



## Taxes in the United States

1. **Sales Tax:** Florida sales tax is 6% and applies to most items that you purchase such as clothing and electronics and clearly marked on your receipt. Some counties in Florida add 1% to this, making it a total of 7%. So be aware that sales tax may differ county by county. You will notice that the sales tax is added on to the price of an item at the time of purchase. Therefore, the amount you must pay will be higher than the amount on the price tag.
2. **Income Tax:** All F-1, J-1, and M-1 students, even those with no U.S. income, are expected to file a tax return every year. Sources of U.S. income may include on-campus employment, scholarships, practical or academic training, and any compensation received for labor. Foreign students do not have to pay taxes on interest paid to them by U.S. banks. Note that "income" is not limited to wages paid to you in cash, but also includes that portion of your scholarship, fellowship, or assistantship that is applied to your housing and meal expenses. The portion applied to your tuition fees, books, and supplies is not counted as income. Once you have filed an *income tax return*, you have begun a tax record with the Internal Revenue Service (IRS), which can benefit you in the future.

Although WORLD staff members do not give tax advice, we do arrange a Tax Workshop for International Students each spring to help you with your tax questions. Do not interpret the information presented here as individual tax advice.

3. **Yearly Filing of Tax Return Forms:** Everyone in the United States, regardless of immigration status, is responsible each year for submitting a complete and accurate income-tax statement to the Internal Revenue Service (IRS), an agency of the U.S. Treasury Department. Americans call the process "filing a tax return." Foreign students, regardless of whether or not they work or earn income while in the United States, must file an appropriate return each year.

- In the United States, it is each individual's personal responsibility to meet his or her tax obligations; the government will not do it for you, but it will penalize you if you do not do it yourself. You are responsible for:
  - Helping your employer estimate how much of your income should be "*withheld*" (or deducted) from your wages for the purpose of paying taxes. Your employer pays those amounts directly to the U.S. Treasury on your behalf.
  - In your annual tax return, you must reconcile your account with the government to verify that you paid the right amount over the course of the year.
  - If you paid too much, you may claim a refund, which will be paid promptly unless the government disagrees with your calculations.
- You must file a tax return even if you did not have income from a U.S. source, just to keep the government records straight.
- Social Security Tax:
  - Students often have questions about payment of a U.S. tax called *Social Security tax* or *FICA*. FICA is a taxation system that provides benefits to retired workers. Most F, M, and J students are not subject to this tax, but J-2 dependents with work permission are.
- Important Dates:
  - **April 15:** The last day on which residents and nonresidents who have earned wages from U.S. sources may file their U.S. federal income-tax returns.

**June 15:** The last day on which nonresident students and their dependents that have no wage income from U.S. sources may file their 104ONR-EZ or 104ONR returns and Form #8843.