

# 2000



Department of the Treasury  
Internal Revenue Service

# Instructions for Form 1040NR-EZ

## U.S. Income Tax Return for Certain Nonresident Aliens With No Dependents

Section references are to the Internal Revenue Code unless otherwise noted.

### May I Use Form 1040NR-EZ?

You can use Form 1040NR-EZ instead of Form 1040NR if **all nine** of the following apply.

1. You do not claim any dependents.
2. You cannot be claimed as a dependent on another person's U.S. tax return (such as your parent's return).
3. Your **only** U.S. source income was from wages, salaries, tips, taxable refunds of state and local income taxes, and scholarship or fellowship grants.

**Note:** If you had taxable interest or dividend income, you **cannot** use this form.

4. Your taxable income (line 14 of Form 1040NR-EZ) is less than \$50,000.
5. The only adjustments to income you can claim are the student loan interest deduction or the exclusion for scholarship and fellowship grants.
6. You do not claim any tax credits.
7. If you were married, you do not claim an exemption for your spouse.
8. If you itemize deductions, the only deduction you claim is for state and local income taxes.
9. The only taxes you owe are:
  - a. The tax from the tax table on pages 8 through 12.
  - b. The social security and Medicare tax on tip income not reported to your employer.
  - c. The household employment taxes.

### General Instructions

#### What's New for 2000?

#### Student Loan Interest Deduction

If you paid interest on a qualified student loan, you may be able to deduct up to \$2,000 of the interest on line 8. See the instructions for line 8 on page 4 for details.

#### Paid Preparer Authorization

If you want to allow the IRS to discuss your 2000 tax return with the paid preparer who signed it, check the "Yes" box in the area where you sign your return. See page 6 for details.

### What To Look for in 2001

#### Student Loan Interest Deduction

You may be able to deduct up to \$2,500 of the interest you pay on a qualified student loan.

#### Other Reporting Requirements

If you meet the closer connection to a foreign country exception to the substantial presence test, you must file **Form 8840**. If you exclude days of presence in the United States for purposes of the substantial presence test, you must file **Form 8843**. This rule does not apply to foreign-government-related individuals who exclude days of presence in the United States. Certain dual-resident taxpayers who claim tax treaty benefits must file **Form 8833**. A dual-resident taxpayer is one who is a resident of both the United States and another country under each country's tax laws.

#### Additional Information

If you need more information, our free publications may help you. **Pub. 519**, U.S. Tax Guide for Aliens, will be the most important, but the following publications may also help.

**Pub. 552**, Recordkeeping for Individuals  
**Pub. 597**, Information on the United States-Canada Income Tax Treaty  
**Pub. 901**, U.S. Tax Treaties  
**Pub. 910**, Guide to Free Tax Services (includes a list of all publications)

These free publications and the forms and schedules you will need are available on request from the Internal Revenue Service. If you have a foreign address, send your order to the Eastern Area Distribution Center, P.O. Box 85074, Richmond, VA 23261-5074, U.S.A. You may also download forms and publications from the IRS Web Site at **www.irs.gov**. Also see **Taxpayer Assistance** on page 7 for other ways to get these forms and publications (as well as information on receiving IRS assistance in completing the forms).

### Resident Alien or Nonresident Alien

If you are not a citizen of the United States, specific rules apply to determine if you are a resident alien or a nonresident alien for tax purposes. Generally, you are considered a resident alien if you meet either the **green card test** or the **substantial presence test** for 2000. If you do not meet either of these tests for 2000 but you meet the substantial presence test for 2001, you may be able to choose to be treated as a resident alien for part of 2000. But you must have been physically present in the United States for at least 31 days in a row during 2000 to do so. This choice does not apply if you met either the green card test or the substantial presence test for 1999. For more details, see Pub. 519.

You are considered a nonresident alien for the year if you are not a U.S. resident under either of these tests. You are also considered a nonresident alien if you otherwise meet the substantial presence test but you come under any of the three exceptions described below.

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

**Green Card Test.** You are a resident for tax purposes if you were a lawful permanent resident (immigrant) of the United States at any time during 2000.

