company resident in the United States.

These exemptions do not apply to income residents of the Netherlands receive as public entertainers (such as theater, motion picture, radio, or television artists, or musicians) or athletes if the gross income, including reimbursed expenses, is more than \$10,000.

## New Zealand

Income that residents of New Zealand receive for performing personal services as independent contractors or self-employed individuals (independent personal services) in the United States in any tax year is exempt from U.S. income tax if the residents:

- 1) Are present in the United States for no more than 183 days during any consecutive 12-month period, and
- 2) Do not have a fixed base regularly available to them in the United States for performing the services.

If they have a fixed base available in the United States, they are taxed on the income attributable to the fixed base.



Income that residents of New Zealand receive for labor or personal services performed in the United States as employees (dependent personal services) is exempt from U.S. income tax if the residents meet these requirements:

- 1) They are present in the United States for no more than 183 days in any consecutive 12-month period,
- 2) Their income is paid by or on behalf of an employer that is not a resident of the United States, and
- 3) Their income is not borne by a permanent establishment or fixed base of the employer in the United States.

Pay received by a New Zealand resident as an employee and member of the regular complement of a ship or aircraft operated in international traffic is exempt from U.S. tax.

The exemption from U.S. tax on income from both independent and dependent personal services does not apply to public entertainers (artists, athletes, etc.) from New Zealand who earn more than \$10,000 in gross receipts, including reimbursed expenses, from their entertainment activities in the United States during the tax year.

## Norway

Income that residents of Norway receive for performing personal services as independent contractors or self-employed individuals (independent personal services) in the United States during the tax year is exempt from U.S. income tax if the residents:

- 1) Are present in the United States for no more than 182 days during the tax year, and
- 2) Do not maintain a fixed base in the United States for more than 182 days during the tax year.

If they do not meet requirement (2), they are taxed only on the income attributable to the fixed base.

This exemption does not apply to residents of Norway who are public entertainers (theater, motion picture, or television artists, musicians, or athletes) if they are in the United States for more than 90 days during the tax year or their pay for services as public entertainers is more than \$10,000 during the tax year.

Income that residents of Norway receive for labor or personal services performed in the United States as employees (dependent personal services) is exempt from U.S. income tax if the residents meet three requirements:

- 1) They are in the United States less than 183 days during the tax year,
- 2) They are employees of a resident of Norway or of a permanent establishment of a resident of a state **other than Norway** if the permanent establishment is situated in Norway, and
- 3) Their income is not borne by a permanent establishment that the employer has in the United States.

However, the exemption does not apply to a resident of Norway who performs ser-

VICES as an employee aboard a ship or an aircraft operated by a United States resident in international traffic or in fishing on the high seas if the resident of Norway is a member of the regular complement of the ship or aircraft.

## Pakistan

Residents of Pakistan who perform personal services (including professional services) for or on behalf of a resident of Pakistan while in the United States for no more than 183 days during the tax year are exempt from U.S. income tax on the income from the services if they are subject to Pakistani tax.

## Philippines

Income that residents of the Philippines receive for performing personal services as independent contractors or as self-employed individuals (independent personal services) in the United States during the tax year is exempt from U.S. income tax if the residents:

- 1) Are in the United States for no more than 89 days during the tax year,
- 2) Earn gross income for those services that is not more than \$10,000 for the tax year if the income is from U.S. contractors, and
- 3) Do not have a fixed base regularly available to them in the United States for performing their services.

If they have a fixed base available in the United States, they are taxed only on the income attributable to the fixed base. There is no dollar limit for condition (2) if the contractor is a resident of a country other than the United States.

Income that residents of the Philippines receive for personal services performed in the United States as employees (dependent personal services) is exempt from U.S. income tax if the residents meet three requirements:

- 1) They are in the United States for no more than 89 days during the tax year,
- 2) They are employees of a resident of the Philippines or of a permanent establishment maintained in the Philippines, and
- 3) Their income is not borne by a permanent establishment that the employer has in the United States.

Pay received by an employee of a resident of the Philippines for personal services performed as a member of the regular complement of a ship or an aircraft operated in international traffic by a resident of the Philippines is exempt.

These exemptions do not apply to income residents of the Philippines receive for performing services (both independent and dependent personal services) in the United States as entertainers, such as theater, motion picture, radio, or television artists, musicians, or athletes, if the income is more than \$100 a day or \$3,000 for the tax year. Regardless of these limits, income of Philippine entertainers is exempt from U.S. tax if their visit to the United States is substantially supported or sponsored by the Philippine Government and the entertainers are certified as qualified for this exemption by the Philippine competent authority.

## Poland

Income that residents of Poland receive for performing personal services as independent contractors or self-employed individuals (independent personal services) in the United States is exempt from U.S. income tax if they are in the United States for no more than 182 days during the tax year.

Income that residents of Poland receive for labor or personal services performed as employees (dependent personal services), including services performed by an officer of a corporation or company, in the United States during the tax year is exempt from U.S. income tax if the residents meet three requirements:

- 1) They are in the United States for no more than 182 days during the tax year,
- 2) Their income is paid by or on behalf of an employer who is not a U.S. resident, and
- 3) Their income is not borne by a permanent establishment that the employer has in the United States.

Pay received by employees who are members of the regular complement of a ship or aircraft operated by a resident of Poland in international traffic is exempt.

## Portugal

Income that residents of Portugal receive for performing personal services as independent contractors or self-employed individuals (independent personal services) in the United States is exempt from U.S. income tax if the residents:

- 1) Are in the United States for no more than 182 days in any 12-month period, and
- 2) Do not have a fixed base regularly available to them in the United States for performing the activities.

If they have a fixed base available, they are taxed only on the income attributable to the fixed base.

Income that residents of Portugal receive for employment in the United States (dependent personal services) is exempt from U.S. income tax if the following three requirements are met:

- 1) The resident is in the United States for no more than 183 days in any 12-month period,
- 2) The income is paid by, or on behalf of, an employer who is not a U.S. resident, and
- 3) The income is not borne by a permanent establishment or fixed base that the employer has in the United States.

Income received by a resident of Portugal for employment as a member of the regular complement of a ship or aircraft operated in international traffic is exempt from U.S. tax.

These exemptions do not apply to income residents of Portugal receive as public entertainers (such as theater, motion picture, radio, or television artists, or musicians) or athletes if that income, including reimbursed expenses, is more than \$10,000. The income of Portuguese entertainers and athletes is exempt from U.S. tax if their visit to the United States is substantially supported by public funds of Portugal or its political or administrative subdivisions.

These exemptions do not apply to directors' fees and similar payments received by a resident of Portugal for services performed outside of Portugal as a member of the board of directors of a company that is a resident of the United States.

## Romania

Income that residents of Romania receive for performing personal services as independent contractors or self-employed individuals (independent personal services) in the United States during the tax year is exempt from U.S. income tax if the residents:

- 1) Are present in the United States for no more than 182 days during the tax year, and
- 2) Do not maintain a permanent establishment in the United States with which the income is effectively connected.

Income that residents of Romania receive for labor or personal services performed as employees (dependent personal services), including services performed by an officer of a corporation or company, in the United States during the tax year is exempt from U.S. income tax if the residents meet these requirements:

- 1) They are in the United States for no more than 182 days during the tax year,
- 2) They are employees of a resident of Romania or of a permanent establishment maintained in Romania by a resident of the United States, and
- 3) Their income is not borne by a permanent establishment that the employer has in the United States.

These exemptions do not apply to entertainers, such as theater, motion picture, radio, or television artists, musicians, or athletes, who are present in the United States for more than 90 days during the tax year (90 days or more if the entertainers are employees) or who earn gross income as entertainers in the United States of more than \$3,000 during the tax year (\$3,000 or more if they are employees). However, the exemptions **do** apply, without regard to the 90 day-\$3,000 requirement, if the entertainers are present in the United States by specific arrangements between the United States and Romania.

Pay received by employees who are members of the regular complement of a ship or aircraft operated by a resident of Romania in international traffic is exempt.

## Russia

Income that residents of Russia receive for performing personal services as independent contractors or self-employed individuals (independent personal services) in the United States is exempt from U.S. income tax if:

- 1) The residents are in the United States for no more than 183 days during the calendar year, or
- 2) The income is not attributable to a fixed base in the United States which is regularly available to the residents.

If the residents have a fixed base available, they are taxed only on the income attributable to the fixed base.

Income that residents of Russia receive for employment in the United States (dependent personal services) is exempt from U.S. income tax if the following three requirements are met:

- 1) The resident is in the United States for no more than 183 days during the calendar year,
- 2) The income is paid by, or on behalf of, an employer who is not a resident of the United States, and
- 3) The income is not borne by a permanent establishment or a fixed base that the employer has in the United States.

However, income from employment directly connected with a place of business that is not a permanent establishment is exempt if the resident is present in the United States not longer than 12 consecutive months. For this purpose, a place of business means a construction site, assembly or installation project, or drilling operation.

Income from employment as a member of the regular complement of a ship or aircraft operated in international traffic is exempt from U.S. tax.

Income from technical services directly connected with the application of a right or property giving rise to a royalty is exempt if those services are provided as part of a contract granting the use of the right or property.

These exemptions do not apply to directors' fees and similar payments received by a resident of Russia as a member of the board of directors or similar body of a company that is a U.S. resident.

## Slovak Republic

Income that residents of the Slovak Republic receive for performing personal services as independent contractors or self-employed individuals (independent personal services) in the United States is exempt from U.S. income tax if the residents:

- 1) Are present in the United States for no more than 183 days in any 12-month period, and
- 2) Do not have a fixed base regularly available to them in the United States for performing the activities.

If they have a fixed base available, they are taxed only on income attributable to the fixed base.

Income that residents of the Slovak Republic receive for employment in the United States (dependent personal services) is exempt from U.S. income tax if the following three requirements are met:

- 1) The resident is present in the United States for no more than 183 days in any 12-month period,
- 2) The income is paid by, or on behalf of, an employer who is not a U.S. resident, and
- 3) The income is not borne by a permanent establishment or a fixed base that the employer has in the United States.

These exemptions do not apply to income residents of the Slovak Republic receive as public entertainers (such as theater, motion picture, radio, or television artists, or musicians) or sportsmen if their gross receipts,

including reimbursed expenses, are more than \$20,000 during the tax year. Regardless of these limits, income of Slovak entertainers and sportsmen is exempt from U.S. income tax if their visit to the United States is substantially supported by public funds of the Slovak Republic, its political subdivisions, or local authorities, or the visit is made pursuant to a specific arrangement between the United States and the Slovak Republic.

These exemptions do not apply to directors' fees and similar payments received by a resident of the Slovak Republic as a member of the board of directors of a company that is a resident of the United States.

Income from employment as a member of the regular complement of a ship or aircraft operated by a Slovak enterprise in international traffic is exempt from U.S. income tax.

## South Africa

Income that residents of South Africa receive for performing personal services as independent contractors or self-employed individuals (independent personal services) in the United States is exempt from U.S. income tax if the residents:

- 1) Are in the United States for no more than 183 days in any 12-month period beginning or ending in the tax year, and
- 2) Do not have a fixed base regularly available to them in the United States for performing the services.

If they have a fixed base available, they are taxed only on income attributable to the fixed base.

Income that residents of South Africa receive for services performed in the United States as employees (dependent personal services) is exempt from U.S. income tax if the following requirements are met:

- 1) The resident is in the United States for no more than 183 days in any 12-month period beginning or ending in the tax year,
- 2) The income is paid by, or on behalf of, an employer who is not a U.S. resident, and
- 3) The income is not borne by a permanent establishment or a fixed base that the employer has in the United States.

These exemptions do not apply to directors' fees and similar payments received by a resident of South Africa for services performed in the United States as a member of the board of directors of a company resident in the United States.

These exemptions do not apply to income residents of South Africa receive as public entertainers (such as theater, motion picture, radio or television artists, or musicians) or athletes if their gross receipts, including reimbursed expenses, are more than \$7,500 during the tax year. Regardless of these limits, income of South African entertainers or athletes is exempt from U.S. income tax if their visit to the United States is wholly or mainly supported by public funds of South Africa, its political subdivisions, or local authorities.

Income received by a resident of South Africa for services performed as an employee and member of the complement of a ship or aircraft operated in international traffic is exempt from U.S. income tax.

## Spain

Income that residents of Spain receive as independent contractors or self-employed individuals (independent personal services) in the United States is exempt from U.S. income tax if the residents do not have a fixed base available to them in the United States for performing the services. If they have a fixed base, they are taxed only on the income attributable to the fixed base.

Income that residents of Spain receive for personal services performed in the United States as employees (dependent personal services) is exempt from U.S. income tax if:

- 1) The residents are present in the United States no more than 183 days in any 12-month period,
- 2) The income is paid by, or on behalf of, an employer who is not a U.S. resident, and
- 3) The income is not borne by a permanent establishment or fixed base the employer has in the United States.

Pay received by employees who are members of a regular complement of a ship or aircraft operated in international traffic by a Spanish enterprise may be taxed by Spain.

These exemptions do not apply to public entertainers (such as theater, motion picture, radio, or television artists, or musicians) or athletes from Spain who earn more than \$10,000 in income, including reimbursed expenses, from their entertainment activities in the United States during the tax year. Regardless of these limits, Spanish entertainers and athletes are exempt from U.S. tax if their visit to the United States is substantially supported by public funds of Spain, a political subdivision, or local authority.

## Sweden

Income that residents of Sweden receive for performing personal services as independent contractors or self-employed individuals (independent personal services) in the United States during the tax year is exempt from U.S. income tax if they do not have a fixed base regularly available to them in the United States for performing the services. If they have a fixed base available in the United States, they are taxed on the income attributable to the fixed base.

Income that residents of Sweden receive for labor or personal services performed in the United States as employees (dependent personal services) is exempt from U.S. income tax if the residents meet three requirements:

- 1) They are in the United States for no more than 183 days during any consecutive 12-month period,
- 2) Their income is paid by, or on behalf of, an employer who is not a resident of the United States, and
- 3) Their income is not borne by a permanent establishment or a fixed base that the employer has in the United States.

Income received by a resident of Sweden for employment as a member of the regular complement of a ship or aircraft operated in international traffic is exempt from U.S. tax.

These exemptions do not apply to income residents of Sweden receive as public entertainers (such as theater, motion picture, radio, or television artists, or musicians) or

athletes if the gross income, including reimbursed expenses, is more than \$6,000 for any 12-month period.

These exemptions do not apply to directors' fees received by a resident of Sweden for services performed outside of Sweden as a member of the board of directors of a company that is a resident of the United States.

## Switzerland

Income that residents of Switzerland receive for labor or personal services (including practicing liberal professions and performing services as directors) is exempt from U.S. income tax if the residents are in the United States for no more than 183 days during the tax year and the income is not more than \$10,000.

Also exempt from U.S. income tax is income, regardless of the amount, received by residents of Switzerland in the United States for no more than 183 days during the tax year for the labor or personal services performed as employees of, or under contract with, a resident, corporation, or other entity of Switzerland.

**New treaty.** See *Important Changes for the effective dates.*

Income that residents of Switzerland receive for personal services as independent contractors or self-employed individuals (independent personal services) that they perform during the tax year in the United States is exempt from U.S. income tax if they do not have a fixed base regularly available to them in the United States for performing the services. If they have a fixed base available in the United States, they are taxed on the income attributable to the fixed base.

Income that residents of Switzerland receive for services performed in the United States as employees (dependent personal services) is exempt from U.S. income tax if the residents meet the following requirements:

- 1) They are in the United States for no more than 183 days in any 12-month period beginning or ending in the tax year,
- 2) Their income is paid by, or on behalf of, an employer who is not a U.S. resident, and
- 3) Their income is not borne by a permanent establishment or a fixed base that the employer has in the United States.

These exemptions do not apply to directors' fees and similar payments received by a resident of Switzerland for services performed in the United States as a member of the board of directors of a company resident in the United States.

These exemptions do not apply to public entertainers (such as theater, motion picture, radio, or television entertainers, musicians and athletes) from Switzerland who earn more than \$10,000 in gross receipts, including reimbursed expenses, from their entertainment activities in the United States during the tax year.

Income received by a resident of Switzerland for services performed as an employee and member of the regular complement of a ship or aircraft operated in international traffic is exempt from U.S. income tax.

## Thailand

Income that residents of Thailand receive for performing personal services as independent contractors or as self-employed individuals (independent personal services) in the United States during the tax year is exempt from U.S. income tax if the residents:

- 1) Are in the United States for no more than 89 days during the tax year, and
- 2) Do not have a fixed base regularly available to them in the United States for performing their services.

If they have a fixed base available in the United States, they are taxed only on the income attributable to the fixed base.

This exemption does not apply if a resident of Thailand earns more than \$10,000 for independent personal services and that income is paid by a U.S. resident or borne by a permanent establishment or fixed base in the United States.

Income that residents of Thailand receive for services performed in the United States as employees (dependent personal services) is exempt from U.S. income tax if the following requirements are met:

- 1) The resident is in the United States for no more than 183 days in any 12-month period beginning or ending in the tax year,
- 2) The income is paid by, or on behalf of, an employer who is not a U.S. resident, and
- 3) The income is not borne by a permanent establishment or a fixed base that the employer has in the United States.

These exemptions do not apply to directors' fees and similar payments received by a resident of Thailand for services performed outside of Thailand as a member of the board of directors of a company that is a resident of the United States.

These exemptions do not apply to income residents of Thailand receive for performing services in the United States as entertainers, such as theater, motion picture, radio, or television artists, musicians, or athletes, if the income is more than \$100 a day or \$3,000 for the tax year. Regardless of these limits, income of Thai entertainers is exempt from U.S. tax if their visit to the United States is substantially supported by public funds of Thailand or its political subdivisions or local authorities.

Pay received by employees of a ship or aircraft operated in international traffic by a Thai enterprise may be taxed by Thailand.

## Trinidad and Tobago

Income (including reimbursed travel expenses) that residents of Trinidad and Tobago receive during the tax year for personal services performed in the United States is exempt from U.S. income tax if the individuals are in the United States for no more than 183 days during the tax year and either:

- 1) The residents are employees of a resident of a country other than the United States or are employees of a permanent establishment of a U.S. resident outside the United States and the income is not deducted in figuring the profits of a permanent establishment in the United States, or

- 2) The income is not more than \$3,000 (excluding reimbursed travel expenses).

These exemptions do not apply to the professional earnings of public entertainers such as actors, musicians, and professional athletes or to any person providing their services if the pay is more than \$100 per day (excluding reimbursed travel expenses).

Pay received by members of the regular complement of a ship or aircraft operated in international traffic by a resident of Trinidad and Tobago is exempt from U.S. tax.

## Tunisia

Income that residents of Tunisia receive for performing personal services as independent contractors or self-employed individuals (independent personal services) in the United States are exempt from U.S. income tax if:

- 1) They are in the United States for no more than 183 days during the tax year,
- 2) They do not have a fixed base regularly available in the United States for performing the services, and
- 3) The gross income for the tax year from U.S. residents for services performed in the United States is no more than \$7,500.

If they do not meet condition (2), they are taxed on the income that is attributable to the fixed base.

Income that residents of Tunisia receive for personal services performed in the United States as employees (dependent personal services) is exempt from U.S. income tax if:

- 1) The residents are in the U.S. for no more than 183 days during the tax year,
- 2) Their income is paid by, or on behalf of, an employer who is not a resident of the United States, and
- 3) Their income is not borne by a permanent establishment or fixed base the employer has in the United States.

Pay received by employees who are members of the regular complement of a ship or aircraft operated by an enterprise in international traffic is exempt from U.S. tax if the place of management of the enterprise is in Tunisia.

These exemptions do not apply to income residents of Tunisia receive as public entertainers (such as theater, motion picture, radio, or television artists and musicians) or athletes if their gross receipts, including reimbursed expenses, are more than \$7,500 during the tax year.

These exemptions do not apply to fees received by a resident of Tunisia for services performed as a director of a U.S. corporation if the fees are treated as a distribution of profits and cannot be taken as a deduction by the corporation.

## Turkey

Income that residents of Turkey receive for performing personal services as independent contractors or self-employed individuals (independent personal services) in the United States is exempt from U.S. income tax if the residents:

- 1) Are in the United States for purposes of performing the services or activities for

no more than 183 days in any 12-month period, and

- 2) Do not have a fixed base regularly available to them in the United States for performing the services.

If they have a fixed base available, they are taxed only on income attributable to the fixed base.

Income that residents of Turkey receive for services performed in the United States as employees (dependent personal services) is exempt from U.S. income tax if the following requirements are met:

- 1) The resident is in the United States for no more than 183 days in any 12-month period,
- 2) The income is paid by, or on behalf of, an employer who is not a U.S. resident, and
- 3) The income is not borne by a permanent establishment or a fixed base that the employer has in the United States.

These exemptions do not apply to directors' fees and similar payments received by a resident of Turkey for services provided in the United States as a member of the board of directors of a company that is a resident of the United States.

These exemptions do not apply to income residents of Turkey receive as public entertainers (such as theater, motion picture, radio, or television artists, or musicians) or athletes if their gross receipts are more than \$3,000 during the tax year for their entertainment activities in the United States. If their visit to the United States is substantially supported by a Turkish non-profit organization or from the public funds of Turkey, its political subdivisions, or local authorities, the income is taxed as independent personal services or dependent personal services.

These exemptions do not apply to a resident of Turkey who performs services as a member of the regular complement of a ship or an aircraft operated by a United States resident in international traffic.

## United Kingdom

Income that residents of the United Kingdom receive for performing personal services as independent contractors or self-employed individuals (independent personal services) in the United States during the tax year is exempt from U.S. tax if the residents:

- 1) Are in the United States for no more than 183 days during the tax year, and
- 2) Do not have a fixed base regularly available in the United States.

Income that residents of the United Kingdom receive for labor or personal services performed in the United States as employees (dependent personal services) is exempt from U.S. tax if the employees meet three requirements:

- 1) They are in the United States for no more than 183 days,
- 2) Their income is paid by or on behalf of an employer who is not a resident of the United States, and
- 3) Their income is not borne by a permanent establishment or a fixed base that the employer has in the United States.

Income for services performed by an employee and member of the regular complement of a ship or aircraft operated in international traffic is taxed by the country of which the employer operating the ship or aircraft is a resident.

These exemptions do not apply to income received for services performed in the United States as an entertainer, musician, or athlete if the income, including reimbursed expenses, is more than \$15,000 in any tax year.

## Professors, Teachers, and Researchers

Pay of professors and teachers who are residents of the following countries is generally exempt from U.S. income tax for 2 or 3 years if they temporarily visit the United States to teach or do research. The exemption applies to pay earned by the visiting professor or teacher during the applicable period. For most of the following countries, the applicable period begins on the date of arrival in the United States for the purpose of teaching or engaging in research. Furthermore, for most of the following countries, the exemption applies even if the stay in the United States extends beyond the applicable period.

The exemption generally applies to pay received during a second teaching assignment if both are completed within the specified time, even if the second assignment was not arranged until after arrival in the United States on the first assignment. For each of the countries listed, the conditions are stated under which the pay of a professor or teacher from that country is exempt from U.S. income tax.

If you do not meet the requirements for exemption as a teacher or if you are a resident of a treaty country that does not have a special provision for teachers, you may qualify under a personal services income provision discussed earlier.

## Austria

A professor or teacher who is a resident of Austria and temporarily visits the United States to teach at a university, college, school, or other educational institution for not longer than 2 years is exempt from U.S. income tax on the income for teaching during that period.

**New treaty.** There is no special provision for professors or teachers on amounts paid or accrued beginning January 1, 1999.

## Belgium

An individual who is a resident of Belgium on the date of arrival in the United States and who is temporarily in the United States at the invitation of the U.S. Government, a university, or other recognized educational institution in the United States primarily to teach or engage in research, or both, at a university or other accredited educational institution is exempt from U.S. income tax on income for the teaching or research for a maximum of 2 years from the date of arrival in the United States.

