

## VITA/TCE Volunteer Tax Alert

### VTA 2023-04, Publication 4011 Update

#### Purpose

The purpose of this alert is to provide updated information to volunteers with Foreign Student and Scholar certification. A necessary change to the Countries with Treaty Benefits for Scholarship or Fellowship Grants chart in the Publication 4011, VITA/TCE Foreign Student and Scholar Volunteer Resource Guide, was identified. This information was not included in Publication 4491-X, VITA/TCE Training Supplement. These changes should be made to your training, either as pen and ink changes or by printing and inserting the attached page.

#### Changes to Publication 4011:

Page Number	Change
7	In the row for Bangladesh, add a reference to footnote 1 in the Maximum Years in U.S. column.
7	In the row for Commonwealth of Independent States change the asterisk to a reference to footnote 2.
7	At the bottom of the page, change the asterisk at the beginning of the existing footnote to a 2.
7	At the bottom of the page, above the existing footnote, insert a new footnote 1: 2-year limit applies to business or technical apprentices.

**Thank you for volunteering and for your dedication to top QUALITY service!**

## Countries with Treaty Benefits for Scholarship or Fellowship Grants (Income Code 16)

If a nonresident alien receives a grant that is **not** from U.S. sources, it is **not** subject to U.S. tax.

Scholarship or fellowship grants that cover tuition and fees (and books and supplies if required of all students) are **not** subject to U.S. tax. (Financial aid that is dependent on the performance of services, such as a teaching assistant, is treated as wages and subject to the code income 18, 19, or 20 provisions.)

Scholarship or fellowship grants that cover room, board and other personal expenses are subject to U.S. tax unless a treaty benefit (as summarized below) exists.

Country	Maximum Years in U.S.	Maximum Dollar Amounts	Treaty Article
Bangladesh	2 <sup>1</sup>	No Limit	21(2)
China	No Limit	No Limit	20(b)
Commonwealth of Independent States <sup>2</sup>	5	Limited	VI(1)
Cyprus	5	No Limit	21(1)
Czech Republic	5	No Limit	21(1)
Egypt	5	No Limit	23(1)
Estonia	5	No Limit	20(1)
France	5	No Limit	21(1)
Germany	No Limit	No Limit	20(3)
Iceland	5	No Limit	22(1)
Indonesia	5	No Limit	19(1)
Israel	5	No Limit	24(1)
Kazakhstan	5	No Limit	19
Korea, South	5	No Limit	21(1)
Latvia	5	No Limit	20(1)
Lithuania	5	No Limit	20(1)
Morocco	5	No Limit	18
Netherlands	3	No Limit	22(2)
Norway	5	No Limit	16(1)
Philippines	5	No Limit	22(1)
Poland	5	No Limit	18(1)
Portugal	5	No Limit	23(1)
Romania	5	No Limit	20(1)
Russia	5	No Limit	18
Slovak Republic	5	No Limit	21(1)
Slovenia	5	No Limit	20(1)
Spain	5	No Limit	22(1)
Thailand	5	No Limit	22(1)
Trinidad and Tobago	5	No Limit	19(1)
Tunisia	5	No Limit	20
Ukraine	5	No Limit	20
Venezuela	5	No Limit	21(1)

<sup>1</sup> 2-year limit applies to business or technical apprentices

<sup>2</sup> Commonwealth of Independent States (Armenia, Azerbaijan, Belarus, Georgia, Kyrgyzstan, Moldova, Tajikistan, Turkmenistan and Uzbekistan.) Generally, limited to \$10,000 p.a. of scholarship/fellowship income to provide ordinary living expenses.