**Substantial Presence Test.** You are considered a U.S. resident if you meet the substantial presence test for 2000. You meet this test if you were physically present in the United States for at least:

1. 31 days during 2000 **and**
2. 183 days during the period 2000, 1999, and 1998, counting all the days of physical presence in 2000 but only  $\frac{1}{3}$  the number of days of presence in 1999 and only  $\frac{1}{6}$  the number of days in 1998.

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

#### Exceptions:

1. **Exempt individual.** You do not count days for which you are an exempt individual. In general, an exempt individual is an individual who is a:

- a. Foreign-government-related individual,
- b. Teacher or trainee,
- c. Student, or
- d. Professional athlete who is temporarily in the United States to compete in a charitable sports event.

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

**2. Medical condition.** You do not count any day that you intended to leave the United States but were unable to leave because of a medical condition or medical problem that arose while you were present in the United States.

**Note:** *This exception does not apply to pre-existing medical conditions or problems. For more details, see Pub. 519.*

**3. Closer connection to foreign country.** Even though you would otherwise meet the substantial presence test, you are not treated as having met that test for 2000 if you:

- a. Were present in the United States for fewer than 183 days during 2000,
- b. Establish that during 2000 you had a tax home in a foreign country, and
- c. Establish that during 2000 you had a closer connection to one foreign country in which you had a tax home than to the United States unless you had a closer connection to two foreign countries.

### Who Must File

File Form 1040NR-EZ (or Form 1040NR) if you were a nonresident alien engaged in a trade or business in the United States during 2000. You must file even if—

- None of your income came from a trade or business conducted in the United States,
- You have no income from U.S. sources, or
- Your income is exempt from U.S. tax.

**Exception.** If you were a nonresident alien student, teacher, or trainee who was temporarily present in the United States under an "F," "J," "M," or "Q" visa, you must file Form 1040NR-EZ (or Form 1040NR) **only** if you have income (such as wages, salaries, tips, etc. or scholarship and fellowship grants) that is subject to tax under section 871.

### When To File

If you were an employee and received wages subject to U.S. income tax withholding, file Form 1040NR-EZ by April 16, 2001.

If you did not receive wages as an employee subject to U.S. income tax withholding, file Form 1040NR-EZ by June 15, 2001.

**Extension of Time To File.** If you cannot file your return by the due date, you should file **Form 4868**. You must file Form 4868 by the regular due date of the return.

**Note:** *Form 4868 does not extend the time to pay your income tax. The tax is due by the regular due date of the return.*

### Where To File

File Form 1040NR-EZ with the Internal Revenue Service Center, Philadelphia, PA 19255, U.S.A.

### Election To Be Taxed as a Resident Alien

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

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

To make this election, you must attach the statement described in Pub. 519 to your return. Do not use Form 1040NR-EZ.

Your worldwide income for the whole year must be included and will be taxed under U.S. tax laws. You must agree to keep the records, books, and other information needed to figure the tax. If you made the election in an earlier year, you may file a joint return or separate return for 2000. If you file a separate return, use Form 1040 or Form 1040A. Your worldwide income for the whole year must be included whether you file a joint or separate return.

**Caution:** *Nonresident aliens who make this election may forfeit the right to claim benefits otherwise available under a U.S. tax treaty. For more details, see Pub. 901 or refer to the specific treaty.*

### Dual-Status Taxpayers

**Note:** *If you elect to be taxed as a resident alien (discussed above), the special instructions and restrictions discussed here **do not** apply.*

### Dual-Status Tax Year

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

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

If you become a U.S. resident, you stay a resident until you leave the United States. You may become a nonresident alien when you leave, if, after leaving (or after your last day of lawful permanent residency if you met the green card test) and for the remainder of the calendar year of your departure, you have a closer

connection to a foreign country than to the United States, and, during the next calendar year, you are not a U.S. resident under either the green card test or the substantial presence test. See Pub. 519.