This exemption does not apply to income from research carried on mainly for the private benefit of any person rather than in the public interest.

## China, People's Republic of

An individual who is a resident of the People's Republic of China and who is temporarily in the United States primarily to teach, lecture, or conduct research at a university or other accredited educational institution or scientific research institution is exempt from U.S. income tax on income for the teaching, lecturing, or research for a total of not more than 3 years.

This exemption does not apply to income from research carried on mainly for the private benefit of any person rather than in the public interest.

## Commonwealth of Independent States

An individual who is a resident of a C.I.S. member on the date of arrival in the United States and who is temporarily in the United States at the invitation of the U.S. Government or an educational or scientific research institution in the United States primarily to teach, engage in research, or participate in scientific, technical, or professional conferences is exempt from U.S. income tax on income for teaching, research, or participation in these conferences for a maximum period of 2 years.

This exemption does not apply to income from research carried on mainly for the benefit of a private person, including a commercial enterprise of the United States or a foreign trade organization of a C.I.S. member.

The exemption does, however, apply if the research is conducted through an intergovernmental agreement on cooperation.

This exemption also applies to journalists and correspondents who are temporarily in the United States for periods not longer than 2 years and who receive their compensation from abroad. It is not necessary that the journalists or correspondents be invited by the U.S. Government or other appropriate institution, nor does it matter that they are employed by a private person, including commercial enterprises and foreign trade organizations.

## Czech Republic

An individual is exempt from U.S. income tax on income for teaching or research for up to 2 years if he or she:

- 1) Is a resident of the Czech Republic immediately before visiting the United States, and
- 2) Is in the United States primarily to teach or conduct research at a university, college, school, or other accredited educational or research institution.

A Czech resident is entitled to these benefits only once. However, the exemption does not apply if:

- 1) The resident claimed during the immediate preceding period the benefits described later under *Students and Apprentices*, or
- 2) The income is from research undertaken primarily for the private benefit of a specific person or persons.

## Denmark

A professor or teacher who is a resident of Denmark and temporarily visits the United States to teach at a university, college, school, or other educational institution for a period not longer than 2 years is exempt from U.S. income tax on income for teaching during that period.

## Egypt

An individual who is a resident of Egypt on the date of arrival in the United States and who is temporarily in the United States primarily to teach or engage in research, or both, at a university or other recognized educational institution is exempt from U.S. income tax on income from the teaching or research for a maximum of 2 years from the date of arrival in the United States. The individual must have been invited to the United States for a period not expected to be longer than 2 years by the U.S. government or a state or local government, or by a university or other recognized educational institution in the United States.

This exemption does not apply to income from research carried on mainly for the private benefit of any person rather than in the public interest.

## France

An individual who is a resident of France on the date of arrival in the United States and who is temporarily in the United States at the invitation of the U.S. Government, a university, or other recognized educational or research institution in the United States primarily to teach or engage in research, or both, at a university or other educational or research institution is exempt from U.S. income tax on income from teaching or research for a maximum of 2 years from the date of arrival in the United States.

An individual may claim this benefit only once. Also, this benefit and the benefits described later under *Students and Apprentices*, can be claimed for no more than 5 years.

This exemption does not apply to income from research carried on mainly for the private benefit of any person rather than in the public interest.

## Germany

A professor or teacher who is a resident of Germany and who is in the United States for not more than 2 years to engage in advanced study or research or teaching at an accredited educational institution or institution engaged in research for the public benefit is exempt from U.S. tax on income received for such study, research, or teaching. If the individual's visit to the United States exceeds 2 years, the exemption is lost for the entire visit unless the competent authorities of Germany and the United States agree otherwise.

The exemption does not apply to income from research carried on mainly for the private benefit of any person rather than in the public interest.

## Greece

A professor or teacher who is a resident of Greece and who is temporarily in the United States to teach at a university, college, or other educational institution for a maximum of 3 years is exempt from U.S. income tax on the income received for teaching during that period.

## Hungary

An individual who is a resident of Hungary on the date of arrival in the United States and who is temporarily in the United States primarily to teach or engage in research, or both, at a university or other recognized educational institution is exempt from U.S. income tax on income for the teaching or research for a maximum of 2 years from the date of arrival in the United States. The individual must have been invited to the United States for a period not expected to be longer than 2 years by the U.S. Government or a state or local government, or by a university or other recognized educational institution in the United States.

The exemption does not apply to income from research carried on mainly for the private benefit of any person rather than in the public interest.

## Iceland

An individual who is a resident of Iceland on the date of arrival in the United States and who is temporarily in the United States at the invitation of the U.S. Government, a university, or other recognized educational institution in the United States primarily to teach or engage in research, or both, at a university or other educational institution is exempt from U.S. income tax on income for the teaching or research for a maximum of 2 years from the date of arrival in the United States.

This exemption does not apply to income from research carried on mainly for the private benefit of any person rather than in the public interest.

## India

An individual is exempt from U.S. tax on income received for teaching or research if he or she:

- 1) Is a resident of India immediately before visiting the United States, and
- 2) Is in the United States to teach or engage in research at an accredited university or other recognized educational institution in the United States for a period not longer than 2 years.

If the individual's visit to the United States exceeds 2 years, the exemption is lost for the entire visit.

This exemption does not apply to income from research carried on mainly for the private benefit of any person rather than in the public interest.

## Indonesia

An individual is exempt from U.S. tax on income for teaching or research for a maximum of 2 years from the date of arrival in the United States if he or she:

- 1) Is a resident of Indonesia immediately before visiting the United States, and
- 2) Is in the United States at the invitation of a university, school, or other recognized educational institution to teach or engage in research, or both, at that educational institution.

A resident of Indonesia is entitled to this exemption only once. But this exemption does not apply to income from research carried on mainly for the private benefit of any person.

## Ireland

A professor or teacher from Ireland who visits the United States to teach at a university, college, school, or other educational institution for not longer than 2 years is exempt from U.S. income tax on the income received for teaching during that period.

**New treaty.** There is no special provision for professors or teachers on amounts paid or accrued beginning January 1, 1998.

## Israel

An individual who is a resident of Israel on the date of arrival in the United States and who is temporarily in the United States primarily to teach or engage in research, or both, at a university or other recognized educational institution is exempt from U.S. income tax on income from the teaching or research for a maximum of 2 years from the date of arrival in the United States. The individual must have been invited to the United States for a period not expected to be longer than 2 years by the U.S. Government or a state or local government, or by a university or other recognized educational institution in the United States.

This exemption does not apply to income from research carried on mainly for the private benefit of any person rather than in the public interest. The exemption does not apply if, during the immediately preceding period, the benefits described in Article 24(1) of the treaty, pertaining to students, were claimed.

## Italy

A professor or teacher who is a resident of Italy on the date of arrival in the United States and who temporarily visits the United States to teach or conduct research at a university, college, school, or other educational institution, or at a medical facility primarily funded from government sources, is exempt from U.S. income tax for up to 2 years on pay from this teaching or research.

This exemption does not apply to income from research carried on mainly for the private benefit of any person rather than in the public interest.

## Jamaica

An individual who is a resident of Jamaica on the date of arrival in the United States and who temporarily visits the United States to teach or engage in research at a university, college, or other recognized educational institution is exempt from U.S. income tax on the income received for the teaching or research for not more than 2 years from the date of arrival in the United States. A resident of Jamaica is entitled to this exemption only once.

This exemption does not apply to income from research carried on mainly for the private benefit of any person rather than in the public interest.

## Japan

An individual who is a resident of Japan on the date of arrival in the United States and who is temporarily in the United States at the invitation of the U.S. Government, a university, or other accredited educational institution located in the United States primarily to teach or engage in research, or both, at a university or other educational institution is exempt from U.S. income tax on income for the teaching

or research for a maximum of 2 years from the date of arrival in the United States.

This exemption does not apply to income from research carried on mainly for the private benefit of any person rather than in the public interest.

## Korea, Republic of

An individual who is a resident of the Republic of Korea on the date of arrival in the United States and who is temporarily in the United States primarily to teach or engage in research, or both, at a university or other recognized educational institution is exempt from U.S. income tax on income for the teaching or research for a maximum of 2 years from the date of arrival in the United States. The individual must have been invited to the United States for a period not expected to be longer than 2 years by the U.S. Government or a state or local government, or by a university or other recognized educational institution in the United States.

The exemption does not apply to income from research carried on mainly for the private benefit of any person rather than in the public interest.

## Luxembourg

A resident of Luxembourg who is temporarily in the United States at the invitation of a U.S. university, college, school, or other recognized educational institution only to teach or engage in research, or both, at that educational institution is exempt from U.S. income tax on income for the teaching or research for not more than 2 years from the date of arrival in the United States.

This exemption does not apply to pay for research carried on for the benefit of any person other than the educational institution that extended the invitation.

## Netherlands

An individual is exempt from U.S. income tax on income received for teaching or research for a maximum of 2 years from the date of arrival if he or she:

- 1) Is a resident of the Netherlands immediately before visiting the United States, and
- 2) Is in the United States to teach or engage in research at a university, college, or other recognized educational institution for not more than 2 years.

If the individual's visit to the United States is longer than 2 years, the exemption is lost for the entire visit unless the competent authorities of the Netherlands and the United States agree otherwise.

The exemption does not apply to income from research carried on primarily for the private benefit of any person rather than in the public interest. Nor does the exemption apply if the resident claimed during the immediate preceding period the benefits described later under *Students and Apprentices*.

## Norway

An individual who is a resident of Norway on the date of arrival in the United States and who is temporarily in the United States at the invitation of the U.S. Government, a university, or other recognized educational institution in the United States primarily to teach or engage in research, or both, at a university

or other recognized educational institution is exempt from U.S. income tax on income for the teaching or research for a maximum period of 2 years from the date of arrival in the United States.

This exemption does not apply to income from research carried on mainly for the private benefit of any person rather than in the public interest.

## Pakistan

A professor or teacher who is a resident of Pakistan and who temporarily visits the United States to teach at a university, college, school, or other educational institution for not longer than 2 years is exempt from U.S. income tax on the income received for teaching for that period.

## Philippines

An individual who is a resident of the Philippines on the date of arrival in the United States and who is temporarily in the United States primarily to teach or engage in research, or both, at a university or other recognized educational institution is exempt from U.S. income tax on income from the teaching or research for not more than 2 years from the date of arrival in the United States. The individual must have been invited to the United States for a period not expected to be longer than 2 years by the U.S. Government or a state or local government, or by a university or other recognized educational institution in the United States.

This exemption does not apply to income from research carried on mainly for the private benefit of any person rather than in the public interest.

## Poland

An individual who is a resident of Poland on the date of arrival in the United States and who is temporarily in the United States at the invitation of the U.S. Government, a university, or other recognized educational institution in the United States primarily to teach or engage in research, or both, at a university or other recognized educational institution is exempt from U.S. income tax on income for the teaching or research for a maximum of 2 years from the date of arrival in the United States.

This exemption does not apply to income from research carried on mainly for the private benefit of any person rather than in the public interest.

## Portugal

An individual who is a resident of Portugal on the date of arrival in the United States and who is temporarily in the United States at the invitation of the U.S. Government, a university, other accredited educational institution, or recognized research institution in the United States, or under an official cultural exchange program, only to teach or engage in research, or both, at a university or educational institution is exempt from U.S. income tax on income from teaching or research for a maximum of 2 years from the date of arrival in the United States. An individual is entitled to these benefits only once. However, these benefits, and the benefits described later under *Students and Apprentices* cannot be claimed either simultaneously or consecutively.

This exemption does not apply to income from research carried on mainly for the pri-

vate benefit of any person rather than in the public interest.

## Romania

An individual who is a resident of Romania on the date of arrival in the United States and who is temporarily in the United States at the invitation of the U.S. Government, a university, or other recognized educational institution in the United States primarily to teach or engage in research, or both, at a university or other recognized educational institution is exempt from U.S. income tax on income for the teaching or research for a maximum of 2 years from the date of arrival in the United States.

This exemption does not apply to income from research carried on mainly for the private benefit of any person rather than in the public interest.

## Slovak Republic

An individual is exempt from U.S. income tax on income for teaching or research for up to 2 years if he or she:

- 1) Is a resident of the Slovak Republic immediately before visiting the United States, and
- 2) Is in the United States primarily to teach or conduct research at a university, college, school, or other accredited educational or research institution.

A Slovak resident is entitled to these benefits only once. However, the exemption does not apply if:

- 1) The resident claimed during the immediate preceding period the benefits described later under *Students and Apprentices*, or
- 2) The income is from research undertaken primarily for the private benefit of a specific person or persons.

## Switzerland

A professor or teacher who is a resident of Switzerland and temporarily visits the United States to teach at a university, college, school, or other educational institution for not longer than 2 years is exempt from U.S. income tax on the income received for teaching for that period.

**New treaty.** There is no special provision for professors or teachers on amounts paid or accrued beginning January 1, 1998.

## Thailand

An individual who is a resident of Thailand on the date of arrival in the United States and who is in the United States for not longer than 2 years primarily to teach or engage in research at a university, college, school, or other recognized educational institution is exempt from U.S. income tax on income for the teaching or research. The exemption from tax applies only if the visit does not exceed two years from the date the individual first visits the United States for the purpose of engaging in teaching or research.

This exemption does not apply to income from research carried on mainly for the private benefit of any person rather than in the public interest. This exemption does not apply if, during the immediately preceding period,

the benefits described in treaty Article 22(1), pertaining to students, were claimed.

## Trinidad and Tobago

An individual who is a resident of Trinidad and Tobago on the date of arrival in the United States and who is temporarily in the United States at the invitation of the U.S. Government, a university, or other accredited educational institution in the United States primarily to teach or engage in research, or both, at a university or other accredited educational institution is exempt from U.S. income tax on the income received for the teaching or research for a maximum of 2 years from the date of arrival in the United States.

This exemption does not apply to income from research carried on mainly for the private benefit of any person rather than in the public interest. Nor does the exemption apply to income if an agreement exists between the Governments of Trinidad and Tobago and the United States for providing the services of these individuals.

## Turkey

An individual who was a resident of Turkey immediately before visiting the United States who is in the United States for not longer than 2 years for the purpose of teaching or engaging in scientific research is exempt from U.S. income tax on payments received from outside the United States for teaching or research.

## United Kingdom

A professor or teacher who is a resident of the United Kingdom on the date of arrival in the United States and who is in the United States for not longer than 2 years primarily to teach or engage in research at a university, college, or other recognized educational institution is exempt from U.S. income tax on income for the teaching or research. If the individual's 2-year period is exceeded, the exemption is lost for the entire visit, including the 2-year period.

The exemption does not apply to income from research carried on mainly for the private benefit of any person rather than in the public interest.

## Students and Apprentices

Residents of the following countries who are in the United States to study or acquire technical experience are exempt from U.S. income tax, under certain conditions, on amounts received from abroad for their maintenance and studies.

This exemption does not apply to the salary paid by a foreign corporation to one of its executives, a citizen and resident of a foreign country who is temporarily in the United States to study a particular industry for an employer. That amount is a continuation of salary and is not received to study or acquire experience.

For each country listed there is a statement of the conditions under which the exemption applies to students and apprentices from that country.

Amounts received from the National Institutes of Health (NIH) under provisions of the **Visiting Fellows Program** are generally treated as a grant, allowance, or award for purposes of whether an exemption is provided by treaty. Amounts received from NIH under the **Visiting Associate Program** and

**Visiting Scientist Program** are not exempt from U.S. tax as a grant, allowance, or award.

## Australia

A resident of Australia or an individual who was a resident of Australia immediately before visiting the United States who is temporarily here for full-time education is exempt from U.S. income tax on payments received from outside the United States for the individual's maintenance or education.

## Austria

A resident of Austria who is temporarily in the United States only as a student at a university, college, school, or other educational institution is exempt from U.S. income tax on amounts received from abroad for study and maintenance. An apprentice (including *Volontäre* and *Praktikanten*) who is a resident of Austria and is temporarily in the United States only to acquire business or technical experience is also exempt from U.S. income tax on amounts received from abroad for study and maintenance.

A resident of Austria who receives a grant, allowance, or award from a nonprofit religious, scientific, literary, or educational organization is exempt from U.S. income tax on the payments from that organization. Pay for personal services is not exempt.

A resident of Austria who is an employee of an Austrian enterprise, or an organization of the kind mentioned in the preceding paragraph, is exempt from U.S. income tax on pay from abroad paid by that enterprise or organization if:

- 1) The individual is temporarily in the United States for no more than one year only to acquire technical, professional, or business experience from any person other than the enterprise or organization by which employed, and
- 2) The annual income for services, whenever performed, is not more than \$10,000.

**New treaty.** See *Important Changes for the effective dates*.

A student, apprentice, or business trainee who is a resident of Austria immediately before visiting the United States and is in the United States for the purpose of full-time education at a recognized educational institution or full-time training is exempt from U.S. income tax on amounts received from sources outside the United States for the individual's maintenance, education, or training.

Apprentices and business trainees are entitled to the benefit of this exemption for a maximum period of three years.

## Barbados

A student or business apprentice who is a resident of Barbados on the date of arrival in the United States and is here for full-time education or training is exempt from U.S. income tax on payments received from outside the United States for the individual's maintenance, education, or training.

Nevertheless, an individual who qualifies for this exemption may instead choose to be treated as a resident alien of the United States for all U.S. income tax purposes. Once made, this choice applies for the entire period that the individual remains qualified for exemption and may not be revoked without the permission of the U.S. competent authority.

## Belgium

An individual who is a resident of Belgium on the date of arrival in the United States and who is temporarily in the United States primarily to study at a university or other recognized educational institution in the United States, obtain professional training, or study or do research as a recipient of a grant, allowance, or award from a governmental, religious, charitable, scientific, literary, or educational organization is exempt from U.S. income tax on the following amounts:

- 1) Gifts from abroad for maintenance, education, study, research, or training,
- 2) The grant, allowance, or award, and
- 3) Income from personal services performed in the United States of up to \$2,000 for each tax year.

An individual is entitled to the benefit of this exemption for a maximum of 5 years.

An individual who is a resident of Belgium on the date of arrival in the United States and who is in the United States as an employee of, or under contract with, a resident of Belgium is exempt from U.S. income tax for a period of 12 consecutive months on up to \$5,000 received for personal services if the individual is in the United States primarily to:

- 1) Acquire technical, professional, or business experience from a person other than that resident of Belgium or other than a person related to that resident, or
- 2) Study at an educational institution.

An individual who is a resident of Belgium on the date of arrival in the United States and who is temporarily present in the United States for not longer than one year as a participant in a program sponsored by the U.S. Government primarily to train, research, or study is exempt from U.S. income tax on income received for personal services for the training, research, or study in the amount of \$10,000.

## Canada

A full-time student, trainee, or business apprentice who is or was a Canadian resident immediately before visiting the United States is exempt from U.S. income tax on amounts received from sources outside the United States for maintenance, education, or training.

Also see Publication 597, *Information on the United States—Canada Income Tax Treaty*.

## China, People's Republic of

A student, business apprentice, or trainee who is a resident of the People's Republic of China on the date of arrival in the United States and who is present in the United States solely to obtain training, education, or special technical experience is exempt from U.S. income tax on the following amounts:

- 1) Payments received from abroad for maintenance, education, study, research, or training,
- 2) Grants or awards from a government, scientific, educational, or other tax-exempt organization, and

- 3) Income from personal services performed in the United States of up to \$5,000 for each tax year.

An individual is entitled to this exemption only for the time reasonably necessary to complete the education or training.

## Commonwealth of Independent States

An individual who is a resident of a C.I.S. member and who is temporarily in the United States primarily to study at an educational or scientific research institution or to obtain training for qualification in a profession or specialty is exempt from U.S. income tax on amounts received as stipends, scholarships, or other substitute allowances necessary to provide ordinary living expenses. An individual is entitled to the benefit of this exemption for a maximum of 5 years and for less than \$10,000 in each tax year.

An individual who is a resident of a C.I.S. member and who is temporarily in the United States primarily to acquire technical, professional, or commercial experience or perform technical services and who is an employee of, or under contract with, a resident of a C.I.S. member is exempt from U.S. income tax on the amounts received from that resident. Also exempt is an amount received from U.S. sources, of not more than \$10,000, that is necessary to provide for ordinary living expenses. The exemption contained in this paragraph is limited to one year.

An individual who is a resident of a C.I.S. member and who is temporarily present in the United States under an exchange program provided for by an agreement between governments on cooperation in various fields of science and technology is exempt from U.S. income tax on all income received in connection with the exchange program for a period not longer than one year.

## Cyprus

An individual who is a resident of Cyprus on the date of arrival in the United States and who is temporarily here primarily to study at a university or other recognized educational institution in the United States, obtain professional training, or study or do research as a recipient of a grant, allowance, or award from a governmental, religious, charitable, scientific, literary, or educational organization is exempt from U.S. income tax on the following amounts:

- 1) Gifts from abroad for maintenance, education, or training,
- 2) The grant, allowance, or award, and
- 3) Income from personal services performed in the United States of up to \$2,000 for each tax year.

An individual is entitled to this exemption for up to 5 tax years and for an additional period as is necessary to complete, as a full-time student, educational requirements for a postgraduate or professional degree from a recognized educational institution.

An individual who is a resident of Cyprus on the date of arrival in the United States and who is temporarily here as an employee of, or under contract with, a resident of Cyprus is exempt from U.S. income tax for not more than one year on income from personal services for a maximum of \$7,500 if the individual is in the United States primarily to either:

- 1) Acquire technical, professional, or business experience from a person other than a resident of Cyprus or other than a person related to that resident, or
- 2) Study at a university or other recognized educational institution.

An individual who is a resident of Cyprus on the date of arrival in the United States and who is temporarily here for a period of not more than one year as a participant in a program sponsored by the U.S. Government primarily to train, research, or study is exempt from U.S. income tax on income for personal services for the training, research, or study. This exemption is limited to \$10,000.

## Czech Republic

An individual who is a resident of the Czech Republic at the beginning of his or her visit to the United States and who is temporarily present in the United States is exempt from U.S. income tax on certain amounts for a period of up to 5 years. To be entitled to the exemption, the individual must be in the United States for the primary purpose of:

- 1) Studying at a university or other accredited educational institution in the United States,
- 2) Obtaining training required to qualify him or her to practice a profession or professional specialty, or
- 3) Studying or doing research as a recipient of a grant, allowance, or award from a governmental, religious, charitable, scientific, literary, or educational organization.

If the individual meets any of these requirements, the following amounts are exempt from U.S. tax:

- 1) The payments from abroad, other than compensation for personal services, for the purpose of maintenance, education, study, research, or training,
- 2) The grant, allowance, or award, and
- 3) The income from personal services performed in the United States of up to \$5,000 for the tax year.

An individual who is a Czech resident at the beginning of the visit to the United States and who is temporarily present in the United States as an employee of, or under contract with, a Czech resident is exempt from U.S. income tax for a period of 12 consecutive months on up to \$8,000 received for personal services if the individual is in the United States primarily to:

- 1) Acquire technical, professional, or business experience from a person other than the Czech resident, or
- 2) Study at a university or other accredited educational institution in the United States.

An individual who is a Czech resident at the time he or she becomes temporarily present in the United States and who is temporarily present in the United States for a period not longer than 1 year as a participant in a program sponsored by the U.S. government for the primary purpose of training, research, or study, is exempt from U.S. income



tax on up to \$10,000 of income from personal services for that training, research, or study.

These exemptions do not apply to income from research undertaken primarily for the private benefit of a specific person or persons.

## Denmark

A student or apprentice who is a citizen of Denmark and lives in the United States only to study or acquire business experience is exempt from U.S. income tax on amounts (other than the student's own income) received from abroad for maintenance and studies.

## Egypt

An individual who is a resident of Egypt on the date of arrival in the United States and who is temporarily in the United States primarily to study at a university or other recognized educational institution in the United States, obtain professional training, or study or do research as a recipient of a grant, allowance, or award from a governmental, religious, charitable, scientific, literary, or educational organization is exempt from U.S. income tax on the following amounts:

- 1) Gifts from abroad for maintenance, education, study, research, or training,
- 2) The grant, allowance, or award, and
- 3) Income from personal services performed in the United States of up to \$3,000 each tax year.