### What and Where To File for a Dual-Status Year

If you were a U.S. **resident** on the last day of the tax year, file Form 1040. Write "Dual-Status Return" across the top and attach a statement showing your income for the part of the year you were a nonresident. You may use Form 1040NR-EZ as the statement; write "Dual-Status Statement" across the top. File your return and statement with the Internal Revenue Service Center, Philadelphia, PA 19255, U.S.A.

If you were a **nonresident** on the last day of the tax year, file Form 1040NR-EZ. Write "Dual-Status Return" across the top and attach a statement showing your income for the part of the year you were a U.S. resident. You may use Form 1040 as the statement; write "Dual-Status Statement" across the top. File your return and statement with the Internal Revenue Service Center, Philadelphia, PA 19255, U.S.A.

**Statements.** Any statement you file with your return must show your name, address, and identifying number (defined on page 3).

### Income Subject to Tax for Dual-Status Year

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

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

### Restrictions for Dual-Status Taxpayers

**Standard Deduction.** You may not take the standard deduction.

**Head of Household.** You may not use the *Head of Household* Tax Table column or Tax Rate Schedule.

**Joint Return.** You may not file a joint return. However, see **Election To Be Taxed as a Resident Alien** above.

**Tax Rates.** If you were married and a nonresident of the United States for all or part of the tax year and you do not make the election to be taxed as a resident alien as discussed on page 2, you must use the Tax Table column for *Married Filing Separately* to figure your tax on income that is considered to be effectively connected with a U.S. trade or business. If married, you may not use the *Single* Tax Table column.

**Deduction for Exemptions.** As a dual-status taxpayer, you usually will be entitled to your own personal exemption. Subject to the general rules for qualification, you are allowed exemptions for your spouse in figuring taxable income for the part of the year you were a resident alien. The amount you may claim for these exemptions is limited to your taxable income (determined without regard to exemptions) for the part of the year you were a resident alien. You may not use exemptions (other than your own) to reduce taxable income to below zero for that period.

If you are a resident of Canada, Mexico, Japan, or the Republic of Korea; a U.S. national; or a student or business apprentice from India, special rules apply. See Pub. 519.

**Education Credits.** You may not take an education credit unless your filing status is married filing jointly.

## How To Figure Tax for Dual-Status Tax Year

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

All income for the period of residence and all income that is considered to be effectively connected with a trade or business in the United States for the period of nonresidence, after allowable deductions, is added and taxed at the same rates that apply to U.S. citizens and residents.

**Credits.** You are allowed a credit against your U.S. income tax liability for certain taxes you paid, are considered to have paid, or that were withheld from your income. These include:

1. Tax withheld from wages earned in the United States.

**When filing Form 1040,** show the total tax withheld on line 58. Enter amounts from the attached statement (Form 1040NR-EZ, line 19) to the left of line 58 and identify and include in the amount on line 58.

**When filing Form 1040NR-EZ,** show the total tax withheld on line 19. Enter the amount from the attached statement (Form 1040, line 58) to the left of line 19 and identify and include in the amount on line 19.

2. Estimated tax paid with **Form 1040-ES** or **Form 1040-ES (NR)**.

3. Tax paid with **Form 1040-C** at the time of departure from the United States. When filing Form 1040, include the tax paid with Form 1040-C with the total payments on line 65. Identify the payment in the area to the left of the entry.

As a dual-status taxpayer, you generally may claim tax credits using the same rules that apply to resident aliens.

## Line Instructions for Form 1040NR-EZ

### Identifying Number and Address

**Identifying Number.** Generally, this number is your social security number (SSN). To apply for an SSN, get **Form SS-5** from a Social Security Administration (SSA) office. Fill in Form SS-5 and return it to the SSA.

If you do not have an SSN and are not eligible to get one, you must get an individual taxpayer identification number (ITIN). **To apply for an ITIN, file Form W-7** with the IRS. It usually takes about 30 days to get an ITIN. **Enter your ITIN wherever your SSN is requested on your tax return.**

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

An incorrect or missing identifying number may increase your tax or reduce your refund.