An individual is entitled to the benefit of this exemption for a maximum of 5 tax years and for any additional period of time needed to complete, as a full-time student, educational requirements as a candidate for a postgraduate or professional degree from a recognized educational institution.

An individual who is a resident of Egypt on the date of arrival in the United States and who is temporarily in the United States as an employee of, or under contract with, a resident of Egypt is exempt from U.S. income tax for a period of 12 consecutive months on up to \$7,500 received for personal services if the individual is in the United States primarily to:

- 1) Acquire technical, professional, or business experience from a person other than that resident of Egypt or other than a person related to that resident, or
- 2) Study at a university or other educational institution.

An individual who is a resident of Egypt on the date of arrival in the United States and who is temporarily in the United States for no more than one year as a participant in a program sponsored by the U.S. Government primarily to train, research, or study is exempt from U.S. income tax on income received for personal services for the training, research, or study for a maximum of \$10,000.

## Finland

A full-time student, trainee, or business apprentice who is a resident of Finland immediately before visiting the United States is exempt from U.S. income tax on amounts received from sources outside the United States for maintenance, education, or training.

## France

An individual who is a resident of France on the date of arrival in the United States and who is temporarily in the United States primarily to study at a university or other recognized educational institution in the United States, obtain professional training, or study, or do research as a recipient of a grant, allowance, or award from a not-for-profit governmental, religious, charitable, scientific, artistic, cultural, or educational organization is exempt from U.S. income tax on the following amounts:

- 1) Gifts from abroad for maintenance, education, study, research, or training,
- 2) The grant, allowance, or award, and
- 3) Income from personal services performed in the United States of up to \$5,000 each tax year.

An individual is entitled to this benefit and the benefit described earlier under *Professors, Teachers, and Researchers* for a maximum of 5 tax years.

This exemption does not apply to income from research carried on mainly for the private benefit of any person rather than in the public interest.

An individual who is a resident of France on the date of arrival in the United States and who is in the United States as an employee of, or under contract with, a resident of France is exempt from U.S. income tax for a period of 12 consecutive months on up to \$8,000 received for personal services if the individual is in the United States primarily to:

- 1) Acquire technical, professional, or business experience from a person other than that resident of France, or
- 2) Study at an educational institution.

## Germany

A student or business apprentice (including *Volontäre and Praktikanten*) who is or was immediately before visiting the United States a resident of Germany and who is present in the United States for full-time education or training is exempt from U.S. income tax on amounts from sources outside the United States for maintenance, education, or training.

An individual who is or was immediately before visiting the United States a resident of Germany is exempt from U.S. tax on amounts received as a grant, allowance, or award from a nonprofit religious, charitable, scientific, literary, or educational organization.

Individuals described in the previous two paragraphs are also exempt from U.S. tax on compensation for dependent personal services of up to \$5,000 per year if:

- 1) They are present in the United States for not more than 4 years, and
- 2) The services are performed for the purpose of supplementing funds available otherwise for maintenance, education, or training.

If the individual's visit exceeds 4 years, the exemption is lost for the entire visit unless the competent authorities of Germany and the United States agree otherwise.

An individual who is a resident of Germany and who is employed by a German enterprise or by a nonprofit religious, charitable, scientific, literary, or educational organ-

ization is exempt from U.S. tax on compensation paid by the employer from outside the United States if:

- 1) The individual is temporarily in the United States for not more than one year to acquire technical, professional, or business experience from any person other than his or her employer, and
- 2) The compensation is not more than \$10,000.

If the compensation is more than \$10,000, none of the income is exempt.

## Greece

A student or business apprentice who is a resident of Greece and is temporarily in the United States only to study or acquire business experience is exempt from U.S. income tax on amounts received from sources outside the United States for maintenance or studies.

## Hungary

An individual who is a resident of Hungary immediately before arrival in the United States and is here for full-time education or training is exempt from U.S. income tax on payments received from outside the United States for the individual's maintenance, education, or training.

The full-time student or trainee may instead choose to be treated as a resident alien of the United States for U.S. income tax purposes. Once made, the choice applies for the entire period that the individual remains qualified for exemption as a full-time student or trainee and may not be changed unless permission is obtained from the U.S. competent authority.

## Iceland

An individual who is a resident of Iceland on the date of arrival in the United States and who is temporarily in the United States primarily to study at a university or other recognized educational institution in the United States, obtain professional training, or study or do research as a recipient of a grant, allowance, or award from a governmental, religious, charitable, scientific, literary, or educational organization is exempt from U.S. income tax on the following amounts:

- 1) Gifts from abroad for maintenance, education, study, research, or training,
- 2) The grant, allowance, or award, and
- 3) Income from personal services performed in the United States of up to \$2,000 each tax year.

An individual is entitled to the benefit of this exemption for a maximum of 5 years.

An individual who is a resident of Iceland on the date of arrival in the United States and who is temporarily in the United States as an employee of, or under contract with, a resident of Iceland is exempt from U.S. income tax for a period of 12 consecutive months on up to \$5,000 received for personal services if the individual is in the United States primarily to:

- 1) Acquire technical, professional, or business experience from a person other than that resident of Iceland or other than a person related to that person, or

## 2) Study at an educational institution.

An individual who is a resident of Iceland on the date of arrival in the United States and who is temporarily present in the United States for not longer than one year as a participant in a program sponsored by the U.S. Government primarily to train, research, or study is exempt from U.S. income tax on income received for personal services for the training, research, or study for a maximum of \$10,000.

## India

An individual who is a resident of India immediately before visiting the United States and who is temporarily in the United States primarily for studying or training is exempt from U.S. income tax on payments from abroad for maintenance, study, or training. The exemption does not apply to payments borne by a permanent establishment in the United States or paid by a U.S. citizen or resident, the U.S. Government, or any of its agencies, instrumentalities, political subdivisions, or local authorities.

Under the treaty, if the payments are not exempt under the rule described above, an individual described in the previous paragraph may be eligible to deduct exemptions for his or her spouse and dependents and the standard deduction. The individual **must** file Form 1040NR or Form 1040NR-EZ to claim these amounts. For information on how to claim these amounts, see chapter 5 in Publication 519.

The individual is entitled to these benefits only for a period of time considered reasonable or customarily required to complete studying or training.

## Indonesia

An individual who is a resident of Indonesia immediately before visiting the United States and who is temporarily in the United States is exempt from U.S. income tax on certain amounts for a period of up to 5 years. To be entitled to the exemption, the individual must be temporarily in the United States for full-time study at a U.S. university, school, or other recognized educational institution, or for full-time study, research, or training as a recipient of a grant, allowance, or award from either the U.S. or Indonesian Government, a scientific, educational, religious, or charitable organization, or under a technical assistance program entered into by either the U.S. or Indonesian Government. If the individual meets any of these requirements, the following amounts are exempt from tax:

- 1) All payments from abroad for maintenance, education, study, research, or training,
- 2) The grant, allowance, or award, and
- 3) Income from personal services performed in the United States of up to \$2,000 each tax year.

An individual who is a resident of Indonesia immediately before visiting the United States and is temporarily in the United States only as a business or technical apprentice is exempt from U.S. income tax for a period of 12 consecutive months on up to \$7,500 received for personal services.

## Ireland

A student or business apprentice from Ireland who is receiving full-time education or training in the United States is exempt from U.S. income tax on payments received from persons in Ireland for maintenance, education, or training.

**New treaty.** See *Important Changes for the effective dates.*

A student, apprentice, or business trainee who is a resident of Ireland immediately before visiting the United States and is in the United States for the purpose of full-time education at a recognized educational institution or full-time training is exempt from U.S. income tax on amounts received from sources outside the United States for the individual's maintenance, education, or training.

Apprentices and business trainees are entitled to the benefit of this exemption for a maximum period of one year.

## Israel

An individual who is a resident of Israel on the date of arrival in the United States and who is temporarily in the United States primarily to study at a university or other recognized educational institution in the United States, obtain professional training, or study or do research as a recipient of a grant, allowance, or award from a governmental, religious, charitable, scientific, literary, or educational organization is exempt from U.S. income tax on the following amounts:

- 1) Gifts from abroad for maintenance, education, study, research, or training,
- 2) The grant, allowance, or award, and
- 3) Income from personal services performed in the United States of up to \$3,000 each tax year.

An individual is entitled to the benefit of this exemption for a maximum of 5 tax years.

An individual who is a resident of Israel on the date of arrival in the United States and who is temporarily in the United States as an employee of, or under contract with, a resident of Israel is exempt from U.S. income tax for a period of 12 consecutive months on up to \$7,500 received for personal services if the individual is in the United States primarily to:

- 1) Acquire technical, professional, or business experience from a person other than that resident of Israel or other than a person related to that resident, or
- 2) Study at a university or other educational institution.

An individual who is a resident of Israel on the date of arrival in the United States and who is temporarily in the United States for no more than one year as a participant in a program sponsored by the U.S. Government primarily to train, research, or study is exempt from U.S. income tax on income received for personal services for the training, research, or study for a maximum of \$10,000.

## Italy

A student or business apprentice (trainee) who is a resident of Italy on the date of arrival in the United States and who is temporarily in the United States only for education or training is exempt from U.S. income tax on amounts received from outside the United

States for maintenance, education, and training.

## Jamaica

A student who is a resident of Jamaica on the date of arrival in the United States and is here for full-time education or training is exempt from U.S. income tax on payments received from outside the United States for the student's maintenance, education, or training.

An individual who is a resident of Jamaica on the date of arrival in the United States and who is temporarily in the United States as an employee of, or under contract with, a resident of Jamaica is exempt from U.S. income tax for a period of 12 consecutive months on up to \$7,500 of net income from personal services if the individual is in the United States primarily to:

- 1) Acquire technical, professional, or business experience from a person other than that resident of Jamaica or other than a person related to that resident, or
- 2) Study at a university or other recognized educational institution.

An individual who qualifies for one of the exemptions discussed above may instead choose to be treated as a resident alien of the United States for all U.S. income tax purposes. Once made, the choice applies for the entire period that the individual remains qualified for exemption and may not be revoked unless permission is obtained from the U.S. competent authority.

## Japan

An individual who is a resident of Japan on the date of arrival in the United States and who is temporarily in the United States primarily to study at a university or other accredited educational institution in the United States, obtain professional training, or study or do research as a recipient of a grant, allowance, or award from a governmental, religious, charitable, scientific, literary, or educational organization is exempt from U.S. income tax on the following amounts:

- 1) Gifts from abroad for maintenance, education, study, research, or training,
- 2) The grant, allowance, or award, and
- 3) Income from personal services performed in the United States of up to \$2,000 each tax year.

An individual is entitled to the benefit of this exemption for a maximum of 5 years.

An individual who is a resident of Japan on the date of arrival in the United States and who is in the United States as an employee of, or under contract with, a resident of Japan is exempt from U.S. income tax for a period of 12 consecutive months on up to \$5,000 received for personal services if the individual is in the United States primarily to:

- 1) Acquire technical, professional, or business experience from a person other than that resident of Japan, or
- 2) Study at an educational institution.

An individual who is a resident of Japan on the date of arrival in the United States and who is temporarily present in the United States for not longer than one year as a participant in a program sponsored by the U.S.

Government primarily to train, research, or study is exempt from U.S. income tax on income received for personal services for the training, research, or study in the amount of \$10,000.

## Kazakstan

An individual who is a resident of Kazakstan at the beginning of his or her visit to the United States is exempt from U.S. tax on payments from abroad for maintenance, education, study, research, or training and on any grant, allowance, or other similar payments. To be entitled to the exemption, the individual must be temporarily present in the United States primarily to:

- 1) Study at a university or other accredited educational institution,
- 2) Obtain training required to qualify him or her to practice a profession or professional specialty, or,
- 3) Study or do research as a recipient of a grant, allowance, or other similar payments from a governmental, religious, charitable, scientific, literary, or educational organization.

The individual is entitled to this exemption only for a period of time necessary to complete the study, training, or research, but the exemption for training or research may not extend for a period exceeding 5 years.

These exemptions do not apply to income from research if it is undertaken primarily for the private benefit of a specific person or persons.

## Korea, Republic of

An individual who is a resident of the Republic of Korea on the date of arrival in the United States and who is temporarily in the United States primarily to study at a university or other recognized educational institution in the United States, obtain professional training, or study or do research as a recipient of a grant, allowance, or award from a governmental, religious, charitable, scientific, literary, or educational organization is exempt from U.S. income tax on the following amounts:

- 1) Amounts from abroad for maintenance, education, study, research, or training,
- 2) The grant, allowance, or award, and
- 3) Income from personal services performed in the United States of up to \$2,000 each tax year.

An individual is entitled to the benefit of this exemption for a maximum of 5 years.

An individual who is a resident of Korea on the date of arrival in the United States and who is temporarily in the United States as an employee of, or under contract with, a resident of Korea is exempt from U.S. income tax for one year on up to \$5,000 received for personal services if the individual is in the United States primarily to:

- 1) Acquire technical, professional, or business experience from a person other than that resident of Korea or other than a person related to that resident, or
- 2) Study at an educational institution.

An individual who is a resident of Korea on the date of arrival in the United States and who is temporarily present in the United States for not longer than one year as a par-

ticipant in a program sponsored by the U.S. Government primarily to train, research, or study is exempt from U.S. income tax on income received for personal services for the training, research, or study for a maximum of \$10,000.

## Luxembourg

Certain residents of Luxembourg are exempt from U.S. income tax on income received from abroad for employment or amounts received from abroad for their maintenance, education, or training if they are temporarily in the United States. To qualify for this exemption they must be temporarily in the United States only as:

- 1) Students at a university, college, school, or other recognized educational institution, or
- 2) Business apprentices for not more than one year, or
- 3) Recipients of a grant, allowance, or award from a religious, charitable, scientific, literary, or educational organization primarily to study or research.

Certain other residents of Luxembourg who are temporarily in the United States for no more than one year are exempt from U.S. income tax for that period on pay, including pay from an employer abroad, of not more than \$5,000. To qualify for this exemption they must be employees of, or under contract with, a Luxembourg enterprise or a Luxembourg religious, charitable, scientific, literary, or educational organization and be in the United States only to acquire technical, professional, or business experience from a person other than that enterprise or organization.

Residents of Luxembourg are also exempt from U.S. income tax on certain income if they are in the United States for no more than one year only for training, research, or study under an arrangement with the U.S. Government. The income that is exempt in this case is that received for services directly related to this training, research, or study and includes pay from their employer abroad. The amount exempt may not be more than \$10,000.

## Mexico

A student or business apprentice who is a resident of Mexico immediately before visiting the United States and is in the United States solely for the purpose of education or training is exempt from U.S. tax on amounts received from sources outside the United States for the individual's maintenance, education, or training.

## Morocco

An individual who is a resident of Morocco on the date of arrival in the United States and who is temporarily in the United States primarily to study at a university or other recognized educational institution in the United States, obtain professional training, or study or do research as a recipient of a grant, allowance, or award from a governmental, religious, charitable, scientific, literary, or educational organization is exempt from U.S. income tax on the following amounts:

- 1) Gifts from abroad for maintenance, education, study, research, or training,
- 2) The grant, allowance, or award, and

- 3) Income from personal services performed in the United States of up to \$2,000 each tax year.

An individual is entitled to the benefit of this exemption for a maximum of 5 years.

## Netherlands

An individual who immediately before visiting the United States is a resident of the Netherlands and who is present in the United States primarily for full-time study at a recognized university, college, or school or securing training as a business apprentice is exempt from U.S. income tax on the following amounts:

- 1) Payments from abroad for maintenance, education, or training, and
- 2) Income from personal services performed in the United States of up to \$2,000 each tax year.

The individual is entitled to this exemption only for a period of time considered reasonable or customarily required to complete studying or training.

An individual who immediately before visiting the United States is a resident of the Netherlands and is temporarily present in the United States for a period not exceeding 3 years for the purpose of study, research, or training solely as a recipient of a grant, allowance, or award from a scientific, educational, religious, or charitable organization or under a technical assistance program entered into by either the Netherlands or the United States, or its political subdivisions or local authorities is exempt from U.S. income tax on the following amounts:

- 1) The amount of the grant, allowance, or award, and
- 2) Income of up to \$2,000 for personal services performed in the United States for any tax year if the services are connected with, or incidental to, the study, research, or training.

An individual is not entitled to these exemptions if, during the immediately preceding period, the individual claimed the exemption discussed earlier under *Professors, Teachers, and Researchers*.

## New Zealand

A resident of New Zealand or an individual who was a resident of New Zealand immediately before visiting the United States who is in the United States for full-time education is exempt from U.S. income tax on amounts received from abroad for maintenance or education.

## Norway

An individual who is a resident of Norway on the date of arrival in the United States and who is temporarily in the United States primarily to study at a university or other recognized educational institution in the United States, obtain professional training, or study or do research as a recipient of a grant, allowance, or award from a governmental, religious, charitable, scientific, literary, or educational organization is exempt from U.S. income tax on the following amounts:

- 1) Gifts from abroad for maintenance, education, study, research, or training,

- 2) The grant, allowance, or award, and
- 3) Income from personal services performed in the United States up to \$2,000 each tax year.

An individual is entitled to the benefit of this exemption for a maximum of 5 tax years.

An individual who is a resident of Norway on the date of arrival in the United States and who is in the United States as an employee of, or under contract with, a resident of Norway is exempt from U.S. income tax for a period of 12 consecutive months on up to \$5,000 received for personal services if the individual is in the United States primarily to:

- 1) Acquire technical, professional, or business experience from a person other than that resident of Norway or other than a person related to that resident of Norway, or
- 2) Study at an educational institution.

Also exempt is a resident of Norway who is present in the United States for not longer than one year as a participant in a program sponsored by the Government of the United States primarily to train, research, or study. The individual is exempt from tax on income from personal services performed in the United States and received for the training, research, or study, for a maximum of \$10,000.

## Pakistan

Residents of Pakistan temporarily in the United States are exempt from U.S. income tax on certain income they may receive. To be entitled to this exemption, they must be in the United States only as students at a recognized university, college, or school, or as recipients of grants, allowances, or awards from religious, charitable, scientific, or educational organizations of Pakistan primarily to study or research. The income exempt in these cases is any payment from abroad for maintenance, education, or training, and any pay for personal services of not more than \$5,000 for any tax year.

Other residents of Pakistan who are temporarily in the United States for no more than one year are exempt from U.S. income tax on pay of not more than \$6,000 received for that period, including pay from the enterprise or organization of which they are employees or with which they are under contract. To qualify for this exemption, they must be employees of, or under contract with, a Pakistani enterprise or religious, charitable, scientific, or educational organization and be in the United States only to acquire technical, professional, or business experience from a person other than that enterprise or organization.

Also exempt from U.S. income tax on certain income are residents of Pakistan temporarily in the United States under an arrangement with the U.S. Government, or any of its agencies or instrumentalities, only for study, training, or orientation. They are exempt from tax on income of not more than \$10,000 for services directly related to their training, study, or orientation, including income from their employer abroad.

## Philippines

An individual who is a resident of the Philippines on the date of arrival in the United States and who is temporarily in the United States primarily to study at a university or other recognized educational institution in the United States, obtain professional training, or study or do research as a recipient of a grant, allowance, or award from a governmental, religious, charitable, scientific, literary, or educational organization is exempt from U.S. income tax on the following amounts:

- 1) Gifts from abroad for maintenance, education, study, research, or training,
- 2) The grant, allowance, or award, and
- 3) Income from personal services performed in the United States of up to \$3,000 each tax year.

An individual is entitled to the benefit of this exemption for a maximum of 5 years.

An individual who is a resident of the Philippines on the date of arrival in the United States and who is temporarily in the United States as an employee of, or under contract with, a resident of the Philippines is exempt from U.S. income tax for a period of 12 consecutive months on up to \$7,500 received for personal services if the individual is in the United States primarily to:

- 1) Acquire technical, professional, or business experience from a person other than that resident of the Philippines or other than a person related to that resident, or
- 2) Study at an educational institution.

An individual who is a resident of the Philippines on the date of arrival in the United States, and who is temporarily in the United States (for no more than one year as a participant in a program sponsored by the U.S. Government) primarily to train, research, or study, is exempt from U.S. income tax on income received for personal services for the training, research, or study, up to a maximum of \$10,000.

## Poland

An individual who is a resident of Poland on the date of arrival in the United States and who is temporarily in the United States primarily to study at a university or other recognized educational institution in the United States, obtain professional training, or study or do research as a recipient of a grant, allowance, or award from a governmental, religious, charitable, scientific, literary, or educational organization is exempt from U.S. income tax on the following amounts:

- 1) Gifts from abroad for maintenance, education, study, research, or training,
- 2) The grant, allowance, or award,
- 3) Any other payments received from Poland, except income from performing personal services, and
- 4) Income from personal services performed in the United States of up to \$2,000 each tax year.

An individual is entitled to the benefit of this exemption for a maximum of 5 years.

An individual who is a resident of Poland on the date of arrival in the United States and who is temporarily in the United States as an

employee of, or under contract with, a resident of Poland is exempt from U.S. income tax for one year on up to \$5,000 received for personal services if the individual is in the United States primarily to:

- 1) Acquire technical, professional, or business experience from a person other than that resident of Poland or other than a person related to that resident, or
- 2) Study at an educational institution.

An individual who is a resident of Poland on the date of arrival in the United States and who is temporarily in the United States for not longer than one year as a participant in a program sponsored by the U.S. Government primarily to train, research, or study is exempt from U.S. income tax on up to \$10,000 of income received for personal services for the training, research, or study.

## Portugal

An individual who is a resident of Portugal on the date of arrival in the United States and who is temporarily in the United States primarily to study at a university or other accredited educational institution in the United States, obtain professional training, or study, or do research as a recipient of a grant, allowance, or award from a governmental, religious, charitable, scientific, literary, or educational organization is exempt from U.S. income tax on the following amounts:

- 1) Payments from abroad for maintenance, education, study, research, or training,
- 2) The grant, allowance, or award, and
- 3) Income from personal services performed in the United States of up to \$5,000 each tax year.

An individual is entitled to the benefit of this exemption for a maximum of 5 tax years from the date of arrival in the United States. The benefits provided here and the benefits described earlier under *Professors, Teachers, and Researchers* cannot be claimed simultaneously or consecutively.

An individual who is a resident of Portugal on the date of arrival in the United States and who is in the United States as an employee of, or under contract with, a resident of Portugal is exempt from U.S. income tax for a period of 12 consecutive months on up to \$8,000 received for personal services if the individual is in the United States primarily to:

- 1) Acquire technical, professional, or business experience from a person other than that resident of Portugal, or
- 2) Study at an educational institution.

## Romania

An individual who is a resident of Romania on the date of arrival in the United States and who is temporarily in the United States primarily to study at a university or other recognized educational institution in the United States, obtain professional training, or study or do research as a recipient of a grant, allowance, or award from a governmental, religious, charitable, scientific, literary, or educational organization is exempt from U.S. income tax on the following amounts:

- 1) Gifts from abroad for maintenance, education, study, research, or training,
- 2) The grant, allowance, or award, and

- 3) Income from personal services performed in the United States of up to \$2,000 each tax year.

An individual is entitled to the benefit of this exemption for a maximum of 5 years.

An individual who is a resident of Romania on the date of arrival in the United States and who is temporarily in the United States as an employee of, or under contract with, a resident of Romania is exempt from U.S. income tax for one year on up to \$5,000 received for personal services if the individual is in the United States primarily to:

- 1) Acquire technical, professional, or business experience from a person other than that resident of Romania or other than a person related to that resident, or
- 2) Study at an educational institution.

An individual who is a resident of Romania on the date of arrival in the United States and who is temporarily in the United States for not longer than one year as a participant in a program sponsored by the U.S. Government primarily to train, research, or study is exempt from U.S. income tax on up to \$10,000 of income received for personal services for the training, research, or study.

## Russia

An individual who is a resident of Russia at the beginning of his or her visit to the United States is exempt from U.S. tax on payments from abroad for maintenance, education, study, research, or training and on any grant, allowance, or other similar payments. To be entitled to the exemption, the individual must be temporarily present in the United States primarily to:

- 1) Study at a university or other accredited educational institution,
- 2) Obtain training required to qualify him or her to practice a profession or professional specialty, or,
- 3) Study or do research as a recipient of a grant, allowance, or other similar payments from a governmental, religious, charitable, scientific, literary, or educational organization.

The individual is entitled to this exemption only for a period of time necessary to complete the study, training, or research, but the exemption for training or research may not extend for a period exceeding 5 years.

These exemptions do not apply to income from research if it is undertaken primarily for the private benefit of a specific person or persons.

## Slovak Republic

An individual who is a resident of the Slovak Republic at the beginning of his or her visit to the United States and who is temporarily present in the United States is exempt from U.S. income tax on certain amounts for a period of up to 5 years. To be entitled to the exemption, the individual must be in the United States for the primary purpose of:

- 1) Studying at a university or other accredited educational institution in the United States,

- 2) Obtaining training required to qualify him or her to practice a profession or professional specialty, or
- 3) Studying or doing research as a recipient of a grant, allowance, or award from a governmental, religious, charitable, scientific, literary, or educational organization.

If the individual meets any of these requirements, the following amounts are exempt from U.S. tax:

- 1) The payments from abroad, other than compensation for personal services, for the purpose of maintenance, education, study, research, or training,
- 2) The grant, allowance, or award, and
- 3) The income from personal services performed in the United States of up to \$5,000 for the tax year.

An individual who is a Slovak resident at the beginning of the visit to the United States and who is temporarily present in the United States as an employee of, or under contract with, a Slovak resident is exempt from U.S. income tax for a period of 12 consecutive months on up to \$8,000 received from personal services if the individual is in the United States primarily to:

- 1) Acquire technical, professional, or business experience from a person other than the Slovak resident, or
- 2) Study at a university or other accredited educational institution in the United States.

An individual who is a Slovak resident at the time he or she becomes temporarily present in the United States and who is temporarily present in the United States for a period not longer than 1 year as a participant in a program sponsored by the U.S. government for the primary purpose of training, research, or study, is exempt from U.S. income tax on up to \$10,000 of income from personal services for that training, research, or study.

These exemptions do not apply to income from research undertaken primarily for the private benefit of a specific person or persons.

## South Africa

A student, apprentice, or business trainee who is a resident of South Africa immediately before visiting the United States and is in the United States for the purpose of full-time education or training is exempt from U.S. income tax on amounts received from sources outside the United States for the individual's maintenance, education, or training.

Apprentices and business trainees are entitled to the benefit of this exemption for a maximum period of one year.

## Spain

An individual who is a resident of Spain at the beginning of the visit to the United States and who is temporarily in the United States primarily to study at a U.S. university or other accredited educational institution, to obtain training to become qualified to practice a profession or professional specialty, or to study or do research as a recipient of a grant, allowance, or award from a governmental, religious, charitable, scientific, literary, or ed-

ucational organization is exempt from U.S. income tax on the following amounts:

- 1) Payments from abroad (other than compensation for personal services) for maintenance, education, study, research, or training,
- 2) The grant, allowance, or award, and
- 3) Income from personal services performed in the United States of up to \$5,000 for each tax year.

An individual is entitled to the benefit of this exemption for a maximum of 5 years.

An individual who is a resident of Spain at the beginning of the visit to the United States and is temporarily in the United States as an employee of, or under contract with, a resident of Spain is exempt from U.S. income tax for a period of 12 consecutive months on up to \$8,000 received for personal services if the individual is in the United States primarily to:

- 1) Acquire technical, professional, or business experience from a person other than that Spanish resident, or
- 2) Study at a university or other accredited educational institution in the United States.

Both the \$5,000 and \$8,000 exemptions include any amount excluded or exempted from tax under U.S. tax law.

These exemptions do not apply to income from research carried on mainly for the private benefit of any person rather than in the public interest.

## Sweden

A student, apprentice, or business trainee who is a resident of Sweden immediately before visiting the United States and is in the United States for the purpose of full-time education or training is exempt from U.S. tax on amounts received from sources outside the United States for the individual's maintenance, education, and training.

## Switzerland

A student or apprentice who is a resident of Switzerland and temporarily visits the United States only to study or acquire business or technical experience is exempt from U.S. income tax on payments from abroad for maintenance or studies.

**New treaty.** See *Important Changes for the effective dates.*

A student, apprentice, or business trainee who is a resident of Switzerland immediately before visiting the United States and is in the United States for the purpose of full-time education or training is exempt from U.S. income tax on amounts received from sources outside the United States for the individual's maintenance, education, or training.

## Thailand

An individual who is a resident of Thailand at the beginning of his or her visit to the United States and who is temporarily present in the United States is exempt from U.S. income tax on certain amounts for a period of up to 5 years. To be entitled to the exemption, the individual must be in the United States for the primary purpose of:

- 1) Studying at a university or other recognized educational institution in the United States,
- 2) Obtaining training required to qualify him or her to practice a profession or professional specialty, or
- 3) Studying or doing research as a recipient of a grant, allowance, or award from a governmental, religious, charitable, scientific, literary, or educational organization.

If the individual meets any of these requirements, the following amounts are exempt from U.S. tax:

- 1) Gifts from abroad for the purpose of maintenance, education, study, research, or training,
- 2) The grant, allowance, or award, and
- 3) Income from personal services performed in the United States of up to \$3,000 for the tax year.

An individual who is a resident of Thailand at the beginning of the visit to the United States and who is temporarily present in the United States as an employee of, or under contract with, a resident of Thailand is exempt from U.S. income tax for a period of 12 consecutive months on up to \$7,500 received from personal services if the individual is in the United States primarily to:

- 1) Acquire technical, professional, or business experience from a person other than the Thai resident, or
- 2) Study at a university or other recognized educational institution in the United States.

An individual who is a resident of Thailand at the time he or she becomes temporarily present in the United States and who is temporarily present in the United States for a period not longer than 1 year as a participant in a program sponsored by the U.S. government for the primary purpose of training, research, or study, is exempt from U.S. income tax on up to \$10,000 of income from personal services for that training, research, or study.

### Trinidad and Tobago

An individual who is a resident of Trinidad and Tobago on the date of arrival in the United States and who is temporarily in the United States primarily to study at a university or other accredited educational institution in the United States, obtain professional training, or study or do research as a recipient of a grant, allowance, or award from a governmental, religious, charitable, scientific, literary, or educational organization is exempt from U.S. income tax on the following amounts:

- 1) Gifts from abroad for maintenance, education, study, research, or training,
- 2) The grant, allowance, or award, and
- 3) Income from personal services performed in the United States of up to \$2,000 each tax year, or, if the individual is obtaining training required to qualify to practice a profession or a professional specialty, a maximum of \$5,000 for any tax year.

An individual is entitled to the benefit of this exemption for a maximum period of 5 tax years.

An individual who is a resident of Trinidad and Tobago on the date of arrival in the United States and who is in the United States as an employee of, or under contract with, a resident or corporation of Trinidad and Tobago is exempt from U.S. income tax for one tax year on up to \$5,000 received for personal services if the individual is in the United States primarily to:

- 1) Study at an educational institution, or
- 2) Acquire technical, professional, or business experience from a person other than that resident or corporation of Trinidad and Tobago.

Also exempt is a resident of Trinidad and Tobago who is present in the United States for not longer than one year as a participant in a program sponsored by the U.S. Government primarily to train, research, or study. The individual is exempt from tax on income from personal services performed in the United States and received for the training, research, or study for up to a maximum of \$10,000.

### Tunisia

An individual who is a resident of Tunisia immediately before visiting the United States and who is in the United States for full-time study or training is exempt from U.S. income tax on the following amounts:

- 1) Payments from abroad for full-time study or training,
- 2) A grant, allowance, or award from a governmental, religious, charitable, scientific, literary, or educational organization to study or engage in research, and
- 3) Income from personal services performed in the United States of up to \$4,000 in any tax year.

The individual is entitled to this exemption for a maximum of 5 years.

### Turkey

A student, apprentice, or business trainee who is a resident of Turkey immediately before visiting the United States and is in the United States for the purpose of full-time education or training is exempt from U.S. income tax on amounts received from sources outside the United States for the individual's maintenance, education, or training.

### United Kingdom

A student or business apprentice who is a resident of the United Kingdom at the time of arrival in the United States and who is receiving full-time education or training in the United States is exempt from U.S. income tax on payments received from abroad for maintenance, education, or training.

## Wages and Pensions Paid by a Foreign Government

Wages, salaries, pensions, and annuities paid by the governments of the following countries to their residents who are present in the United States as nonresident aliens generally are exempt from U.S. income tax. The con-

ditions under which the income is exempt are stated for each of the countries listed.

**Exemption under U.S. tax law.** Employees of foreign countries who do not qualify under a tax treaty provision and employees of international organizations should see if they can qualify for exemption under U.S. tax law.

If you work for a foreign government in the United States, your foreign government salary is exempt from U.S. tax if you perform services similar to those performed by U.S. government employees in that foreign country and that foreign government grants an equivalent exemption. If you work for an international organization in the United States, your salary from that source is exempt from U.S. tax. See chapter 10 of Publication 519 for more information.

### Australia

Salaries, wages, and similar income, including pensions, paid by Australia, its political subdivisions, agencies, or authorities to its citizens (other than U.S. citizens) for performing government functions as an employee of any of the above entities are exempt from U.S. income tax.

### Austria

Wages, salaries, and similar income and pensions paid by Austria, Bundeslaender, districts or municipalities or other public corporations or a public pension fund to an individual (other than a citizen of the United States or an individual admitted to the United States for permanent residence) are exempt from U.S. income tax.

**New treaty.** See *Important Changes for the effective dates.*

Wages, salaries, similar income, and pensions and annuities paid from public funds of Austria, its political subdivisions, or its local authorities, to citizens of Austria for performing governmental functions are exempt from U.S. tax.

However, this exemption does not apply to payments for services performed in connection with a trade or business carried on by Austria or its political subdivisions or local authorities.

### Barbados

Income, including a pension, paid from the public funds of Barbados, or its political subdivisions or local authorities, to a citizen of Barbados for performing governmental functions is exempt from U.S. income tax.

However, this exemption does not apply to payments for services in connection with a business carried on by Barbados or its political subdivisions or local authorities.

### Belgium

Wages, salaries, similar income, and pensions and annuities paid by, or from public funds of, Belgium, its political subdivisions, or its local authorities, to citizens of Belgium (or to citizens of countries other than the United States or Belgium who come to the United States and are employed by Belgium or its political subdivisions or local authorities) for performing governmental functions are exempt from U.S. tax.

However, this exemption does not apply to payments for services performed in connection with a trade or business carried on

by Belgium or its political subdivisions or local authorities.

## Canada

Wages, salaries, and similar income (other than pensions) paid by Canada or by a Canadian political subdivision or local authority to a citizen of Canada for performing governmental functions are exempt from U.S. income tax. This exemption does not apply, however, to payments for services performed in connection with a trade or business carried on by Canada or its political subdivisions or local authorities.

Also see Publication 597, *Information on the United States—Canada Income Tax Treaty*.

## China, People's Republic of

Income, other than a pension, paid by the People's Republic of China or its political subdivisions or local authorities to an individual for services performed for the paying governmental body is exempt from U.S. income tax. However, the exemption does not apply to payments for services performed in the United States by a resident of the United States who either:

- 1) Is a U.S. citizen, or
- 2) Did not become a U.S. resident only to perform the services.

Pensions paid by the People's Republic of China for services performed for China are exempt from U.S. income tax unless the recipient is both a citizen and a resident of the United States.

These exemptions do not apply to income or pensions for services performed in connection with a business carried on by the People's Republic of China or its subdivisions or local authorities.

## Commonwealth of Independent States

Wages, salaries, and similar income paid by the C.I.S. or a member of the C.I.S. to its citizens for personal services performed as an employee of a governmental agency or institution of the C.I.S. or a member of the C.I.S. (excluding local government employees) in the discharge of governmental functions are exempt from U.S. income tax. For this purpose, persons engaged in commercial activities are not considered engaged in the discharge of governmental functions.

## Cyprus

Wages, salaries, and similar income, including pensions, annuities, and similar benefits, paid from public funds of Cyprus to a citizen of Cyprus for labor or personal services performed as an employee of Cyprus in the discharge of governmental functions are exempt from U.S. income tax.

## Czech Republic

Income, including a pension, paid from the public funds of the Czech Republic, its political subdivisions, or local authorities to a Czech citizen for services performed in the discharge of governmental functions is exempt from U.S. income tax. This exemption does not apply to income paid for services performed in connection with a business carried on by the Czech Republic, its political subdivisions, or local authorities.

## Denmark

Wages, salaries, and similar income and pensions paid by Denmark, or any public authority in Denmark, to individuals living in the United States are exempt from U.S. income tax. This exemption does not apply to citizens of the United States or alien residents of the United States.

## Egypt

Wages, salaries, and similar income, including pensions, annuities, and similar benefits, paid from public funds of the Arab Republic of Egypt to a citizen of Egypt (or to a citizen of another country who comes to the United States specifically to work for the Government of Egypt) for labor or personal services performed as an employee of the national Government of Egypt, or any of its agencies, in the discharge of governmental functions are exempt from U.S. income tax.

This exemption does not apply to U.S. citizens or to alien residents of the United States. The exemption also does not apply to payments for services performed in connection with a trade or business carried on by Egypt or any of its agencies.

## Finland

Income, other than a pension, paid by Finland, its political subdivisions, statutory bodies, or local authorities to an individual for services performed for the paying governmental body is exempt from U.S. income tax. However, the exemption does not apply to payments for services performed in the United States by a U.S. resident who either:

- 1) Is a U.S. citizen, or
- 2) Did not become a U.S. resident only to perform the services.

Pensions paid by Finland for services performed for Finland are exempt from U.S. income tax unless the recipient is a resident and citizen of the United States.

These exemptions do not apply to income or pensions for services performed in connection with a trade or business carried on by Finland or its political subdivisions, statutory bodies, or local authorities.

## France

Income, including pensions, paid by the French Government or a local authority thereof to an individual in the United States for services performed for France (or for a local authority of France) in the discharge of governmental functions is exempt from U.S. tax. This exemption does not apply to a person who is both a resident and citizen of the United States and not a French national.

This exemption does not apply to any income or pensions paid because of services (or past services) performed in connection with a business carried on by the French Government (or a local authority thereof).

## Germany

Wages, salaries, and similar income and pensions paid by Germany, its Laender, or municipalities, or their public pension funds are exempt from U.S. income tax if paid to individuals other than U.S. citizens and other than individuals admitted to the United States for permanent residence.

## Greece

Wages, salaries, and similar income and pensions paid by Greece or its subdivisions to individuals living in the United States for services rendered to Greece or its subdivisions are exempt from U.S. income tax. This exemption does not apply to citizens of the United States or alien residents of the United States.

## Hungary

Income (other than a pension) paid by the Republic of Hungary or its political subdivisions for labor or personal services performed for the paying governmental body is exempt from U.S. tax. However, the exemption does not apply to payments for services performed in the United States by a resident of the United States who either:

- 1) Is a U.S. citizen, or
- 2) Did not become a resident of the United States only to perform the services.

Pensions paid by Hungary for services performed for Hungary are exempt from U.S. income tax unless the recipient is both a citizen and a resident of the United States.

These exemptions do not apply to income or pensions for services performed in connection with a trade or business carried on by Hungary or its subdivisions.

## Iceland

Wages, salaries, and similar income, including pensions and similar benefits, paid by or from public funds of the Republic of Iceland, a political subdivision, or a local authority to a citizen of Iceland (other than a U.S. citizen or one admitted to the United States for permanent residence) for labor or personal services performed for Iceland or its political subdivisions or local authorities in the discharge of governmental functions are exempt from U.S. tax.

## India

Income, other than a pension, paid by India, its political subdivisions, or local authorities to an individual for services performed for the paying governmental body is exempt from U.S. income tax. However, the exemption does not apply if the services are performed in the United States by a U.S. resident who either:

- 1) Is a U.S. citizen, or
- 2) Did not become a U.S. resident only to perform the services.

Pensions paid by India for services performed for India are exempt from U.S. tax unless the individual is both a resident and citizen of the United States.

These exemptions do not apply to income or pensions for services performed in connection with a business carried on by India, its subdivisions, or local authorities.

## Indonesia

Income, other than a pension, paid by Indonesia, its political subdivisions, or local authorities to an individual for services performed for the paying governmental body is exempt from U.S. income tax. However, the exemption does not apply if the services are performed in the United States by a U.S. resident who either:

- 1) Is a U.S. citizen, or
- 2) Did not become a U.S. resident only to perform the services.

Pensions paid by Indonesia for services performed for Indonesia are exempt from U.S. tax.

These exemptions do not apply to income or pensions for services performed in connection with a trade or business carried on by Indonesia, its subdivisions, or local authorities.

## Ireland

Salaries, wages, and similar income and pensions paid by the Government of Ireland to an individual, other than a citizen of the United States, for services performed for it in discharge of its governmental functions are exempt from U.S. income tax. Payments received by an individual who is a citizen of the United States are similarly exempt only if that individual is also a citizen of Ireland. This exemption does not apply to payments for services performed in connection with any trade or business carried on by the Government of Ireland for profit.

**New treaty.** See *Important Changes for the effective dates.*

Income, other than a pension, paid by Ireland or its political subdivisions or local authorities to an individual for services performed for the paying governmental body is exempt from U.S. income tax. However, the exemption does not apply to payments for services performed in the United States by a resident of the United States who either:

- 1) Is a U.S. citizen, or
- 2) Did not become a U.S. resident only to perform the services.

Pensions paid by Ireland for services performed for Ireland are exempt from U.S. income tax unless the recipient is both a resident and citizen of the United States.

These exemptions do not apply to income or pensions for services performed in connection with a business carried on by Ireland or its subdivisions or local authorities.

## Israel

Wages, salaries, and similar income, including pensions and similar benefits, paid from public funds by the national government of Israel or its agencies, for services performed in the discharge of governmental functions, are exempt from U.S. income tax. This exemption does not apply to citizens of the United States or alien residents of the United States.

## Italy

Income, other than a pension, paid by Italy or by an Italian political or administrative subdivision or local authority to an individual for services performed for the paying governmental body is exempt from U.S. income tax. However, the exemption does not apply to payments for services performed in the United States by a resident of the United States who either:

- 1) Is a U.S. citizen, or
- 2) Did not become a U.S. resident only to perform the services.

The spouse and dependent children of an individual, however, are not subject to the second restriction if that individual is receiving exempt income for governmental services performed for Italy and that individual does not come under either of the restrictions.

Pensions paid by Italy for services performed for Italy are exempt from U.S. income tax unless the recipient is both a citizen and a resident of the United States.

These exemptions do not apply to income or pensions for services performed in connection with a trade or business carried on by Italy or its subdivisions or local authorities.

## Jamaica

Income, other than a pension, paid by the Government of Jamaica or its political subdivisions or local authorities for personal services performed for the paying governmental body is exempt from U.S. income tax.

This exemption does not apply to payments for services performed in the United States by an individual who is a citizen and resident of the United States.

Pensions paid by Jamaica for services performed for Jamaica generally are exempt from U.S. income tax. However, if the recipient of the pension is a citizen and resident of the United States **and** was a U.S. citizen at the time the services were performed, the pension is taxable in the United States.

These exemptions do not apply to income or pensions for services performed in connection with a trade or business carried on by Jamaica or its subdivisions or local authorities.

## Japan

Salaries, wages, and similar income, including pensions and similar benefits, paid by Japan or out of funds to which Japan or any of its local authorities contributes to an individual who is a national of Japan (other than a U.S. citizen or one admitted to the United States for permanent residence) for labor or personal services performed as an employee of the Government of Japan or any of its local authorities are exempt from U.S. income tax.

## Kazakstan

Income, other than a pension, paid by Kazakstan, or its subdivisions or local authorities to an individual for government services is exempt from U.S. tax. However, the exemption does not apply if the services are performed in the United States by a U.S. resident who either:

- 1) Is a U.S. citizen, or
- 2) Did not become a U.S. resident solely for the purpose of performing the services.

These exemptions do not apply to income for services performed in connection with a business.

Pensions paid by Kazakstan, or its subdivisions or local authorities for services performed for Kazakstan is exempt from U.S. tax unless the individual is both a resident and citizen of the United States.

## Korea, Republic of

Wages, salaries, and similar income, including pensions and similar benefits, paid from public funds of the Republic of Korea to a citizen of Korea (other than a U.S. citizen or an individual admitted to the United States for permanent residence) for services performed

as an employee of Korea discharging government functions are exempt from U.S. income tax.

## Luxembourg

Wages, salaries, and similar income, and pensions, annuities, and similar benefits paid by Luxembourg, its political subdivisions, or its compulsory social security funds for services performed for Luxembourg or its political subdivisions in discharge of governmental functions are exempt from U.S. income tax. These amounts are exempt only if they are paid to individuals other than U.S. citizens or individuals admitted to the United States for permanent residence.

## Mexico

Income, other than a pension, paid by Mexico, its political subdivisions, or local authorities to an individual for services performed for the paying governmental body is exempt from U.S. income tax. However, the exemption does not apply if the services are performed in the United States by a U.S. resident who either:

- 1) Is a U.S. national, or
- 2) Did not become a resident of the United States solely for purposes of performing the services.

Pensions paid by Mexico, its political subdivisions, or local authorities for services performed for the paying governmental body are exempt from U.S. income tax unless the individual is both a resident and national of the United States.

These exemptions do not apply to income or pensions connected with commercial or industrial activities carried on by Mexico, its political subdivisions, or local authorities.

## Morocco

Wages, salaries, and similar income, including pensions and similar benefits, paid from public funds of the Kingdom of Morocco to a citizen of Morocco (other than a U.S. citizen or an individual admitted to the United States for permanent residence) for labor or personal services performed for Morocco or for any of its political subdivisions or local authorities in the discharge of governmental functions are exempt from U.S. income tax.

## Netherlands

Income, other than a pension, paid by the Netherlands, its political subdivisions, or local authorities to an individual for services performed for the paying governmental body is exempt from U.S. income tax. However, the exemption does not apply if the services are rendered in the United States and the individual is a U.S. resident who either:

- 1) Is a U.S. national, or
- 2) Did not become a U.S. resident solely for the purpose of performing the services.

Pensions paid by the Netherlands for services performed for the Netherlands are exempt from U.S. income tax unless the individual is both a resident and national of the United States.

These exemptions do not apply to income or pensions for services performed in connection with a business carried on by the Netherlands, its political subdivisions, or local authorities.



## New Zealand

Income (other than pensions) paid by the Government of New Zealand, its political subdivisions, or local authorities for services performed in the discharge of governmental functions is exempt from U.S. income tax. However, the income is not exempt if the services are performed in the United States by a U.S. citizen resident in the United States or by a resident of the United States who did not become a resident only to perform the services.

Pensions paid by New Zealand in consideration for past governmental services are exempt from U.S. income tax unless paid to U.S. citizens resident in the United States.

These exemptions do not apply to payments for services performed in connection with any trade or business carried on for profit by the Government of New Zealand (or its subdivisions or local authorities).

## Norway

Wages, salaries, and similar income, including pensions and similar benefits paid by or from public funds of Norway or its political subdivisions or local authorities to a citizen of Norway for labor or personal services performed for Norway or any of its political subdivisions or local authorities in the discharge of governmental functions are exempt from U.S. income tax.