**P.O. Box.** Enter your box number instead of your street address **only** if your post office does not deliver mail to your home.

**Foreign Address.** Enter the information in the following order: city, province or state, and country. Follow the country's practice for entering the postal code. Please **do not** abbreviate the country name.

### Filing Status

**Lines 1 and 2.** The amount of your tax depends on your filing status. Before you decide which box to check, read the following explanation.

**Were You Single or Married?** If you were married on December 31, consider yourself married for the whole year. If you were single, divorced, or legally separated under a decree of divorce or separate maintenance on December 31, consider yourself single for the whole year.

**Note:** *Some married persons who live apart may file as single. But they must have a child living with them and meet certain other tests to do so. For details, see Pub. 501.*

If your spouse died in 2000, consider yourself married to that spouse for the whole year, unless you remarried before the end of 2000.

## Rounding Off to Whole Dollars

To round off cents to the nearest whole dollar on your forms and schedules, drop amounts under 50 cents and increase amounts from 50 to 99 cents to the next dollar. If you do round off, do so for all amounts. But if you have to add two or more amounts to figure the amount to enter on a line, include cents when adding and only round off the total.

## Taxable Income

### Line 3—Wages, Salaries, Tips, etc.

Enter the total of your effectively connected wages, salaries, tips, etc. For most people, the amount to enter on this line should be shown in box 1 of their **Form(s) W-2**. However, **do not** include amounts exempted under a tax treaty and reported on Form 1040NR-EZ, Item J. Also include in this total:

• **Tip income** you did not report to your employer. Also include **allocated tips** shown on your W-2 form(s) unless you can prove that you received less. Allocated tips should be shown in box 8 of your W-2 form(s). They are not included as income in box 1. See **Pub. 531** for more details.

**Caution:** *You may owe social security and Medicare tax on unreported or allocated tips. See the instructions for line 16 on page 5.*

• **Disability pensions** shown on **Form 1099-R** if you have not reached the minimum retirement age set by your employer.

**Note:** *You must use Form 1040NR to report disability pensions received after you reach your employer's minimum retirement age and other pensions shown on Form 1099-R.*

**Missing or Incorrect Form W-2.** If you do not get a W-2 form by January 31, 2001, ask your employer for it. Even if you do not get a Form W-2, you must still report your earnings on line 3. If you lose your Form W-2 or it is incorrect, ask your employer for a new one.

**Dependent Care Benefits.** If you received benefits for 2000 under your employer's dependent care plan, you must use Form 1040NR. The benefits should be shown in box 10 of your W-2 form(s).

**Adoption Benefits.** If you received employer-provided adoption benefits for 2000, you must use Form 1040NR. The benefits should be shown in box 13 of your W-2 form(s) with code T.

**Tax-Exempt Interest.** Certain types of interest income from investments in state and municipal bonds and similar instruments are not taxed by the Federal Government. If you received such tax-exempt interest income, enter "TEI" and the amount of your tax-exempt interest on the dotted line next to line 3.

Include any exempt-interest dividends from a mutual fund or other regulated investment company. But **do not** include interest earned on your IRA, or interest from a U.S. bank, savings and loan association, credit union, or similar institution (or from certain deposits with U.S. insurance companies) that are exempt from tax under a tax treaty or under section 871(i) because the interest is not effectively connected with a U.S. trade or business. **Do not** add any tax-exempt interest into your line 3 total.

**Line 4—Taxable Refunds, Credits, or Offsets of State and Local Income Taxes.**

**Tip:** None of your refund is taxable if, in the year you paid the tax, you **did not** itemize deductions.

If you received a refund, credit, or offset of state or local income taxes in 2000, you may receive a **Form 1099-G**. If you chose to apply part or all of the refund to your 2000 estimated state or local income tax, the amount applied is treated as received in 2000.

For details on how to figure the amount, if any, you must report as income, see **Recoveries in Pub. 525**.

**Line 5—Scholarship and Fellowship Grants.** If you received a scholarship or fellowship, part or all of it may be taxable.