## Pakistan

Income, including pensions and annuities, paid to certain individuals by or on behalf of the Government of Pakistan or the Government of a Province in Pakistan or one of its local authorities for services performed in the discharge of functions of that Government or local authority is exempt from U.S. income tax. To be exempt from tax, these payments must be made to citizens of Pakistan who do not have immigrant status in the United States. This exemption does not apply to payments for services performed in connection with any trade or business carried on for profit.

## Philippines

Wages, salaries, and similar income, including pensions, annuities, and similar benefits, paid from public funds of the Republic of the Philippines to a citizen of the Philippines (or to a citizen of another country other than the United States who comes to the United States specifically to work for the Government of the Philippines) for labor or personal services performed as an employee of the national Government of the Philippines or any of its agencies in the discharge of governmental functions are exempt from U.S. income tax.

## Poland

Wages, salaries, and similar income, including pensions, annuities, and similar benefits, paid from public funds of Poland to a citizen of Poland (other than a U.S. citizen or one admitted to the United States for permanent residence) for labor or personal services performed as an employee of the national Government of Poland in the discharge of governmental functions are exempt from U.S. income tax.

## Portugal

Income, other than a pension, paid by Portugal, its political or administrative subdivisions, or local authorities to an individual for services performed for the paying governmental body is exempt from U.S. income tax. However, the exemption does not apply to payments for services performed in the United States by a U.S. resident who either:

- 1) Is a U.S. national, or
- 2) Did not become a U.S. resident only to perform the services.

Pensions paid by Portugal for services performed for Portugal are exempt from U.S. income tax unless the recipient is a resident and national of the United States.

These exemptions do not apply to income or pensions for services performed in connection with a business carried on by Portugal or its political or administrative subdivisions, or local authorities.

## Romania

Wages, salaries, and similar income, including pensions, annuities, and similar benefits, paid from public funds of Romania to a citizen of Romania (other than a U.S. citizen or one admitted to the United States for permanent residence) for labor or personal services performed as an employee of the national Government of Romania in the discharge of governmental functions are exempt from U.S. income tax.

## Russia

Income, other than a pension, paid by Russia, its republics, or local authorities to an individual for government services is exempt from U.S. tax. However, the exemption does not apply if the services are performed in the United States by a U.S. resident who either:

- 1) Is a U.S. citizen, or
- 2) Did not become a U.S. resident solely for the purpose of performing the services.

Pensions paid by Russia, its republics, or local authorities for services performed for Russia is exempt from U.S. tax unless the individual is both a resident and citizen of the United States.

These exemptions do not apply to income or pensions for services performed in connection with a business.

## Slovak Republic

Income, including a pension, paid from the public funds of the Slovak Republic, its political subdivisions, or local authorities to a Slovak citizen for services performed in the discharge of governmental functions is exempt from U.S. income tax. This exemption does not apply to income paid for services performed in connection with a business carried on by the Slovak Republic, its political subdivisions, or local authorities.

## South Africa

Income, other than a pension, paid by South Africa or its political subdivisions or local authorities to an individual for services performed for the paying governmental body is exempt from U.S. income tax. However, the exemption does not apply to payments for services performed in the United States by a resident of the United States who either:

- 1) Is a U.S. citizen, or
- 2) Did not become a U.S. resident only to perform the services.

Pensions paid by South Africa for services performed for South Africa are exempt from U.S. income tax unless the recipient is both a resident and citizen of the United States.

These exemptions do not apply to income or pensions for services performed in connection with a business carried on by South Africa or its subdivisions or local authorities.

## Spain

Income, other than a pension, paid by Spain, its political subdivisions, or local authorities to an individual for services performed for the paying governmental body is exempt from U.S. income tax. However, the exemption does not apply to payments for services performed in the United States by a resident of the United States who either:

- 1) Is a U.S. citizen, or
- 2) Did not become a U.S. resident only to perform the services.

Pensions paid by Spain, its political subdivisions, or local authorities for services performed for Spain are exempt from U.S. tax unless the individual is a citizen and resident of the United States.

These exemptions do not apply to income or pensions for services performed in connection with a trade or business carried on by Spain, its subdivisions, or local authorities.

## Sweden

Income, other than a pension, paid by Sweden, its political subdivisions, or local authorities to an individual for services performed for the paying governmental body is exempt from U.S. income tax. However, the exemption does not apply if the services are performed in the United States by a U.S. resident who either:

- 1) Is a U.S. citizen, or
- 2) Did not become a U.S. resident solely for the purpose of performing the services.

Pensions paid by Sweden, its political subdivisions, or local authorities for services performed for Sweden is exempt from U.S. tax unless the individual is both a resident and citizen of the United States.

These exemptions do not apply to income or pensions for services performed in connection with a business carried on by Sweden, its political subdivisions, or local authorities.

## Switzerland

Wages, salaries, and similar income and pensions paid by Switzerland or by any of its agencies, instrumentalities, political subdivisions, or other public authorities to an individual (other than a citizen of the United States) are exempt from U.S. income tax. Payments received by an individual who is a citizen of the United States are exempt only if the individual is also a citizen of Switzerland.

**New treaty.** See *Important Changes for the effective dates.*

Income, other than a pension, paid by Switzerland or its political subdivisions or lo-

cal authorities to an individual for services performed for the paying governmental body is exempt from U.S. income tax. However, the exemption does not apply to payments for services performed in the United States by a resident of the United States who either:

- 1) Is a U.S. citizen, or
- 2) Did not become a U.S. resident only to perform the services.

Pensions paid by Switzerland for services performed for Switzerland are exempt from U.S. income tax unless the recipient is both a resident and citizen of the United States.

These exemptions do not apply to income or pensions for services performed in connection with a business carried on by Switzerland or its subdivisions or local authorities.

### Thailand

Income, other than a pension, paid by Thailand or its political subdivisions or local authorities to an individual for services performed for the paying governmental body is exempt from U.S. income tax. However, the exemption does not apply to payments for services performed in the United States by a resident of the United States who either:

- 1) Is a U.S. citizen, or
- 2) Did not become a U.S. resident only to perform the services.

Pensions paid by Thailand for services performed for Thailand are exempt from U.S. income tax unless the recipient is both a resident and citizen of the United States.

These exemptions do not apply to income or pensions for services performed in connection with a business carried on by Thailand or its subdivisions or local authorities.

### Trinidad and Tobago

Wages, salaries and similar income and pensions, annuities, and similar benefits paid by or from the public funds of the Government of Trinidad and Tobago to a national of that country for services performed for Trinidad and Tobago in the discharge of governmental functions are exempt from U.S. tax.

### Tunisia

Income, other than a pension, paid by Tunisia, its political subdivisions, or local authorities to a Tunisian citizen for personal services performed in the discharge of governmental functions is exempt from U.S. income tax.

Pensions paid by Tunisia, its political subdivisions, or local authorities for services performed for Tunisia are exempt from U.S. income tax unless the recipient is a U.S. citizen.

These exemptions do not apply to income or pensions for services performed in con-

nection with a trade or business carried on by Tunisia, its political subdivisions, or local authorities.

### Turkey

Income, other than a pension, paid by Turkey or its political subdivisions or local authorities to an individual for services performed for the paying governmental body is exempt from U.S. income tax. However, the exemption does not apply to payments for services performed in the United States by a resident of the United States who either:

- 1) Is a U.S. citizen, or
- 2) Did not become a U.S. resident only to perform the services.

Pensions paid by Turkey for services performed for Turkey are exempt from U.S. income tax unless the recipient is both a resident and citizen of the United States.

These exemptions do not apply to income or pensions for services performed in connection with a business carried on by Turkey or its subdivisions or local authorities.

### United Kingdom

Income, other than pensions, paid by the United Kingdom to employees for services performed for the United Kingdom is exempt from U.S. income tax. The exemption does not extend to employees of a political subdivision or local authority of the United Kingdom. The exemption does not apply if the services are performed in the United States and the recipient is both a citizen and a resident of the United States.

Pensions paid by the United Kingdom or its political subdivisions or local authorities to individuals for services performed in the discharge of governmental functions are exempt from U.S. income tax, unless the recipient is both a citizen and a resident of the United States.

These exemptions do not apply to payments or pensions for services performed in connection with a business carried on by or on behalf of the United Kingdom.

## Explanation of Tables

The paragraphs below describe the tables that follow and provide additional information that may make the tables more useful to you.

### Table 1

This table lists the income tax rates on such income as interest, dividends, capital gains, rents, and royalties. The income code numbers shown in this table are the same as the income codes on Form 1042-S, *Foreign Person's U.S. Source Income Subject to Withholding*.

**Interest.** If you are a nonresident alien who receives interest that is not effectively connected with the conduct of a U.S. trade or business, you do **not** include the interest in income if it is paid on deposits with banks, on accounts or deposits with certain financial institutions, or on certain amounts held by insurance companies. These amounts are exempt from U.S. tax even though they are considered to be income from a U.S. source. Also exempt from U.S. tax (although considered from U.S. sources) is certain portfolio interest on obligations issued after July 18, 1984. See Publication 519, *U.S. Tax Guide for Aliens*, for more information.

### Table 2

This table lists the different kinds of personal service income that may be fully or partly exempt from U.S. income tax. You must meet **all** of the treaty requirements before the item of income can be exempt from U.S. income tax. The income code numbers shown in this table are the same as the income codes on Form 1042-S, *Foreign Person's U.S. Source Income Subject to Withholding*.

**Independent personal services.** The term "independent personal services" generally means services you perform for your own account if you receive the income and bear the losses arising from those services. Examples of these services are those provided by physicians, lawyers, engineers, dentists, and accountants who perform personal services as sole proprietors or partners.

**Dependent personal services.** Dependent personal services usually are those you perform for someone else as an employee.

### Table 3

This table lists the countries that have tax treaties with the United States. The tax treaties are published in the *Internal Revenue Bulletins* (I.R.B.) and the *Cumulative Bulletins* (C.B.), which contain official matters of the Internal Revenue Service. The column headed *Citation* shows the number of the I.R.B. or C.B. and the page on which a particular treaty may be found.

Regulations implementing some treaties were issued as Treasury Decisions (T.D.). Other treaties are explained by Treasury explanation. The fifth column lists the T.D. numbers and the I.R.B. or C.B. in which each T.D. or Treasury explanation is printed.

You can subscribe to the I.R.B. or buy volumes of the C.B. from the Government Printing Office or you are welcome to read them in most Internal Revenue Service offices. Many public libraries and business organizations subscribe to a commercial tax service that publishes the treaties and regulations or explanations.

Table 1. Tax Rates on Income Other Than Personal Service Income Under Chapter 3, Internal Revenue Code, and Income Tax Treaties

Income Code Number		1	2	3	6	7	9	10	11	12	13	14	21
Country of Residence of Payee		Interest Paid by U.S. Obligor <sup>s</sup>	Interest on Real Property Mortgages	Interest Paid to a Controlling Foreign Corporation	Dividends Paid by a		Capital Gains <sup>v</sup>	Industrial Royalties	Copyright Royalties		Real Property Income and Natural Resources Royalties <sup>v</sup>	Pensions and Annuities	Social Security Payment <sup>u</sup>
Name	Code				U.S. Corporation General <sup>a</sup>	U.S. Subsidiary to Foreign Parent Corporation <sup>a</sup>			Motion Pictures and Television	Other			
Australia . . . . .	AS	<sup>g</sup> 10	<sup>g</sup> 10	<sup>g</sup> 10	<sup>g</sup> 15	<sup>g</sup> 15	30	<sup>g</sup> 10	<sup>g</sup> 10	<sup>g</sup> 10	30	<sup>d</sup> 0	30
Austria (before 4-1-98) . . . . .	AU	<sup>h</sup> 0	30	<sup>h</sup> 0	<sup>h</sup> 15	<sup>b,h</sup> 5	30	<sup>h</sup> 0	<sup>h</sup> 10	<sup>h</sup> 0	30	<sup>d</sup> 0	30
Austria (beginning 4-1-98) . . . . .	AU	<sup>g,m</sup> 0	<sup>g,m,f</sup> 0	<sup>g,m</sup> 0	<sup>g,x</sup> 15	<sup>g</sup> 5	<sup>g</sup> 0	<sup>g</sup> 0	<sup>g</sup> 10	<sup>g</sup> 0	30	0	30
Barbados . . . . .	BB	<sup>g</sup> 5	<sup>g</sup> 5	<sup>g</sup> 5	<sup>g,x</sup> 15	<sup>b,g,x</sup> 5	<sup>g</sup> 0	<sup>g</sup> 5	<sup>g</sup> 5	<sup>g</sup> 5	30	<sup>d,f</sup> 0	30
Belgium . . . . .	BE	<sup>g</sup> 15	<sup>g</sup> 15	<sup>g</sup> 15	<sup>g</sup> 15	<sup>b,g</sup> 5	<sup>e,g</sup> 0	<sup>g</sup> 0	<sup>h</sup> 0	<sup>g</sup> 0	30	<sup>d,f</sup> 0	30
Canada . . . . .	CA	<sup>g</sup> 10	<sup>g,ff</sup> 10	<sup>g</sup> 10	<sup>g,x</sup> 15	<sup>g,x</sup> 5	30	<sup>g</sup> 0	<sup>g</sup> 10	<sup>g</sup> 0	30	15	0
China, People's Rep. of . . . . .	CH	<sup>g</sup> 10	<sup>g</sup> 10	<sup>g</sup> 10	<sup>g</sup> 10	<sup>g</sup> 10	30	<sup>g,w</sup> 10	<sup>g</sup> 10	<sup>g</sup> 10	30	<sup>d,mm</sup> 0	30
Commonwealth of Independent States . . . . .		<sup>n</sup> 0	30	30	30	30	<sup>g</sup> 0	0	0	0	30	30	30
Cyprus . . . . .	CY	<sup>g</sup> 10	<sup>g</sup> 10	<sup>g</sup> 10	<sup>g</sup> 15	<sup>b,g</sup> 5	<sup>g</sup> 0	<sup>g</sup> 0	<sup>g</sup> 0	<sup>g</sup> 0	30	<sup>d,f</sup> 0	30
Czech Republic . . . . .	EZ	<sup>g</sup> 0	<sup>g,ff</sup> 0	<sup>g</sup> 0	<sup>g,x</sup> 15	<sup>b,g,x</sup> 5	<sup>g</sup> 0	<sup>g</sup> 10	<sup>g</sup> 0	<sup>g</sup> 0	30	<sup>d,f</sup> 0	30
Denmark . . . . .	DA	<sup>h</sup> 0	<sup>h</sup> 0	<sup>h</sup> 0	<sup>h</sup> 15	<sup>b</sup> 5	30	<sup>h</sup> 0	<sup>h</sup> 0	<sup>h</sup> 0	30	<sup>d</sup> 0	30
Egypt . . . . .	EG	<sup>h</sup> 15	30	<sup>h</sup> 15	<sup>h</sup> 15	<sup>b,h</sup> 5	<sup>e,h</sup> 0	<sup>h</sup> 0	<sup>h</sup> 0	<sup>g</sup> 15	30	<sup>d,f</sup> 0	0
Finland . . . . .	FI	<sup>g</sup> 0	<sup>g</sup> 0	<sup>g</sup> 0	<sup>g,x</sup> 15	<sup>b,g,x</sup> 5	<sup>g</sup> 0	<sup>g</sup> 5	<sup>g</sup> 0	<sup>g</sup> 0	30	<sup>d,f</sup> 0	30
France . . . . .	FR	<sup>g</sup> 0	<sup>g,ff</sup> 0	<sup>g</sup> 0	<sup>g,x</sup> 15	<sup>g,x</sup> 5	<sup>g</sup> 0	<sup>g</sup> 5	<sup>g</sup> 0	<sup>g</sup> 0	30	<sup>d,f</sup> 0	30
Germany . . . . .	GM	<sup>g</sup> 0	<sup>g</sup> 0	<sup>g</sup> 0	<sup>g,x</sup> 15	<sup>b,g,x</sup> 5	<sup>g</sup> 0	<sup>g</sup> 0	<sup>g,dd</sup> 0	<sup>g</sup> 0	30	<sup>d</sup> 0	0
Greece . . . . .	GR	<sup>h</sup> 0	<sup>h</sup> 0	30	30	30	30	<sup>h</sup> 0	30	<sup>h</sup> 0	30	<sup>d</sup> 0	30
Hungary . . . . .	HU	<sup>g</sup> 0	<sup>g</sup> 0	<sup>g</sup> 0	<sup>g</sup> 15	<sup>b,g</sup> 5	<sup>g</sup> 0	<sup>g</sup> 0	<sup>g</sup> 0	<sup>g</sup> 0	30	<sup>d,f</sup> 0	30
Iceland . . . . .	IC	<sup>g</sup> 0	<sup>g</sup> 0	<sup>g</sup> 0	<sup>g</sup> 15	<sup>b,g</sup> 5	<sup>e,g</sup> 0	<sup>g</sup> 0	30	<sup>g</sup> 0	30	<sup>d,f</sup> 0	30
India . . . . .	IN	<sup>g,aa</sup> 15	<sup>g,aa</sup> 15	<sup>g</sup> 15	<sup>g,x</sup> 25	<sup>b,g,x</sup> 15	30	<sup>g,bb</sup> 10	<sup>g</sup> 15	<sup>g</sup> 15	30	<sup>d,f</sup> 0	<sup>ee</sup> 30
Indonesia . . . . .	ID	<sup>g</sup> 15	<sup>g</sup> 15	<sup>g</sup> 15	<sup>g</sup> 15	<sup>g</sup> 15	<sup>g,ll</sup> 0	<sup>g,bb</sup> 10	<sup>g</sup> 15	<sup>g</sup> 15	30	<sup>d,f,g</sup> 15	30
Ireland (before 1-1-98) . . . . .	EI	<sup>c,h</sup> 0	<sup>c,h</sup> 0	30	<sup>c,h</sup> 15	<sup>b,c,h</sup> 5	30	<sup>c,h</sup> 0	<sup>c,h</sup> 0	<sup>c,h</sup> 0	<sup>c,h</sup> 15	<sup>d</sup> 0	30
Ireland (beginning 1-1-98) . . . . .	EI	<sup>g</sup> 0	<sup>g,ff</sup> 0	<sup>g</sup> 0	<sup>g,x</sup> 15	<sup>g,x</sup> 5	<sup>g</sup> 0	<sup>g</sup> 0	<sup>g</sup> 0	<sup>g</sup> 0	30	<sup>d,f</sup> 0	0
Israel . . . . .	IS	<sup>g,aa,ii</sup> 17½	<sup>g,aa,ff,ii</sup> 17½	<sup>g,aa,ii</sup> 17½	<sup>g,x</sup> 25	<sup>b,g,x</sup> 12½	<sup>e,g,cc</sup> 0	<sup>g</sup> 15	<sup>g</sup> 10	<sup>g</sup> 10	30	<sup>f</sup> 0	0
Italy . . . . .	IT	<sup>g</sup> 15	<sup>g</sup> 15	<sup>g</sup> 15	<sup>g</sup> 15	<sup>b,g</sup> 5	<sup>g</sup> 0	<sup>g,s</sup> 10	<sup>g</sup> 8	<sup>g</sup> 5	30	<sup>d,f</sup> 0	0
Jamaica . . . . .	JM	<sup>g</sup> 12½	<sup>g</sup> 12½	<sup>g</sup> 12½	<sup>g</sup> 15	<sup>b,g</sup> 10	<sup>g</sup> 0	<sup>g</sup> 10	<sup>g</sup> 10	<sup>g</sup> 10	30	<sup>d,f,p</sup> 0	30
Japan . . . . .	JA	<sup>g</sup> 10	<sup>g</sup> 10	<sup>g</sup> 10	<sup>g</sup> 15	<sup>b,g</sup> 10	<sup>e,g</sup> 0	<sup>g</sup> 10	<sup>g</sup> 10	<sup>g</sup> 10	30	<sup>d</sup> 0	0
Kazakstan . . . . .	KZ	<sup>g</sup> 10	<sup>g,ff</sup> 10	<sup>g</sup> 10	<sup>g,gg</sup> 15	<sup>g,gg</sup> 5	<sup>g</sup> 0	<sup>g,ii</sup> 10	<sup>g</sup> 10	<sup>g</sup> 10	30	<sup>d,f</sup> 0	30
Korea, Rep. of . . . . .	KS	<sup>g</sup> 12	<sup>g</sup> 12	<sup>g</sup> 12	<sup>g</sup> 15	<sup>b,g</sup> 10	<sup>e,g</sup> 0	<sup>g</sup> 15	<sup>g</sup> 10	<sup>g</sup> 10	30	<sup>d,f</sup> 0	30
Luxembourg <sup>k</sup> . . . . .	LU	<sup>h</sup> 0	30	<sup>h</sup> 0	<sup>h</sup> 15	<sup>b,h</sup> 5	30	<sup>h</sup> 0	<sup>h</sup> 0	<sup>h</sup> 0	30	<sup>d</sup> 0	30
Mexico . . . . .	MX	<sup>g,aa</sup> 15	<sup>g,aa,ff</sup> 15	<sup>g</sup> 15	<sup>g,x</sup> 15	<sup>b,g,x</sup> 5	<sup>g</sup> 0	<sup>g</sup> 10	<sup>g</sup> 10	<sup>g</sup> 10	30	<sup>d,i</sup> 0	30
Morocco . . . . .	MO	<sup>g</sup> 15	<sup>g</sup> 15	<sup>g</sup> 15	<sup>g</sup> 15	<sup>b,g</sup> 10	<sup>e,g</sup> 0	<sup>h</sup> 10	<sup>g</sup> 10	<sup>g</sup> 10	30	<sup>d,f</sup> 0	30
Netherlands . . . . .	NL	<sup>g</sup> 0	<sup>g</sup> 0	<sup>g</sup> 0	<sup>g,x</sup> 15	<sup>b,g,x</sup> 5	<sup>g,hh</sup> 0	<sup>g</sup> 0	<sup>g,dd</sup> 0	<sup>g</sup> 0	30	<sup>d,ff</sup> 0	30
New Zealand . . . . .	NZ	<sup>g</sup> 10	<sup>g</sup> 10	<sup>g</sup> 10	<sup>g</sup> 15	<sup>g</sup> 10	<sup>g</sup> 0	<sup>g</sup> 10	<sup>g</sup> 10	<sup>g</sup> 10	30	<sup>d</sup> 0	30
Norway . . . . .	NO	<sup>g</sup> 0	<sup>g</sup> 0	<sup>g</sup> 0	<sup>g</sup> 15	<sup>g</sup> 15	<sup>e,g</sup> 0	<sup>g</sup> 0	<sup>h</sup> 0	<sup>g</sup> 0	30	<sup>d,f</sup> 0	30
Pakistan <sup>i</sup> . . . . .	PK	30	30	30	30	<sup>b,h</sup> 15	30	<sup>h</sup> 0	30	<sup>h</sup> 0	30	<sup>d,j</sup> 0	30
Philippines . . . . .	RP	<sup>g</sup> 15	<sup>g</sup> 15	<sup>g</sup> 15	<sup>g</sup> 25	<sup>b,g</sup> 20	<sup>g</sup> 0	<sup>g</sup> 15	<sup>g</sup> 15	<sup>g</sup> 15	30	<sup>q</sup> 30	30
Poland . . . . .	PL	<sup>g</sup> 0	<sup>g</sup> 0	<sup>g</sup> 0	<sup>g</sup> 15	<sup>b,g</sup> 5	<sup>e,g</sup> 0	<sup>g</sup> 10	<sup>g</sup> 10	<sup>g</sup> 10	30	30	30
Portugal . . . . .	PO	<sup>g</sup> 10	<sup>g,ff</sup> 10	<sup>g</sup> 10	<sup>g,x</sup> 15	<sup>g,x</sup> 15	<sup>g</sup> 0	<sup>g</sup> 10	<sup>g</sup> 10	<sup>g</sup> 10	30	<sup>d,f</sup> 0	30
Romania . . . . .	RO	<sup>g</sup> 10	<sup>g</sup> 10	<sup>g</sup> 10	<sup>g</sup> 10	<sup>g</sup> 10	<sup>e,g</sup> 0	<sup>g</sup> 15	<sup>g</sup> 10	<sup>g</sup> 10	30	<sup>d,f</sup> 0	0
Russia . . . . .	RS	<sup>g</sup> 0	<sup>g,ff</sup> 0	<sup>g</sup> 0	<sup>g,gg</sup> 10	<sup>b,g,gg</sup> 5	<sup>g</sup> 0	<sup>g</sup> 0	<sup>g</sup> 0	<sup>g</sup> 0	30	<sup>d</sup> 0	30



- <sup>a</sup> No U.S. tax is imposed on a dividend paid by a U.S. corporation that received at least 80% of its gross income from an active foreign business for the 3-year period before the dividend is declared.
- <sup>b</sup> The reduced rate applies to dividends paid by a subsidiary to a foreign parent corporation that has the required percentage of stock ownership. In some cases, the income of the subsidiary must meet certain requirements (e.g., a certain percentage of its total income must consist of income other than dividends and interest). For Italy, the reduced rate is 10% if the foreign corporation owns 10% to 50% of the voting stock (for a 12-month period) of the company paying the dividends.
- <sup>c</sup> The exemption or reduction in rate applies only if the recipient is subject to tax on this income in the country of residence. Otherwise, a 30% rate applies.
- <sup>d</sup> Exemption does not apply to U.S. Government (federal, state, or local) pensions and annuities; a 30% rate applies to these pensions and annuities. For this purpose, railroad retirement tier 2, dual, and supplemental benefits are not considered U.S. Government pensions or annuities. U.S. Government pensions paid to an individual who is both a resident and national of China, Finland, France (if not a U.S. national), Hungary, India, Ireland (new treaty), Mexico, the Netherlands, Portugal, Russia, South Africa, Spain, Switzerland (new treaty), Thailand, Turkey, or the United Kingdom are exempt from U.S. tax. U.S. Government pensions paid to an individual who is both a resident and citizen of Kazakhstan, New Zealand, or Sweden are exempt from U.S. tax.
- <sup>e</sup> The treaty exemption that applies to U.S. source capital gains includes capital gains under section 871(a)(2) of the Internal Revenue code if they are received by a nonresident alien who is in the U.S. for no more than 183 days. (182 days for Belgium, Egypt, and Israel.)
- <sup>f</sup> Includes alimony.
- <sup>g</sup> Under the treaty the exemption or reduction in rate does not apply if the recipient has a permanent establishment in the United States and the property giving rise to the income is effectively connected with this permanent establishment. Under certain treaties, exemption or reduction in rate also does not apply if the property producing the income is effectively connected with a fixed base in the United States from which the recipient performs independent personal services. Even with the treaty, if the income is not effectively connected with a trade or business in the United States by the recipient, the recipient will be considered as not having a permanent establishment in the United States under Internal Revenue Code section 894(b).
- <sup>h</sup> Under the treaty the exemption or reduction in rate does not apply if the recipient is engaged in a trade or business in the United States through a permanent establishment that is in the United States. However, if the income is not effectively connected with a trade or business in the United States by the recipient, the recipient will be considered as not having a permanent establishment in the United States to apply the reduced treaty rate to that item of income.
- <sup>i</sup> Contingent interest that does not qualify as portfolio interest is treated as a dividend and is subject to the rate under column 6 of 7.
- <sup>j</sup> Exemption is not available when paid from a fund under an employees' pension or annuity plan, if contributions to it are deductible under U.S. tax laws in determining taxable income of the employer.
- <sup>k</sup> Exemption from or reduction in rate of tax does not apply to income of holding companies entitled to special tax benefits under the laws of Luxembourg.
- <sup>l</sup> Exemption does not apply to gains from the sale of real property. The rate is 15% (30% for Switzerland) for contingent interest that does not qualify as portfolio interest.
- <sup>m</sup> The exemption applies only to interest on credits, loans, and other indebtedness connected with the financing of trade between the United States and the C.U.S. member. It does not include interest from the conduct of a general banking business.
- <sup>n</sup> The exemption applies only to gains from the sale or other disposition of property acquired by gift or inheritance.
- <sup>o</sup> The exemption does not apply if the recipient was a resident of the United States when the pension was earned or when the annuity was purchased.
- <sup>p</sup> Annuities paid in return for other than the recipient's services are exempt.
- <sup>q</sup> Generally, if the property was owned by the Canadian resident on September 26, 1980, not as part of the business property of a permanent establishment or fixed base in the U.S., the taxable gain is limited to the appreciation after 1984. Capital gains on personal property not belonging to a permanent establishment or fixed base of the taxpayer in the U.S. are exempt.
- <sup>r</sup> Under the treaty, the reduced rate for royalties with respect to tangible personal property is 7%.
- <sup>s</sup> The exemption does not apply if (1) the recipient was a U.S. resident during the 5-year period before the date of payment, (2) the amount was paid for employment performed in the United States, and (3) the amount is not a periodic payment, or is a lump-sum payment in lieu of a right to receive an annuity.
- <sup>t</sup> Applies to 85% of the social security payments received from the U.S. Government. The effective rate on the total social security payments received is 85% of the rate shown in the table. These rates also apply to the social security equivalent portion of tier 1 railroad retirement benefits (income code 22) received from the U.S. The remainder of tier 1, all of tier 2, dual, and supplemental railroad retirement benefits (income code 23) are taxed as shown in column 14. \*Pensions and Annuities.\*\*
- <sup>u</sup> Gains on the disposition of U.S. real property interests are considered effectively connected with a U.S. trade or business and thus are subject to graduated rates of tax rather than the flat percentage shown in this column.
- <sup>v</sup> Tax imposed on 70% of gross royalties for rentals of industrial, commercial, or scientific equipment.
- <sup>x</sup> The rate in column 6 applies to dividends paid by a regulated investment company (RIC) or a real estate investment trust (REIT). However, that rate applies to dividends paid by a REIT only if the beneficial owner of the dividends is an individual holding less than a 10% interest (25% in the case of Netherlands, Portugal, Spain, and Tunisia) in the REIT.
- <sup>y</sup> Royalties not taxed at the 5% or 8% rate are taxed at a 10% rate, unless footnote (g) applies.
- <sup>z</sup> The exemption does not apply if the recipient of the gain is an individual who is present in the United States for more than 119 days during the year.
- <sup>aa</sup> The rate is 10% if the interest is paid on a loan granted by a bank or similar financial institution. For Mexico, the 10% rate also applies to bonds and securities that are regularly and substantially traded on a recognized securities market. For Thailand, the 10% rate also applies to interest from an arm's length sale or credit of equipment, merchandise, or services.
- <sup>bb</sup> This is the rate for royalties for the use of, or the right to use, industrial, commercial, and scientific equipment. The rate for royalties for information concerning industrial, commercial and scientific know-how is subject to the rate in column 12.
- <sup>cc</sup> The exemption does not apply to gain from the sale or other disposition of property described in Article 14(2)(c) (copyrights of literary, artistic, or scientific works).
- <sup>dd</sup> The exemption does not apply to cinematographic films, or works on film, tape, or other means of reproduction for use in radio or television broadcasting.
- <sup>ee</sup> U.S. social security benefits paid to individuals who are both residents and nationals of India, are exempt from tax if they are for services performed for the United States, its subdivisions, or local authorities.
- <sup>ff</sup> Exemption or reduced rate does not apply to an excess inclusion for a residual interest in a real estate mortgage investment conduit (REMIC).
- <sup>gg</sup> The rate in column 6 applies to dividends paid by a regulated investment company (RIC). Dividends paid by a real estate investment trust (REIT) are subject to a 30% rate.
- <sup>hh</sup> The exemption does not apply to gains from the sale of U.S. real property. However, for U.S. real property that was owned continuously since June 18, 1980, by the Netherlands resident, the taxable gain may be limited to the appreciation after 1984. For details, see Article 14(2) of the treaty.
- <sup>ii</sup> An election can be made to treat this interest income as if it were industrial and commercial profits taxable under article 8 of the treaty.
- <sup>jj</sup> If the payments were for the use of, or the right to use, industrial, commercial, or scientific equipment, an election may be made to compute the tax on a net basis as if such income were attributable to a permanent establishment or fixed base in the U.S.
- <sup>kk</sup> The reduced rate does not apply if the distribution is subject to a penalty for early withdrawal. Annuities that were purchased while the annuitant was not a resident of the United States are not taxable in the United States.
- <sup>ll</sup> The rate is 5% for royalties on the use of any copyright of literary, artistic, or scientific work, including software.
- <sup>mm</sup> Does not apply to annuities.

Table 2. Compensation for Personal Services Performed in United States Exempt from U.S. Income Tax Under Income Tax Treaties

Country (1)	Code <sup>1</sup> (2)	Category of Personal Services	Maximum Presence in U.S. (4)	Required Employer or Payer (5)	Maximum Amount of Compensation (6)	Treaty Article Citation (7)
		Purpose (3)				
Australia	16	Independent personal services <sup>22</sup>	183 days	Any contractor	No limit	14
	20	Public entertainment	183 days	Any contractor	\$10,000	17
	17	Dependent personal services <sup>15</sup>	183 days	Any foreign resident	No limit	15
	20	Public entertainment <sup>15</sup>	183 days	Any foreign resident	\$10,000	17
	19	Studying and training: Remittances or allowances <sup>10</sup>	No limit	Any foreign resident	No limit	20
Austria (before 1-1-98)	15	Scholarship or fellowship grant	No limit	Any U.S. or foreign resident <sup>5</sup>	No limit	XIII(3)
	16	Independent personal services	183 days	Austrian resident contractor	No limit	X
			183 days	Other foreign or U.S. resident contractor	\$3,000	X
	17	Dependent personal services	183 days	Austrian resident	No limit	X
	18	Teaching	183 days	Other foreign or U.S. resident	\$3,000	X
19	Studying and training: Remittances or allowances. Compensation while gaining experience <sup>2</sup>	2 years	U.S. educational institution	No limit	XII	
			No limit	Any foreign resident	No limit	XIII(1) & (2)
			1 year	Austrian resident	\$10,000 <sup>3</sup>	XIII(4)
Austria (beginning 1-1-98)	16	Independent personal services <sup>22</sup>	No limit	Any contractor	No limit	14
	20	Public entertainment	No limit	Any contractor	\$20,000 <sup>25</sup>	17
	17	Dependent personal services <sup>15</sup>	183 days	Any foreign resident	No limit	15
	20	Public entertainment	No limit	Any U.S. or foreign resident	\$20,000 <sup>25</sup>	17
	19	Studying and training: <sup>10</sup> Remittances or allowances	3 years <sup>11</sup>	Any foreign resident	No limit	20
Barbados	16	Independent personal services <sup>7,22</sup>	89 days	Any foreign contractor	No limit	14
			89 days	Any U.S. contractor	\$5,000	14
	20	Public entertainment	No limit	Any contractor	\$250 per day or \$4,000 p.a. <sup>6</sup>	17
	17	Dependent personal services <sup>7,15</sup>	183 days	Any foreign resident	\$5,000	15
	20	Public entertainment	No limit	Any U.S. or foreign resident	\$250 per day or \$4,000 p.a. <sup>6</sup>	17
	19	Studying and training: <sup>20</sup> Remittances or allowances <sup>10</sup>	No limit	Any foreign resident	No limit	20
Belgium	15	Scholarship or fellowship grant <sup>24</sup>	5 years	Any U.S. or foreign resident <sup>5</sup>	No limit	21(1)
	16	Independent personal services <sup>22</sup>	182 days	Any contractor	No limit	14(2)(a)(b)
	20	Public entertainment	90 days	Any contractor	\$3,000	14(2)(c)
	17	Dependent personal services <sup>15</sup>	182 days	Belgian resident	No limit	15
	18	Teaching <sup>4</sup>	2 years	U.S. educational institution	No limit	20
	19	Studying and training: Remittances or allowances.	5 years	Any foreign resident	No limit	21(1)
		Compensation during training	12 consec. mo.	Belgian resident	\$5,000	21(2)(b)
		Compensation while gaining experience <sup>2</sup>	5 years	Other foreign or U.S. resident	\$2,000 p.a.	21(1)
	Compensation under U.S. Government program	12 consec. mo.	Belgian resident	\$5,000	21(2)(a)	
			1 year	U.S. Government or its contractor	\$10,000	21(3)
Canada	16	Independent personal services <sup>22</sup>	No limit	Any contractor	No limit <sup>12</sup>	XIV
	17	Dependent personal services	No limit	Any U.S. or foreign resident	\$10,000	XV
			183 days	Any foreign resident <sup>15</sup>	No limit <sup>12</sup>	XV
	19	Studying and training: Remittances or allowances <sup>10</sup>	No limit	Any foreign resident	No limit	XX

Table 2. (Continued)

Country (1)	Code <sup>1</sup> (2)	Category of Personal Services	Maximum Presence in U.S. (4)	Required Employer or Payer (5)	Maximum Amount of Compensation (6)	Treaty Article Citation (7)
		Purpose (3)				
China, People's Rep. of	15	Scholarship or fellowship grant <sup>24</sup>	No specific limit	Any U.S. or foreign resident <sup>5</sup>	No limit	20(b)
	16	Independent personal services <sup>22</sup>	183 days	Any contractor	No limit	13
	20	Public entertainment	No limit	Any contractor	No limit	16
	17	Dependent personal services <sup>7,15</sup>	183 days	Any foreign resident	No limit	14
	20	Public entertainment <sup>29</sup>	No limit	Any U.S. or foreign resident	No limit	16
	18	Teaching <sup>4</sup>	3 years	U.S. educational or research institute	No limit	19
	19	Studying and training: Remittances or allowances. Compensation during training or while gaining experience.	No specific limit  No specific limit	Any foreign resident  Any U.S. or foreign resident	No limit  \$5,000 p.a.	20(a)  20(c)
Commonwealth of Independent States	15	Scholarship or fellowship grant	5 years	Any U.S. or foreign resident	Limited <sup>19</sup>	VI(1)
	16	Independent personal services	183 days	Any U.S. or foreign contractor	No limit	VI(2)
	17	Dependent personal services	183 days	Any U.S. or foreign resident	No limit	VI(2)
	18	Teaching <sup>4,18</sup>	2 years	Any U.S. educational or scientific institution	No limit	VI(1)
	19	Studying and training: Remittances or allowances. Compensation while gaining experience. Compensation under U.S. Government program	5 years 1 year  1 year	Any U.S. or foreign resident C.I.S. resident  Any U.S. or foreign resident	Limited <sup>19</sup> No limit <sup>19</sup>  No limit	VI(1) VI(1)  VI(1)
Cyprus	15	Scholarship or fellowship grant <sup>24</sup>	Generally, 5 years	Any U.S. or foreign resident <sup>5</sup>	No limit	21(1)
	16	Independent personal services <sup>22</sup>	182 days	Any contractor	No limit	17
	20	Public entertainment	No limit	Any contractor	\$500 per day or \$5,000 p.a. <sup>6</sup>	19(1)
	17	Dependent personal services <sup>15</sup>	182 days	Any foreign resident	No limit	18
	20	Directors' fees Public entertainment	No limit No limit	U.S. corporation Any U.S. or foreign resident	No limit <sup>21</sup> \$500 per day or \$5,000 p.a. <sup>6</sup>	20 19(1)
	19	Studying and training: Remittances or allowances.	Generally, 5 years	Any foreign resident	No limit	21(1)
			Compensation during training  Compensation while gaining experience <sup>2</sup> Government program	Generally, 5 years 1 year 1 year	Any U.S. or foreign resident Cyprus resident U.S. Government or its contractor	\$2,000 p.a. \$7,500 \$10,000
Czech Republic	15	Scholarship or fellowship grant <sup>24</sup>	5 years	Any U.S. or foreign resident <sup>5</sup>	No limit	21(1)
	16	Independent personal services <sup>22</sup>	183 days	Any contractor	No limit	14
	20	Public entertainment	183 days	Any contractor	\$20,000 p.a. <sup>30</sup>	18
	17	Dependent personal services <sup>7,15</sup>	183 days	Any foreign resident	No limit	15
	20	Public entertainment	183 days	Any foreign resident	\$20,000 p.a. <sup>30</sup>	18
	18	Teaching <sup>4,35</sup>	2 years	Any U.S. educational or research institution	No limit	21(5)
	19	Studying and training: Remittances and allowances Compensation during training Compensation while gaining experience <sup>2</sup> Compensation under U.S. Government program	5 years 5 years 12 consec. mos. 1 year	Any foreign resident Any U.S. or foreign resident Czech resident U.S. Government	No limit \$5,000 p.a. \$8,000 p.a. \$10,000	21(1) 21(1) 21(2) 21(3)
Denmark	16	Independent personal services	180 days	Danish resident contractor	No limit	XI
	17	Dependent personal services	90 days 180 days	Other foreign or U.S. resident contractor Danish resident	\$3,000 No limit	XI XI
	18	Teaching	90 days	Other foreign or U.S. resident	\$3,000	XI
	19	Studying and training: Remittances or allowances	2 years No limit	U.S. educational institution Any foreign resident	No limit No limit	XIV XIII

Table 2. (Continued)

Country (1)	Code <sup>1</sup> (2)	Category of Personal Services	Maximum Presence in U.S. (4)	Required Employer or Payer (5)	Maximum Amount of Compensation (6)	Treaty Article Citation (7)
		Purpose (3)				
Egypt	15	Scholarship or fellowship grant <sup>24</sup>	Generally, 5 years	Any U.S. or foreign resident <sup>5</sup>	No limit	23(1)
	16	Independent personal services	89 days	Any contractor	No limit	15
	20	Public entertainment	No limit	Any contractor	\$400 per day	17
	17	Dependent personal services <sup>14,15</sup>	89 days	Egyptian resident	No limit	16
	20	Public entertainment	No limit	Any U.S. or foreign resident	\$400 per day	17
	18	Teaching <sup>4</sup>		2 years	U.S. educational institution	No limit
19	Studying and training: Remittances or allowances Compensation during training Compensation while gaining experience <sup>2</sup> Compensation under U.S. Government program		Generally, 5 years Generally, 5 years 12 consec. mos. 1 year	Any foreign resident U.S. or any foreign resident Egyptian resident U.S. Government or its contractor	No limit \$3,000 p.a. \$7,500 \$10,000	23(1) 23(1) 23(2) 23(3)
Finland	16	Independent personal services <sup>22</sup>	No limit	Any contractor	No limit	14
	20	Public entertainment	No limit	Any contractor	\$20,000 p.a. <sup>25</sup>	17
	17	Dependent personal services <sup>15</sup>	183 days	Any foreign resident	No limit	15
	20	Public entertainment	No limit	Any U.S. or foreign resident	\$20,000 p.a. <sup>25</sup>	17
19	Studying and training: Remittances or allowances <sup>10</sup>		No limit	Any foreign resident	No limit	20
France	15	Scholarship or fellowship grant <sup>24</sup>	5 years <sup>40</sup>	Any U.S. or foreign resident <sup>5</sup>	No limit	21(1)
	16	Independent personal services <sup>22</sup>	No limit	Any contractor	No limit	14
	20	Public entertainment	No limit	Any contractor	\$10,000 <sup>30</sup>	17
	17	Dependent personal services <sup>7,15</sup>	183 days	Any foreign resident	No limit	15
	20	Public entertainment	No limit	Any U.S. or foreign resident	\$10,000 <sup>30</sup>	17
	18	Teaching <sup>4,39</sup>	2 years <sup>40</sup>	U.S. educational or research institution	No limit	20
	19	Studying and training: <sup>4</sup> Remittances or allowances Compensation during study or training Compensation while gaining experience	5 years <sup>40</sup> 12 consec. mos. 5 years 12 consec. mos.	Any foreign resident French resident Other foreign or U.S. resident French resident <sup>2</sup>	No limit \$8,000 \$5,000 p.a. \$8,000	21(1) 21(2) 21(1) 21(2)
Germany	15	Scholarship or fellowship grant	No limit	Any U.S. or foreign resident <sup>5</sup>	No limit	20(3)
	16	Independent personal services <sup>7,22</sup>	No limit	Any contractor	No limit	14
	20	Public entertainment <sup>22</sup>	No limit	Any contractor	\$20,000 p.a. <sup>30</sup>	17
	17	Dependent personal services <sup>7,15</sup>	183 days	Any foreign resident	No limit	15
	20	Public entertainment <sup>15</sup>	183 days	Any foreign resident	\$20,000 p.a. <sup>30</sup>	17
	18	Teaching <sup>4</sup>	2 years	U.S. educational or research institution	No limit	20(1)
19	Studying and training: Remittances or allowances <sup>10</sup> Compensation during study or training Compensation while gaining experience <sup>2</sup>	No limit 4 years 1 year	Any foreign resident Any U.S. or foreign resident Any German enterprise or foreign organization or institution	No limit \$5,000 p.a. \$10,000 <sup>28</sup>	20(2) 20(4) 20(5)	
Greece	16	Independent personal services	183 days	Greek resident contractor	No limit	X
	17	Dependent personal services	183 days	Other foreign or U.S. resident contractor	\$10,000	X
	18	Teaching	183 days	Greek resident	No limit	X
	19	Studying and training: Remittances or allowances	183 days 3 years	Other foreign or U.S. resident U.S. educational institution	\$10,000 No limit	X XII
	19	Studying and training: Remittances or allowances	No limit	Any foreign resident	No limit	XIII
Hungary	16	Independent personal services <sup>22</sup>	183 days	Any contractor	No limit	13
	17	Dependent personal services <sup>15</sup>	183 days	Any foreign resident	No limit	14
	18	Teaching <sup>4</sup>	2 years	U.S. educational institution	No limit	17
	19	Studying and training: <sup>20</sup> Remittances or allowances <sup>10</sup>	No limit	Any foreign resident	No limit	18(1)



Table 2. (Continued)