If you were a degree candidate, the amounts you used for expenses other than tuition and course-related expenses are generally taxable. For example, amounts used for room, board, and travel are generally taxable.

If you were not a degree candidate, the full amount of the scholarship or fellowship is generally taxable. Also, amounts received as a scholarship or fellowship that are payment for teaching, research, or other services are taxable even if the services were required to get the grant.

Report the total amount of the grant on line 5 and show any nontaxable part on line 9. If the grant was reported on **Form 1042-S**, enter the gross amount from column (b) on line 5. However, **do not** include amounts exempted under a tax treaty and reported on Form 1040NR-EZ, item J. If you are excluding items allowed by section 117 (i.e., amounts used for tuition and course-related expenses such as fees, books, supplies, and equipment) that exceed amounts shown on Form 1042-S, attach a statement describing these amounts. See **Pub. 520** for more information.

Attach any **Form 1042-S** or **Form W-2** you received from the college or institution. If you did not receive a 1042-S or W-2 form, attach a statement from the college or institution (on their letterhead) showing the details of the grant.

**Line 6.** Use line 6 to report your total effectively connected income that is exempt from tax by a tax treaty. **Do not** include this exempt income on line 7 or line 9. Also, you must complete item J on page 2 of Form 1040NR-EZ.

**Student Loan Interest Deduction Worksheet—Line 8**  
(keep for your records)

**Before you begin:** • Complete Form 1040NR-EZ, line 9, if it applies to you.  
• See the instructions for line 8 below.

1. Enter the total interest you paid in 2000 on qualified student loans (defined below). Do not include interest that was required to be paid after the first 60 months . . . . . **1.** \_\_\_\_\_
2. Enter the **smaller** of line 1 or \$2,000 . . . . . **2.** \_\_\_\_\_
3. Enter the amount from Form 1040NR-EZ, line 7 . . . . . **3.** \_\_\_\_\_
4. Enter the amount from Form 1040NR-EZ, line 9 . . . . . **4.** \_\_\_\_\_
5. Modified AGI. Subtract line 4 from line 3 . . . . . **5.** \_\_\_\_\_
6. Is line 5 more than \$40,000?  
**No.** Skip lines 6 and 7, enter -0- on line 8, and go to line 9.  
**Yes.** Subtract \$40,000 from line 5 . . . . . **6.** \_\_\_\_\_
7. Divide line 6 by \$15,000. Enter the result as a decimal (rounded to at least three places). Do not enter more than "1.000" . . . . . **7.** \_\_\_\_\_
8. Multiply line 2 by line 7 . . . . . **8.** \_\_\_\_\_
9. **Student loan interest deduction.** Subtract line 8 from line 2. Enter the result here and on Form 1040NR-EZ, line 8 . . . . . **9.** \_\_\_\_\_

**Line 8—Student Loan Interest Deduction.** Use the worksheet above to figure this deduction if **all four** of the following apply.

1. You paid interest in 2000 on a qualified student loan (see below).
2. At least part of the interest paid in 2000 was paid during the first 60 months that interest payments were required to be made. See **Example** below.
3. Your filing status is single.
4. Your modified adjusted gross income (AGI) is less than \$55,000. Use lines 3 through 5 of the worksheet above to figure your modified AGI.

**Example.** You took out a qualified student loan in 1993 while in college. You had 6 years to repay the loan and your first monthly payment was due July 1995, after you graduated. You made a payment every month as required. If you meet items 3 and 4 listed above, you may use only the interest you paid for January through June 2000 to figure your deduction. June is the end of the 60-month period (July 1995 – June 2000).

**Qualified Student Loan.** This is any loan you took out to pay the qualified higher education expenses for yourself, your spouse, or anyone who was your dependent when the loan was taken out. The person for whom the expenses were paid must have been an eligible student (see below). However, a loan is not a qualified student loan if (a) any of the proceeds were used for other purposes or (b) the loan was from either a related person or a person who borrowed the proceeds under a qualified employer plan or a contract purchased under such a plan. To find out who is a related person, see **Pub. 970**.