Country (1)	Code <sup>1</sup> (2)	Category of Personal Services	Maximum Presence in U.S. (4)	Required Employer or Payer (5)	Maximum Amount of Compensation (6)	Treaty Article Citation (7)
		Purpose (3)				
Iceland	15	Scholarship and fellowship grant <sup>24</sup>	5 years	Any U.S. or foreign resident <sup>5</sup>	No limit	22(1)
	16	Independent personal services <sup>22</sup>	182 days	Any contractor	No limit	18
	20	Public entertainment	90 days	Any contractor	\$100 per day	18
	17	Dependent personal services <sup>15</sup>	182 days	Iceland resident <sup>16</sup>	No limit	19
	18	Teaching <sup>4</sup>	2 years	U.S. educational institution	No limit	21
	19	Studying and training: Remittances or allowances.	5 years	Any foreign resident	No limit	22(1)
			Compensation during training	5 years	U.S. or any foreign resident	\$2,000 p.a.
		Compensation while gaining experience <sup>2</sup>	12 consec. mo.	Iceland resident	\$5,000	22(2)
		Compensation under U.S. Government program	1 year	U.S. Government or its contractor	\$10,000	22(3)
India	16	Independent personal services <sup>7,22</sup>	89 days	Any contractor	No limit	15
	20	Public entertainment <sup>22</sup>	89 days	Any contractor	\$1,500 p.a. <sup>26</sup>	18
	17	Dependent personal services <sup>7,15</sup>	183 days	Any foreign resident	No limit	16
	20	Public entertainment <sup>15</sup>	183 days	Any foreign resident	\$1,500 p.a. <sup>26</sup>	18
	18	Teaching <sup>4</sup>	2 years	U.S. educational institution	No limit	22
	19	Studying and training: Remittances or allowances.	No limit	Any foreign resident <sup>27</sup>	No limit	21(1)
Indonesia	15	Scholarship and fellowship grant <sup>24</sup>	5 years	Any U.S. or foreign resident <sup>5</sup>	No limit	19(1)
	16	Independent personal services <sup>22</sup>	119 days	Any contractor	No limit	15
	20	Public entertainment	No limit	Any contractor	\$2,000 p.a. <sup>25</sup>	17
	17	Dependent personal services <sup>15</sup>	119 days	Any foreign resident	No limit	16
	20	Public entertainment	No limit	Any U.S. or foreign resident	\$2,000 p.a. <sup>25</sup>	17
	18	Teaching <sup>4</sup>	2 years	U.S. educational institution	No limit	20
	19	Studying and training: Remittances or allowances.	5 years	Any foreign resident	No limit	19(1)
		Compensation during training	5 years	Any foreign or U.S. resident	\$2,000 p.a.	19(1)
		Compensation while gaining experience	12 consec. mo.	Any U.S. or foreign resident	\$7,500	19(2)
Ireland (before 1-1-98)	16	Independent personal services	183 days	Irish resident contractor	No limit	XI
	17	Dependent personal services	183 days	Irish resident	No limit	XI
	18	Teaching	2 years	U.S. educational institution	No limit	XVIII
	19	Studying and training: Remittances or allowances <sup>10</sup>	No limit	Irish resident	No limit	XIX
Ireland	16	Independent personal services <sup>22</sup>	No limit	Any contractor	No limit	14
	20	Public entertainment	No limit	Any contractor	\$20,000 <sup>25</sup>	17
	17	Dependent personal services <sup>7,15</sup>	183 days	Any foreign resident	No limit	15
	20	Public entertainment	No limit	Any U.S. or foreign resident	\$20,000 <sup>25</sup>	17
	19	Studying and training: <sup>10</sup> Remittances or allowances	1 year <sup>11</sup>	Any foreign resident	No limit	20
Israel	15	Scholarship and fellowship grant	5 years	Any U.S. or foreign resident <sup>5</sup>	No limit	24(1)
	16	Independent personal services	182 days	Any contractor	No limit	16
	20	Public entertainment	No limit	Any contractor	\$400 per day <sup>26</sup>	18
	17	Dependent personal services <sup>14,15</sup>	182 days	Israeli resident <sup>16</sup>	No limit	17
	20	Public entertainment	No limit	Any U.S. or foreign resident	\$400 per day <sup>26</sup>	18
	18	Teaching <sup>4,37</sup>	2 years	U.S. educational institution	No limit	23
	19	Studying and training: Remittances or allowances.	5 years	Any foreign resident	No limit	24(1)
			Compensation during study or training	5 years	Any U.S. or foreign resident	\$3,000 p.a.
		Compensation while gaining experience <sup>2</sup>	12 consec. mo.	Israeli resident	\$7,500	24(2)
		Compensation under U.S. Government program	1 year	U.S. Government or its contractor	\$10,000	24(3)

Table 2. (Continued)

Country (1)	Code <sup>1</sup> (2)	Category of Personal Services	Maximum Presence in U.S. (4)	Required Employer or Payer (5)	Maximum Amount of Compensation (6)	Treaty Article Citation (7)
		Purpose (3)				
Italy	16	Independent personal services <sup>7,22</sup>	183 days	Any contractor	No limit	14
	20	Public entertainment	90 days	Any contractor	\$12,000 p.a. <sup>25</sup>	17(1)
	17	Dependent personal services <sup>7,15</sup>	183 days	Any foreign resident	No limit	15
	20	Public entertainment	90 days	Any U.S. or foreign resident	\$12,000 p.a. <sup>25</sup>	17(1)
	18	Teaching <sup>4</sup>		2 years	U.S. educational institution	No limit
19	Studying and training: Remittances or allowances		No limit	Any foreign resident	No limit	21
Jamaica	16	Independent personal services <sup>22</sup>	89 days	Any foreign contractor	No limit	14
	20	Public entertainment	89 days	Any U.S. contractor	\$5,000 p.a.	14
	17	Dependent personal services <sup>15</sup>	No limit	Any contractor	\$400 per day, or \$5,000 p.a. <sup>6</sup>	18
	20	Public entertainment	183 days	Any foreign resident	\$5,000 p.a.	15
	18	Directors' fees	No limit	Any U.S. or foreign resident	\$400 per day, or \$5,000 p.a. <sup>6</sup>	18
	19	Teaching <sup>4</sup> Studying and training: Remittances or allowances <sup>10</sup> Compensation during study Compensation while gaining experience <sup>2</sup>	2 years	U.S. resident U.S. educational institution	\$400 per day <sup>6</sup> No limit	16 22
Japan	15	Scholarship or fellowship grant <sup>24</sup>	No limit	Any foreign resident	No limit	21(1)
	16	Independent personal services <sup>22</sup>	12 consec. mo.	Jamaican resident	\$7,500 p.a.	21(2)
	20	Public entertainment	12 consec. mo.	Jamaican resident	\$7,500 p.a.	21(2)
	17	Dependent personal services <sup>15,17</sup>	5 years	Any U.S. or foreign resident <sup>5</sup>	No limit	20(1)
	18	Teaching <sup>4</sup>	183 days	Any contractor	No limit	17
19	Studying and training: Remittances or allowances Compensation during training Compensation while gaining experience <sup>2</sup> Compensation under U.S. Government program	2 years	Japanese resident <sup>16</sup> U.S. educational institution	No limit	18 19	
Kazakstan	15	Scholarship or fellowship grant <sup>24,44</sup>	5 years <sup>31</sup>	Any U.S. or foreign resident <sup>5</sup>	No limit	19
	16	Independent personal services <sup>22</sup>	183 days	Any contractor	No limit	14
	17	Dependent personal services <sup>7,15</sup>	183 days	Any foreign resident	No limit	15
	19	Studying and training: Remittances or allowances	5 years	Any foreign resident	No limit	19
Korea, Rep. of	15	Scholarship or fellowship grant <sup>24</sup>	5 years	Any U.S. or foreign resident <sup>5</sup>	No limit	21(1)
	16	Independent personal services <sup>22</sup>	182 days	Any contractor	\$3,000 p.a.	18
	17	Dependent personal services <sup>15</sup>	182 days	Korean resident <sup>16</sup>	\$3,000 p.a.	19
	18	Teaching <sup>4</sup>	2 years	U.S. educational institution	No limit	20
	19	Studying and training: Remittances or allowances Compensation during training Compensation while gaining experience <sup>2</sup> Compensation under U.S. Government program	5 years 5 years 1 year	Any foreign resident Any foreign or U.S. resident Korean resident	No limit \$2,000 p.a. \$5,000	21(1) 21(1) 21(2)
			1 year	U.S. Government or its contractor	\$10,000	21(3)

Table 2. (Continued)

Country (1)	Code <sup>1</sup> (2)	Category of Personal Services	Maximum Presence in U.S. (4)	Required Employer or Payer (5)	Maximum Amount of Compensation (6)	Treaty Article Citation (7)
		Purpose (3)				
Luxembourg	15	Scholarship or fellowship grant	No limit	Any foreign resident <sup>5</sup>	No limit	XIV(1)
	16	Independent personal services	180 days	Luxembourg resident <sup>43</sup>	No limit	XII
	17	Dependent personal services <sup>7</sup>	180 days	Any U.S. or foreign resident	\$3,000	XII
	18	Teaching <sup>8</sup>	180 days	Luxembourg resident <sup>43</sup>	No limit	XII
	19	Studying and training: Remittances or allowances	2 years	Any U.S. or foreign resident	\$3,000	XII
			Compensation during training Compensation while gaining experience <sup>2</sup> Compensation under U.S. Government program	No limit 1 year 1 year 1 year	U.S. educational institution Any foreign resident Any foreign resident Any foreign resident	No limit No limit \$5,000 \$10,000
Mexico	16	Independent personal services <sup>22</sup>	183 days	Any contractor	No limit	14
	20	Public entertainment	No limit	Any contractor	\$3,000 p.a. <sup>30</sup>	18
	17	Dependent personal services <sup>7,15</sup>	183 days	Any foreign resident	No limit	15
	20	Public entertainment	No limit	Any U.S. or foreign resident	\$3,000 p.a. <sup>30</sup>	18
	19	Studying and training: Remittances or allowances	No limit	Any foreign resident	No limit	21
Morocco	15	Scholarship or fellowship grant <sup>24</sup>	5 years	Any U.S. or foreign resident <sup>5</sup>	No limit	18
	16	Independent personal services <sup>22</sup>	182 days	Any contractor <sup>12</sup>	\$5,000	14
	17	Dependent personal services <sup>15</sup>	182 days	Moroccan resident <sup>12, 16</sup>	No limit	15
	19	Studying and training: Remittances or allowances Compensation during training	5 years 5 years	Any foreign resident U.S. or any foreign resident	No limit \$2,000 p.a.	18 18
Netherlands	15	Scholarship or fellowship grant <sup>24,33</sup>	3 years	Any U.S. or foreign resident <sup>5</sup>	No limit	22(2)
	16	Independent personal services <sup>22</sup>	No limit	Any contractor	No limit	15
	20	Public entertainment	No limit	Any contractor	\$10,000 p.a. <sup>25</sup>	18
	17	Dependent personal services <sup>7,15</sup>	183 days	Any foreign resident	No limit	16
	20	Public entertainment	183 days	Any foreign resident	\$10,000 p.a. <sup>25</sup>	18
	18	Teaching <sup>4,34</sup>	2 years	U.S. educational institution	No limit	21(1)
	19	Studying and training: <sup>33</sup> Remittances or allowances Compensation while gaining experience Compensation while recipient of scholarship or fellowship grant	No limit No limit 3 years	Any foreign resident Any U.S. or foreign resident Any U.S. or foreign resident	No limit \$2,000 p.a. \$2,000 p.a. <sup>36</sup>	22(1) 22(1) 22(2)
New Zealand	16	Independent personal services <sup>22</sup>	183 days	Any contractor	No limit	14
	20	Public entertainment	183 days	Any contractor	\$10,000 <sup>25</sup>	17
	17	Dependent personal services <sup>15</sup>	183 days	Any foreign resident	No limit	15
	20	Public entertainment <sup>15</sup>	183 days	Any foreign resident	\$10,000 <sup>25</sup>	17
	19	Studying and training: <sup>10</sup> Remittances or allowances	No limit	Any foreign resident	No limit	20
Norway	15	Scholarship or fellowship grant <sup>24</sup>	5 years	Any U.S. or foreign resident <sup>5</sup>	No limit	16(1)
	16	Independent personal services <sup>22</sup>	182 days	Any contractor	No limit	13
	20	Public entertainment	90 days	Any contractor	\$10,000 p.a.	13
	17	Dependent personal services	182 days	Norwegian resident <sup>16</sup>	No limit	14
	18	Teaching <sup>4</sup>	2 years	U.S. educational institution	No limit	15
	19	Studying and training: Remittances or allowances Compensation during training Compensation while gaining experience <sup>2</sup> Compensation under U.S. Government program	5 years 5 years 12 consec. mo. 1 year	Any foreign resident U.S. or any foreign resident Norwegian resident U.S. Government or its contractor	No limit \$2,000 p.a. \$5,000 \$10,000	16(1) 16(1) 16(2) 16(3)

Table 2. (Continued)

Country (1)	Code <sup>1</sup> (2)	Category of Personal Services	Maximum Presence in U.S. (4)	Required Employer or Payer (5)	Maximum Amount of Compensation (6)	Treaty Article Citation (7)
		Purpose (3)				
Pakistan	15	Scholarship or fellowship grant <sup>24</sup>	No limit	Pakistani nonprofit organization	No limit	XIII(1)
	16	Independent personal services <sup>14</sup>	183 days	Pakistani resident contractor	No limit	XI
	17	Dependent personal services <sup>14</sup>	183 days	Pakistani resident	No limit	XI
	18	Teaching	2 years	U.S. educational institution	No limit	XII
	19	Studying and training: Remittances or allowances Compensation during training Compensation while gaining experience <sup>2</sup> Compensation while under U.S. Government program	No limit No limit 1 year No limit	Any foreign resident U.S. or any foreign resident Pakistani resident U.S. Government, its contractor, or any foreign resident employer	No limit \$5,000 p.a. \$6,000 \$10,000	XIII(1) XIII(1) XIII(2) XIII(3)
Philippines	15	Scholarship or fellowship grant <sup>24</sup>	5 years	Any U.S. or foreign resident <sup>5</sup>	No limit	22(1)
	16	Independent personal services <sup>22</sup>	89 days	Any foreign contractor	No limit	15
	20	Public entertainment	89 days No limit	Any U.S. resident Any contractor	\$10,000 p.a. \$100 per day or \$3,000 p.a.	15 17
	17	Dependent personal services <sup>15</sup>	89 days	Any Philippines resident <sup>16</sup>	No limit	16
	20	Public entertainment	No limit	Any U.S. or foreign resident	\$100 per day or \$3,000 p.a.	17
	18	Teaching <sup>4,38</sup>	2 years	U.S. educational institution	No limit	21
	19	Studying and training: Remittances or allowances Compensation during study Compensation while gaining experience <sup>2</sup> Compensation while under U.S. Government program	5 years 5 years 12 consec. mo. 1 year	Any foreign resident Any U.S. or foreign resident Philippines resident U.S. Government or its contractor	No limit \$3,000 p.a. \$7,500 p.a. \$10,000 p.a.	22(1) 22(1) 22(2) 22(3)
Poland	15	Scholarship or fellowship grant <sup>24</sup>	5 years	Any U.S. or foreign resident <sup>5</sup>	No limit	18(1)
	16	Independent personal services	182 days	Any contractor	No limit	15
	17	Dependent personal services <sup>15</sup>	182 days	Any foreign resident	No limit	16
	18	Teaching <sup>4</sup>	2 years	U.S. educational institution	No limit	17
	19	Studying and training: Remittances or allowances Compensation during training Compensation while gaining experience <sup>2</sup> Compensation while under U.S. Government program	5 years 5 years 1 year 1 year	Any foreign resident U.S. or any foreign resident Polish resident U.S. Government or its contractor	No limit \$2,000 p.a. \$5,000 \$10,000	18(1) 18(1) 18(2) 18(3)
Portugal	15	Scholarship or fellowship grant <sup>24</sup>	5 years	Any U.S. or foreign resident <sup>5</sup>	No limit	23(1)
	16	Independent personal services <sup>22</sup>	182 days	Any contractor	No limit	15
	20	Public entertainment	No limit	Any contractor	\$10,000 p.a. <sup>30</sup>	19
	17	Dependent personal services <sup>7,15</sup>	183 days	Any foreign resident	No limit	16
	20	Public entertainment	No limit	Any U.S. or foreign resident	\$10,000 p.a. <sup>30</sup>	19
	18	Teaching <sup>4,41</sup>	2 years <sup>40</sup>	U.S. educational institution	No limit	22
	19	Studying and training: Remittances or allowances Compensation during study or training Compensation while gaining experience	5 years <sup>40</sup> 12 consec. mos. 5 years <sup>40</sup> 12 consec. mos.	Any foreign resident Portuguese resident Other foreign or U.S. resident Portuguese resident <sup>2</sup>	No limit \$8,000 \$5,000 p.a. \$8,000	23(1) 23(2) 23(1) 23(2)

Table 2. (Continued)

Country (1)	Code <sup>1</sup> (2)	Category of Personal Services	Maximum Presence in U.S. (4)	Required Employer or Payer (5)	Maximum Amount of Compensation (6)	Treaty Article Citation (7)
		Purpose (3)				
Romania	15	Scholarship or fellowship grant <sup>24</sup>	5 years	Any U.S. or foreign resident <sup>5</sup>	No limit	20(1)
	16	Independent personal services <sup>22</sup>	182 days	Any contractor	No limit	14
	20	Public entertainment	90 days	Any contractor	\$3,000	14
	17	Dependent personal services <sup>15</sup>	182 days	Romanian resident	No limit	15
	20	Public entertainment	89 days	Romanian resident	\$2,999.99	15
	18	Teaching <sup>4</sup>	2 years	U.S. educational institution	No limit	19
	19	Studying and training: Remittances or allowances	5 years	Any foreign resident	No limit	20(1)
		Compensation during training	5 years	U.S. or any foreign resident	\$2,000 p.a.	20(1)
		Compensation while gaining experience <sup>2</sup> Compensation while under U.S. Government program	1 year	Romanian resident	\$5,000	20(2)
			U.S. Government or its contractor	\$10,000	20(3)	
Russia	15	Scholarship or fellowship grant <sup>24,44</sup>	5 years <sup>31</sup>	Any U.S. or foreign resident <sup>5</sup>	No limit	18
	16	Independent personal services <sup>22</sup>	183 days	Any contractor	No limit	13
	17	Dependent personal services <sup>7,15,32</sup>	183 days	Any foreign resident	No limit	14
	19	Studying and training: <sup>4</sup> Remittances	5 years <sup>31</sup>	Any foreign resident	No limit	18
Slovak Republic	15	Scholarship or fellowship grant <sup>24</sup>	5 years	Any U.S. or foreign resident <sup>5</sup>	No limit	21(1)
	16	Independent personal services <sup>22</sup>	183 days	Any contractor	No limit	14
	20	Public entertainment	183 days	Any contractor	\$20,000 p.a. <sup>30</sup>	18
	17	Dependent personal services <sup>7,15</sup>	183 days	Any foreign resident	No limit	15
	20	Public entertainment	183 days	Any foreign resident	\$20,000 p.a. <sup>30</sup>	18
	18	Teaching <sup>4,35</sup>	2 years	Any U.S. educational or research institution	No limit	21(5)
	19	Studying and training: Remittances or allowances	5 years	Any foreign resident	No limit	21(1)
		Compensation during training	5 years	Any U.S. or foreign resident	\$5,000 p.a.	21(1)
		Compensation while gaining experience <sup>2</sup> Compensation while under U.S. Government program	12 consec. mos.	Slovak resident	\$8,000	21(2)
		1 year	U.S. Government	\$10,000	21(3)	
South Africa	16	Independent personal services <sup>22</sup>	183 days	Any contractor	No limit	14
	20	Public entertainment	No limit	Any contractor	\$7,500 <sup>30</sup>	17
	17	Dependent personal services <sup>7,15</sup>	183 days	Any foreign resident	No limit	15
	20	Public entertainment	No limit	Any U.S. or foreign resident	\$7,500 <sup>30</sup>	17
	19	Studying and training: <sup>10</sup> Remittances or allowances	1 year <sup>11</sup>	Any foreign resident	No limit	20
Spain	15	Scholarship or fellowship grant <sup>24</sup>	5 years	Any U.S. or foreign resident <sup>5</sup>	No limit	22(1)
	16	Independent personal services <sup>22</sup>	No limit	Any contractor	No limit	15
	20	Public entertainment	No limit	Any contractor	\$10,000 p.a. <sup>30</sup>	19
	17	Dependent personal services <sup>15</sup>	183 days	Any foreign resident	No limit	16
	20	Public entertainment	No limit	Any U.S. or foreign resident	\$10,000 p.a. <sup>30</sup>	19
	19	Studying and training: <sup>4</sup> Remittances or allowances	5 years	Any foreign resident	No limit	22(1)
	Compensation during training	5 years	Any U.S. or foreign resident	\$5,000 p.a.	22(1)	
	Compensation while gaining experience <sup>2</sup>	12 consec. mo.	Spanish resident	\$8,000	22(2)	
Sweden	16	Independent personal services <sup>22</sup>	No limit	Any contractor	No limit	14
	20	Public entertainment	No limit	Any contractor	\$6,000 <sup>42</sup>	18
	17	Dependent personal services <sup>7,15</sup>	183 days	Any foreign resident	No limit	15
	20	Public entertainment	No limit	Any U.S. or foreign resident	\$6,000 <sup>42</sup>	18
	19	Studying and training: Remittances or allowances <sup>10</sup>	No limit	Any foreign resident	No limit	21
Switzerland (before 1-1-98)	16	Independent personal services <sup>9</sup>	183 days	Swiss resident contractor	No limit	X
			183 days	Other foreign or U.S. contractor	\$10,000	X
	17	Dependent personal services <sup>9</sup>	183 days	Swiss resident	No limit	X
			183 days	Other foreign or U.S. contractor	\$10,000	X
	18	Teaching	2 years	U.S. educational institution	No limit	XII
	19	Studying and training: Remittances or allowances	No limit	Any foreign resident	No limit	XIII

Table 2. (Continued)

Country (1)	Code <sup>1</sup> (2)	Category of Personal Services	Maximum Presence in U.S. (4)	Required Employer or Payer (5)	Maximum Amount of Compensation (6)	Treaty Article Citation (7)
		Purpose (3)				
Switzerland	16	Independent personal services <sup>22</sup>	No limit	Any contractor	No limit	14
	20	Public entertainment	No limit	Any contractor	\$10,000 <sup>25</sup>	17
	17	Dependent personal services <sup>7,15</sup>	183 days	Any foreign resident	No limit	15
	20	Public entertainment	No limit	Any U.S. or foreign resident	\$10,000 <sup>25</sup>	17
	19	Studying and training: Remittances or allowances	No limit	Any foreign resident	No limit	20
Thailand	15	Scholarship or fellowship grant <sup>22</sup>	5 years	Any U.S. or foreign resident <sup>5</sup>	No limit	22(1)
	16	Independent personal services <sup>22</sup>	89 days	Any U.S. resident	\$10,000	15
	20	Public entertainment	89 days	Any foreign contractor	No limit <sup>45</sup>	15
	17	Dependent personal services <sup>15,47</sup>	No limit	Any contractor <sup>46</sup>	\$100 per day or \$3,000 p.a. <sup>49</sup>	19
	20	Public entertainment	183 days	Any foreign resident	No limit	16
	18	Public entertainment	No limit	Any U.S. or foreign resident <sup>46</sup>	\$100 per day or \$3,000 p.a. <sup>49</sup>	17
	19	Teaching or research <sup>4,38</sup>	2 years	Any U.S. or foreign resident	No limit	23
	19	Studying and training: Remittances or allowances Compensation during training Compensation while gaining experience Compensation under U.S. Government program	5 years 5 years 12 consec. mos. 1 year	Any foreign resident Any U.S. or foreign resident Thai resident <sup>2</sup> U.S. Government	No limit \$3,000 p.a. \$7,500 \$10,000 <sup>49</sup>	22(1) 22(1) 22(2) 22(3)
Trinidad and Tobago	15	Scholarship or fellowship grant <sup>24</sup>	5 years	Any U.S. or foreign resident <sup>5</sup>	No limit	19(1)
	16	Independent personal services <sup>13</sup>	183 days	Any foreign resident contractor	No limit	17
	17	Dependent personal services <sup>13</sup>	183 days	Any U.S. contractor	\$3,000 <sup>6</sup>	17
	18	Teaching <sup>4</sup>	183 days	Any foreign resident	No limit	17
	19	Studying and training: Remittances or allowances Compensation during training Compensation during professional training Compensation while gaining experience <sup>2</sup> Compensation under U.S. Government program	2 years 5 years 5 years 5 years 1 year 1 year	Any U.S. resident U.S. educational institution or U.S. Government Any foreign resident U.S. or any foreign resident U.S. or any foreign resident Trinidad—Tobago resident U.S. Government or its contractor	No limit No limit \$2,000 p.a. <sup>6</sup> \$5,000 p.a. <sup>6</sup> \$5,000 <sup>6</sup> \$10,000 <sup>6</sup>	18 19(1) 19(1) 19(1) 19(2) 19(3)
	19	Studying and training: Remittances or allowances Compensation during training	5 years 5 years	Any foreign resident Any U.S. or foreign resident	No limit \$4,000 p.a.	20 20
Tunisia	15	Scholarship or fellowship grant <sup>10,24</sup>	5 years	Any U.S. or foreign resident <sup>5</sup>	No limit	20
	16	Independent personal services <sup>22</sup>	183 days	U.S. resident contractor	\$7,500 p.a.	14
	20	Public entertainment	No limit	Any contractor	\$7,500 p.a. <sup>25</sup>	17
	17	Dependent personal services <sup>15</sup>	183 days	Any foreign resident	No limit	15
	19	Studying and training: Remittances or allowances Compensation during training	No limit 5 years 5 years	Any U.S. or foreign resident Any foreign resident Any U.S. or foreign resident	\$7,500 p.a. <sup>25</sup> No limit \$4,000 p.a.	17 20 20
Turkey	16	Independent personal services <sup>22</sup>	183 days	Any contractor	No limit	14
	20	Public entertainment <sup>46</sup>	No limit	Any contractor	\$3,000 <sup>49</sup>	17
	17	Dependent personal services <sup>15,48</sup>	183 days	Any foreign resident	No limit	15
	20	Public entertainment <sup>46</sup>	No limit	Any U.S. or foreign resident	\$3,000 <sup>49</sup>	17
	19	Studying and training: Remittances or allowances	2 years No limit	Any foreign resident Any foreign resident	No limit No limit	20(2) 20(1)
United Kingdom	16	Independent personal services <sup>22</sup>	183 days	Any contractor	No limit <sup>12</sup>	14
	17	Dependent personal services <sup>15</sup>	183 days	Any foreign resident	No limit <sup>12</sup>	15
	18	Teaching <sup>4</sup>	2 years	U.S. educational institution	No limit	20
	19	Studying and training: Remittances or allowances <sup>10</sup>	No limit	Any foreign resident	No limit	21

<sup>1</sup> Refers to income code numbers under which the income is reported on Forms 1042-S. Personal services must be performed by a nonresident alien individual who is a resident of the specified treaty country.

<sup>2</sup> Applies only if training or experience is received from a person other than alien's employer.

<sup>3</sup> Annual compensation for services wherever performed.

<sup>4</sup> Does not apply to compensation for research work primarily for private benefit.

<sup>5</sup> Grant must be from a nonprofit organization. In many cases, the exemption also applies to amounts from either the U.S. or foreign government. For Indonesia and the Netherlands, the exemption also applies if the amount is awarded under a technical assistance program entered into by the United States or the foreign government, or its political subdivisions or local authorities.

<sup>6</sup> Reimbursed expenses are not taken into account in figuring any maximum compensation to which the exemption applies. For Japan and Trinidad and Tobago, only reimbursed travel expenses are disregarded in figuring the maximum compensation.

<sup>7</sup> Does not apply to fees of a foreign director of a U.S. corporation.

<sup>8</sup> Does not apply to compensation for research work for other than the U.S. educational institution involved.

<sup>9</sup> Applies to public entertainment in accordance with U.S. reservation rejecting exclusion contained in Art. X(4) of the Switzerland treaty.

<sup>10</sup> Applies only to full-time student or trainee.

<sup>11</sup> The time limit pertains only to an apprentice or business trainee.

<sup>12</sup> Does not apply to compensation paid to public entertainers (actors, artists, musicians, athletes, etc.). For Canadian or U.K. resident public entertainers, the exemption does not apply if the gross receipts (including reimbursements) are more than \$15,000 in any year.

<sup>13</sup> Does not apply to compensation paid to public entertainers that is more than \$100 a day.

<sup>14</sup> Exemption applies only if the compensation is subject to tax in the country of residence.

<sup>15</sup> The exemption does not apply if the employee's compensation is borne by a permanent establishment (or in some cases a fixed base) that the employer has in the United States.

<sup>16</sup> The exemption also applies if the employer is a permanent establishment in the treaty country but is not a resident of the treaty country.

<sup>17</sup> This exemption does not apply in certain cases if the employee is a substantial owner of that employer and the employer is engaged in certain defined activities.

<sup>18</sup> The exemption is also extended to journalists and correspondents who are temporarily in the U.S. for periods not longer than 2 years and who receive compensation from abroad.

<sup>19</sup> Also exempt are amounts of up to \$10,000 received from U.S. sources to provide ordinary living expenses. For students, the amount will be less than \$10,000, determined on a case by case basis.

<sup>20</sup> A student or trainee may choose to be treated as a U.S. resident for tax purposes, if the choice is made, it may not be changed without the consent of the U.S. competent authority.

<sup>21</sup> Amounts received in excess of a reasonable fixed amount payable to all directors for attending meetings in the United States are taxable.

<sup>22</sup> Exemption does not apply to the extent income is attributable to the recipient's fixed U.S. base. For residents of Japan, this fixed base must be maintained in the U.S. for more than 183 days during the tax year for the exemption not to apply; for residents of Belgium, Iceland, Korea, and Norway, the fixed base must be maintained for more than 182 days; for residents of Morocco, the fixed base must be maintained for more than 89 days.

<sup>23</sup> Exemption does not apply if the recipient maintains a permanent establishment in the U.S. with which the income is effectively connected.

<sup>24</sup> Does not apply to payments from the National Institutes of Health (NIH) under its Visiting Associate Program and Visiting Scientist Program.

<sup>25</sup> Exemption does not apply if gross receipts (including reimbursements) exceed this amount.

<sup>26</sup> Exemption does not apply if net income (or gross income for Israel) exceeds this amount.

<sup>27</sup> Exemption does not apply to payments borne by a permanent establishment in the United States or paid by a U.S. citizen or resident or the federal, state, or local government.

<sup>28</sup> Exemption does not apply if compensation exceeds this amount.

<sup>29</sup> The exemption applies only to income from activities performed under special cultural exchange programs agreed to by the U.S. and Chinese governments.

<sup>30</sup> Exemption does not apply if gross receipts (or compensation for Portugal), including reimbursements, exceed this amount. Income is fully exempt if visit to the United States is substantially supported by public funds of the treaty country or its political subdivisions or local authorities.

<sup>31</sup> The 5-year limit pertains only to training or research.

<sup>32</sup> Compensation from employment directly connected with a place of business that is not a permanent establishment is exempt if the alien is present in the United States for a period not exceeding 12 consecutive months. Compensation for technical services directly connected with the application of a right or property giving rise to a royalty is exempt if the services are provided as part of a contract granting the use of the right or property.

<sup>33</sup> Exemption does not apply if, during the immediately preceding period, the individual claimed the benefits of Article 21.

<sup>34</sup> Exemption does not apply if, during the immediately preceding period, the individual claimed the benefits of Article 22.

<sup>35</sup> Exemption does not apply if the individual either (a) claimed the benefit of Article 21(5) during a previous visit, or (b) during the immediately preceding period, claimed the benefit of Article 21(1), (2), or (3).

<sup>36</sup> Exemption applies only to compensation for personal services performed in connection with, or incidental to, the individual's study, research, or training.

<sup>37</sup> Exemption does not apply if, during the immediately preceding period, the individual claimed the benefits of Article 24(1).

<sup>38</sup> Exemption does not apply if, during the immediately preceding period, the individual claimed the benefits of Article 22(1).

<sup>39</sup> Exemption does not apply if the individual previously claimed the benefit of this Article.

<sup>40</sup> The combined period of benefits under Articles 20 and 21(1) cannot exceed 5 years.

<sup>41</sup> Exemption does not apply if the individual either (a) previously claimed the benefit of this Article, or (b) during the immediately preceding period, claimed the benefit of Article 23. The benefits under Articles 22 and 23 cannot be claimed at the same time.

<sup>42</sup> Exemption does not apply if gross receipts (including reimbursements) exceed this amount during any 12-month period.

<sup>43</sup> The exemption also applies if the income is borne by an employer that is a permanent establishment of a U.S. enterprise in Luxembourg.

<sup>44</sup> Applies to grants, allowances, and other similar payments received for studying or doing research.

<sup>45</sup> A \$10,000 limit applies if the expense is borne by a permanent establishment or a fixed base in the United States.

<sup>46</sup> This provision does not apply if visit to the United States is substantially supported by public funds of the treaty country or its political subdivisions or local authorities.

<sup>47</sup> Fees paid to a resident of Thailand for services as a director of a U.S. corporation are subject to U.S. tax, unless the services are performed in Thailand.

<sup>48</sup> Fees paid to a resident of Turkey for services performed in the United States as a director of a U.S. corporation are subject to tax.

<sup>49</sup> Exemption does not apply if gross receipts exceed this amount.

Table 3. List of Tax Treaties

Country	Official Text Symbol <sup>1</sup>	General Effective Date	Citation	Applicable Treasury Explanations or Treasury Decision (T.D.)
Australia	TIAS 10773	Dec. 1, 1983	1986-2 C.B. 220	1986-2 C.B. 246
Austria	TIAS	Jan. 1, 1999		
Barbados	TIAS 11090	Jan. 1, 1984	1991-2 C.B. 436	1991-2 C.B. 466
Protocol	TIAS	Jan. 1, 1994		
Belgium	TIAS 7463	Jan. 1, 1971	1973-1 C.B. 619	
Protocol	TIAS 11254	Jan. 1, 1988		
Canada <sup>2</sup>	TIAS 11087	Jan. 1, 1985	1986-2 C.B. 258	1987-2 C.B. 298
Protocol	TIAS	Jan. 1, 1996		
China, People's Republic of	TIAS	Jan. 1, 1987	1988-1 C.B. 414	1988-1 C.B. 447
Commonwealth of Independent States <sup>3</sup>	TIAS 8225	Jan. 1, 1976	1976-2 C.B. 463	1976-2 C.B. 475
Cyprus	TIAS 10965	Jan. 1, 1986	1989-2 C.B. 280	1989-2 C.B. 314
Czech Republic	TIAS	Jan. 1, 1993		
Denmark	TIAS 1854	Jan. 1, 1948	1950-1 C.B. 77	T.D. 5692, 1949-1 C.B. 104; T.D. 5777, 1950-1 C.B. 76
Egypt	TIAS 10149	Jan. 1, 1982	1982-1 C.B. 219	1982-1 C.B. 243
Finland	TIAS	Jan. 1, 1991		
France	TIAS	Jan. 1, 1996		
Germany	TIAS	Jan. 1, 1990 <sup>4</sup>		
Greece	TIAS 2902	Jan. 1, 1953	1958-2 C.B. 1054	T.D. 6109, 1954-2 C.B. 638
Hungary	TIAS 9560	Jan. 1, 1980	1980-1 C.B. 333	1980-1 C.B. 354
Iceland	TIAS 8151	Jan. 1, 1976	1976-1 C.B. 442	1976-1 C.B. 456
India	TIAS	Jan. 1, 1991		
Indonesia	TIAS 11593	Jan. 1, 1990		
Ireland	TIAS	Jan. 1, 1998		
Israel	TIAS	Jan. 1, 1995		
Italy	TIAS 11064	Jan. 1, 1985	1992-1 C.B. 442	1992-1 C.B. 473
Jamaica	TIAS 10207	Jan. 1, 1982	1982-1 C.B. 257	1982-1 C.B. 291
Japan	TIAS 7365	Jan. 1, 1973	1973-1 C.B. 630	1973-1 C.B. 653
Kazakstan	TIAS	Jan. 1, 1996		
Korea, Republic of	TIAS 9506	Jan. 1, 1980	1979-2 C.B. 435	1979-2 C.B. 458
Luxembourg	TIAS 5726	Jan. 1, 1964	1965-1 C.B. 615	1965-1 C.B. 642
Mexico	TIAS	Jan. 1, 1994	1994-2 C.B. 424	1994-2 C.B. 489
Protocol	TIAS	Oct. 26, 1995		
Morocco	TIAS 10195	Jan. 1, 1981	1982-2 C.B. 405	1982-2 C.B. 427
Netherlands	TIAS	Jan. 1, 1994		
New Zealand	TIAS 10772	Nov. 2, 1983	1990-2 C.B. 274	1990-2 C.B. 303
Norway	TIAS 7474	Jan. 1, 1971	1973-1 C.B. 669	1973-1 C.B. 693
Protocol	TIAS 10205	Jan. 1, 1982	1982-2 C.B. 440	1982-2 C.B. 454
Pakistan	TIAS 4232	Jan. 1, 1959	1960-2 C.B. 646	T.D. 6431, 1960-1 C.B. 755
Philippines	TIAS 10417	Jan. 1, 1983	1984-2 C.B. 384	1984-2 C.B. 412
Poland	TIAS 8486	Jan. 1, 1974	1977-1 C.B. 416	1977-1 C.B. 427
Portugal	TIAS	Jan. 1, 1996		
Romania	TIAS 8228	Jan. 1, 1974	1976-2 C.B. 492	1976-2 C.B. 504
Russia	TIAS	Jan. 1, 1994		
Slovak Republic	TIAS	Jan. 1, 1993		
South Africa	TIAS	Jan. 1, 1998		
Spain	TIAS	Jan. 1, 1991		
Sweden	TIAS	Jan. 1, 1996		
Switzerland	TIAS	Jan. 1, 1998		
Thailand	TIAS	Jan. 1, 1998		
Trinidad and Tobago	TIAS 7047	Jan. 1, 1970	1971-2 C.B. 479	
Tunisia	TIAS	Jan. 1, 1990		
Turkey	TIAS	Jan. 1, 1998		
United Kingdom	TIAS 9682	Jan. 1, 1975	1980-1 C.B. 394	1980-1 C.B. 455

<sup>1</sup> (TIAS)—Treaties and Other International Act Series.

<sup>2</sup> Information on the treaty can be found in Publication 597, *Information on the United States—Canada Income Tax Treaty*.

<sup>3</sup> The U.S.—U.S.S.R. income tax treaty applies to the countries of Armenia, Azerbaijan, Belarus, Georgia, Kyrgyzstan, Moldova, Tajikistan, Turkmenistan, Ukraine, and Uzbekistan.

<sup>4</sup> The general effective date for the area that was the German Democratic Republic is January 1, 1991.



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## How To Get More Information



You can get help from the IRS in several ways.

**Free publications and forms.** To order free publications and forms, call 1-800-TAX-FORM (1-800-829-3676). You can also

write to the IRS Forms Distribution Center nearest you. Check your income tax package for the address. Your local library or post office also may have the items you need.

For a list of free tax publications, order Publication 910, *Guide to Free Tax Services*. It also contains an index of tax topics and related publications and describes other free tax information services available from IRS, including tax education and assistance programs.

If you have access to a personal computer and modem, you also can get many forms

and publications electronically. See your income tax package for details.

**Tax questions.** You can call the IRS with your tax questions. Check your income tax package or telephone book for the local number, or you can call 1-800-829-1040.

**TTY/TDD equipment.** If you have access to TTY/TDD equipment, you can call 1-800-829-4059 to ask tax questions or to order forms and publications. See your income tax package for the hours of operation.



## Tax Publications for Individual Taxpayers

### General Guides

- 1 Your Rights as a Taxpayer
- 17 Your Federal Income Tax (For Individuals)
- 225 Farmer's Tax Guide
- 334 Tax Guide for Small Business
- 509 Tax Calendars for 1998
- 553 Highlights of 1997 Tax Changes
- 595 Tax Highlights for Commercial Fishermen
- 910 Guide to Free Tax Services

### Specialized Publications

- 3 Armed Forces' Tax Guide
- 378 Fuel Tax Credits and Refunds
- 463 Travel, Entertainment, Gift, and Car Expenses
- 501 Exemptions, Standard Deduction, and Filing Information
- 502 Medical and Dental Expenses
- 503 Child and Dependent Care Expenses
- 504 Divorced or Separated Individuals
- 505 Tax Withholding and Estimated Tax
- 508 Educational Expenses
- 514 Foreign Tax Credit for Individuals
- 516 U.S. Government Civilian Employees Stationed Abroad
- 517 Social Security and Other Information for Members of the Clergy and Religious Workers
- 519 U.S. Tax Guide for Aliens
- 520 Scholarships and Fellowships
- 521 Moving Expenses
- 523 Selling Your Home
- 524 Credit for the Elderly or the Disabled
- 525 Taxable and Nontaxable Income
- 526 Charitable Contributions
- 527 Residential Rental Property
- 529 Miscellaneous Deductions

- 530 Tax Information for First-Time Homeowners
- 531 Reporting Tip Income
- 533 Self-Employment Tax
- 534 Depreciating Property Placed in Service Before 1987
- 537 Installment Sales
- 541 Partnerships
- 544 Sales and Other Dispositions of Assets
- 547 Casualties, Disasters, and Thefts (Business and Nonbusiness)
- 550 Investment Income and Expenses
- 551 Basis of Assets
- 552 Recordkeeping for Individuals
- 554 Older Americans' Tax Guide
- 555 Federal Tax Information on Community Property
- 556 Examination of Returns, Appeal Rights, and Claims for Refund
- 559 Survivors, Executors, and Administrators
- 561 Determining the Value of Donated Property
- 564 Mutual Fund Distributions
- 570 Tax Guide for Individuals With Income From U.S. Possessions
- 575 Pension and Annuity Income
- 584 Nonbusiness Disaster, Casualty, and Theft Loss Workbook
- 587 Business Use of Your Home (Including Use by Day-Care Providers)
- 590 Individual Retirement Arrangements (IRAs) (Including SEP-IRAs and SIMPLE IRAs)
- 593 Tax Highlights for U.S. Citizens and Residents Going Abroad
- 594 Understanding the Collection Process
- 596 Earned Income Credit
- 721 Tax Guide to U.S. Civil Service Retirement Benefits

- 901 U.S. Tax Treaties
- 907 Tax Highlights for Persons with Disabilities
- 908 Bankruptcy Tax Guide
- 911 Direct Sellers
- 915 Social Security and Equivalent Railroad Retirement Benefits
- 919 Is My Withholding Correct for 1998?
- 925 Passive Activity and At-Risk Rules
- 926 Household Employer's Tax Guide
- 929 Tax Rules for Children and Dependents
- 936 Home Mortgage Interest Deduction
- 946 How To Depreciate Property
- 947 Practice Before the IRS and Power of Attorney
- 950 Introduction to Estate and Gift Taxes
- 967 IRS Will Figure Your Tax
- 968 Tax Benefits for Adoption
- 1542 Per Diem Rates
- 1544 Reporting Cash Payments of Over \$10,000
- 1546 The Problem Resolution Program of the Internal Revenue Service

### Spanish Language Publications

- 1SP Derechos del Contribuyente
- 579SP Cómo Preparar la Declaración de Impuesto Federal
- 594SP Comprendiendo el Proceso de Cobro
- 596SP Crédito por Ingreso del Trabajo
- 850 English-Spanish Glossary of Words and Phrases Used in Publications Issued by the Internal Revenue Service
- 1544SP Informe de Pagos en Efectivo en Exceso de \$10,000 (Recibidos en una Ocupación o Negocio)

## Commonly Used Tax Forms

- 1040 U.S. Individual Income Tax Return
  - Sch A Itemized Deductions
  - Sch B Interest and Dividend Income
  - Sch C Profit or Loss From Business
  - Sch C-EZ Net Profit From Business
  - Sch D Capital Gains and Losses
  - Sch E Supplemental Income and Loss
  - Sch EIC Earned Income Credit
  - Sch F Profit or Loss From Farming
  - Sch H Household Employment Taxes
  - Sch R Credit for the Elderly or the Disabled
  - Sch SE Self-Employment Tax
- 1040EZ Income Tax Return for Single and Joint Filers With No Dependents
- 1040A U.S. Individual Income Tax Return
  - Sch 1 Interest and Dividend Income for Form 1040A Filers

- Sch 2 Child and Dependent Care Expenses for Form 1040A Filers
- Sch 3 Credit for the Elderly or the Disabled for Form 1040A Filers
- 1040-ES Estimated Tax for Individuals
- 1040X Amended U.S. Individual Income Tax Return
- 2106 Employee Business Expenses
- 2106-EZ Unreimbursed Employee Business Expenses
- 2119 Sale of Your Home
- 2210 Underpayment of Estimated Tax by Individuals, Estates and Trusts
- 2441 Child and Dependent Care Expenses
- 2848 Power of Attorney and Declaration of Representative
- 3903 Moving Expenses
- 4562 Depreciation and Amortization

- 4868 Application for Automatic Extension of Time To File U.S. Individual Income Tax Return
- 4952 Investment Interest Expense Deduction
- 5329 Additional Taxes Attributable to Qualified Retirement Plans (Including IRAs), Annuities, and Modified Endowment Contracts
- 6251 Alternative Minimum Tax—Individuals
- 8283 Noncash Charitable Contributions
- 8582 Passive Activity Loss Limitations
- 8606 Nondeductible IRAs (Contributions, Distributions, and Basis)
- 8822 Change of Address
- 8829 Expenses for Business Use of Your Home

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- 334 Tax Guide for Small Business
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- 553 Highlights of 1997 Tax Changes
- 595 Tax Highlights for Commercial Fishermen
- 910 Guide to Free Tax Services

### Employer's Guides

- 15 Employer's Tax Guide (Circular E)
- 15-A Employer's Supplemental Tax Guide
- 51 Agricultural Employer's Tax Guide (Circular A)
- 80 Federal Tax Guide For Employers in the Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands (Circular SS)
- 179 Guía Contributiva Federal Para Patronos Puertorriqueños (Circular PR)
- 926 Household Employer's Tax Guide

### Specialized Publications

- 378 Fuel Tax Credits and Refunds

- 463 Travel, Entertainment, Gift, and Car Expenses
- 505 Tax Withholding and Estimated Tax
- 510 Excise Taxes for 1998
- 515 Withholding of Tax on Nonresident Aliens and Foreign Corporations
- 517 Social Security and Other Information for Members of the Clergy and Religious Workers
- 527 Residential Rental Property
- 533 Self-Employment Tax
- 534 Depreciating Property Placed in Service Before 1987
- 535 Business Expenses
- 536 Net Operating Losses
- 537 Installment Sales
- 538 Accounting Periods and Methods
- 541 Partnerships
- 542 Corporations
- 544 Sales and Other Dispositions of Assets
- 551 Basis of Assets
- 556 Examination of Returns, Appeal Rights, and Claims for Refund
- 560 Retirement Plans for Small Business (SEP, Keogh, and SIMPLE Plans)
- 561 Determining the Value of Donated Property
- 583 Starting a Business and Keeping Records
- 587 Business Use of Your Home (Including Use by Day-Care Providers)
- 594 Understanding the Collection Process

- 597 Information on the United States-Canada Income Tax Treaty
- 598 Tax on Unrelated Business Income of Exempt Organizations
- 686 Certification for Reduced Tax Rates in Tax Treaty Countries
- 901 U.S. Tax Treaties
- 908 Bankruptcy Tax Guide
- 911 Direct Sellers
- 925 Passive Activity and At-Risk Rules
- 946 How To Depreciate Property
- 947 Practice Before the IRS and Power of Attorney
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## Commonly Used Tax Forms

- W-2 Wage and Tax Statement
- W-4 Employee's Withholding Allowance Certificate
- 940 Employer's Annual Federal Unemployment (FUTA) Tax Return
- 940EZ Employer's Annual Federal Unemployment (FUTA) Tax Return
- 1040 U.S. Individual Income Tax Return
  - Sch A Itemized Deductions
  - Sch B Interest and Dividend Income
  - Sch C Profit or Loss From Business
  - Sch C-EZ Net Profit From Business
  - Sch D Capital Gains and Losses
  - Sch E Supplemental Income and Loss
  - Sch F Profit or Loss From Farming
  - Sch H Household Employment Taxes
  - Sch R Credit for the Elderly or the Disabled
  - Sch SE Self-Employment Tax
- 1040-ES Estimated Tax for Individuals
- 1040X Amended U.S. Individual Income Tax Return

- 1065 U.S. Partnership Return of Income
  - Sch D Capital Gains and Losses
  - Sch K-1 Partner's Share of Income, Credits, Deductions, etc.
- 1120 U.S. Corporation Income Tax Return
- 1120-A U.S. Corporation Short-Form Income Tax Return
- 1120S U.S. Income Tax Return for an S Corporation
  - Sch D Capital Gains and Losses and Built-In Gains
  - Sch K-1 Shareholder's Share of Income, Credits, Deductions, etc.
- 2106 Employee Business Expenses
- 2106-EZ Unreimbursed Employee Business Expenses
- 2210 Underpayment of Estimated Tax by Individuals, Estates, and Trusts
- 2441 Child and Dependent Care Expenses
- 2848 Power of Attorney and Declaration of Representative

- 3800 General Business Credit
- 3903 Moving Expenses
- 4562 Depreciation and Amortization
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