**Qualified higher education expenses**

generally include tuition, fees, room and board, and related expenses such as books and supplies. The expenses must be for education in a degree, certificate, or similar program at an eligible educational institution. An eligible educational institution includes most colleges, universities, and certain vocational schools. You must reduce the expenses by the following nontaxable benefits.

- Employer-provided educational assistance benefits that are not included in box 1 of your W-2 form(s).
- Any scholarship, educational assistance allowance, or other payment (but **not** gifts, inheritances, etc.) excluded from income.

For more details, see Pub. 970.

An **eligible student** is a person who:

- Was enrolled in a degree, certificate, or other program (including a program of study abroad that was approved for credit by the institution at which the student was enrolled) leading to a recognized educational credential at an eligible educational institution **and**
- Carried at least half the normal full-time workload for the course of study he or she was pursuing.

**Line 9—Scholarship and Fellowship Grants Excluded.** If you received a scholarship or fellowship grant and were a degree candidate, enter amounts used for tuition and course-related expenses (fees, books, supplies, and equipment). **Do not** include any amount already shown on line 6. See **Pub. 520** for details.

**Line 11—Itemized Deductions.** Enter the total state and local income taxes you paid or that were withheld from your salary in 2000. If, during 2000, you received any refunds of, or credits for,

income tax paid in earlier years, do not subtract them from the amount you deduct here. Instead, see the instructions for line 4.

**Note:** Residents of India who were students or business apprentices may be able to take the standard deduction instead of their itemized deductions. See Pub. 519 for details.

**Line 13—Exemption Deduction.** You can take an exemption of \$2,800 for yourself.

**Note:** Residents of Canada, Mexico, Japan, the Republic of Korea, and U.S. nationals may be able to claim exemptions for their dependents and, if married, their spouse. Residents of India who were students or business apprentices may also be able to take exemptions for their spouse and dependents. However, Form 1040NR must be used to claim the additional exemptions.

**Line 16—Social Security and Medicare Tax on Tip Income Not Reported to Employer.** If you are subject to social security and Medicare tax, you received tips of \$20 or more in any month, and you did not report the full amount to your employer, you must pay the social security and Medicare or railroad retirement (RRTA) tax on the unreported tips. You must also pay this tax if your W-2 form(s) shows allocated tips that you are including in your income on Form 1040NR-EZ, line 3.

To figure the tax, use Form 4137. To pay the RRTA tax, contact your employer. Your employer will figure and collect the tax.

**Caution:** You may be charged a penalty equal to 50% of the social security and Medicare tax due on tips you received but did not report to your employer.

**Line 17—Household Employment Taxes.** If any of the following apply, see Schedule H (Form 1040) and its instructions to see if you owe these taxes.

1. You paid any one household employee (defined below) cash wages of \$1,200 or more in 2000. Cash wages include wages paid by checks, money orders, etc.

2. You withheld Federal income tax during 2000 at the request of any household employee.

3. You paid total cash wages of \$1,000 or more in any calendar quarter of 1999 or 2000 to household employees.

**Tip:** For purposes of item 1, do not count amounts paid to an employee who was under age 18 at any time in 2000 and was a student.

**Household Employee.** Any person who does household work is a household employee if you can control what will be done and how it will be done. Household work includes work done in or around your home by babysitters, nannies, health aides, maids, yard workers, and similar domestic workers.

**BARRY MAPLE  
DEBORAH MAPLE**  
123 Main Street  
Anyplace, MD 21000

PAY TO THE ORDER OF \$

ANYPLACE BANK  
Anyplace, MD 21000

For

①: (250250025) ②: 20202088 ③: 1234

1234  
15-00000000

Do not include the check number

ROUTING number (line 24b)  
ACCOUNT number (line 24d)

DOLLARS

**Note:** The routing and account numbers may be in different places on your check.

## Payments

**Line 19—Federal Income Tax Withheld.** Add the amounts shown as Federal income tax withheld on your Form(s) W-2 and 1042-S. Enter the total on line 19. The amount(s) withheld should be shown in box 2 of your Form(s) W-2 and on line 3, column (g) of your Form(s) 1042-S.

**Line 20—2000 Estimated Tax Payments.** Enter any payments you made on your estimated Federal income tax (Form 1040-ES (NR)) for 2000. Include any overpayment from your 1999 return that you applied to your 2000 estimated tax.

**Name Change.** If you changed your name because of marriage, divorce, etc., and you made estimated tax payments using your former name, attach a statement to the front of Form 1040NR-EZ. On the statement, explain all the payments you made in 2000 and the name(s) and identifying number(s) under which you made them.

**Line 21—Credit for Amount Paid With Form 1040-C.** Enter any amount you paid with Form 1040-C for 2000.

**Line 22—Total Payments.** Add lines 19 through 21. Enter the total on line 22.

**Amount Paid With Request for Extension of Time To File.** If you filed Form 4868 to get an automatic extension of time to file Form 1040NR-EZ, include in the total on line 22 the amount, if any, you paid with that form. On the dotted line next to line 22, enter "Form 4868" and show the amount paid. Also, include any amount paid with Form 2688 if you filed for an additional extension.

## Refund

**Line 23—Amount Overpaid.** If line 23 is under \$1, we will send a refund only on written request.

**Tip:** If the amount you overpaid is large, you may want to decrease the amount of income tax withheld from your pay. See **Income Tax Withholding and Estimated Tax Payments for 2001** on page 7.

**Refund Offset.** If you owe past-due Federal tax, state income tax, child support, spousal support, or certain Federal nontax debts, such as student loans, all or part of the overpayment on line 23 may be used (offset) to pay the past-due amount. Offsets for Federal taxes are made by the IRS. All other offsets are made by the Treasury Department's Financial Management Service (FMS). You will receive a notice from FMS showing the amount of the offset and the agency receiving it. To find out if you may have an offset or if you have any questions about it, contact the agency(ies) you owe the debt to.

**Lines 24b Through 24d—Direct Deposit of Refund.** Complete lines 24b through 24d if you want us to directly deposit the amount shown on line 24a into your account at a bank or other financial institution (such as a mutual fund, brokerage firm, or credit union) in the United States instead of sending you a check.

### Why Use Direct Deposit?

- You get your refund fast.
- Payment is more secure—there is no check to get lost.
- More convenient. No trip to the bank to deposit your check.
- Saves tax dollars. A refund by direct deposit costs less than a check.

**Tip:** You can check with your financial institution to make sure your deposit will be accepted and to get the correct routing and account numbers. The IRS is not responsible for a lost refund if you enter the wrong account information.

**Line 24b.** The routing number must be nine digits. The first two digits must be 01 through 12 or 21 through 32. Otherwise, the direct deposit will be rejected and a check sent instead. On the sample check above, the routing number is 250250025.

Your check may state that it is payable through a bank different from the financial institution at which you have your checking account. If so, do not use the routing number on that check. Instead, contact your financial institution for the correct routing number to enter on line 24b.

**Line 24d.** The account number can be up to 17 characters (both numbers and letters). Include hyphens but omit spaces and special symbols. Enter the number from left to right and leave any unused boxes blank. On the sample check on page 5, the account number is 20202086. Be sure **not** to include the check number.

**Line 25—Applied to 2001 Estimated Tax.** Enter on line 25 the amount, if any, of the overpayment on line 23 you want applied to your estimated tax for 2001. This choice cannot be changed later.

## Amount You Owe

**Line 26—Amount You Owe.** Include any estimated tax penalty from line 27 in the amount you enter on line 26.

Make your check or money order payable to the “**United States Treasury**” for the full amount due. **Do not** send cash. **Do not** attach the payment to your return. Write “2000 Form 1040NR-EZ” and your name, address, and SSN or ITIN on your payment. You do not have to pay if line 26 is under \$1.

To help us process your payment, enter the amount on the right side of the check like this: \$ XXX.XX. Do not use dashes or lines (for example, do not enter “\$ XXX—” or “\$ XXX  $\frac{XX}{100}$ ”).

**Do not** include any estimated tax payment in your check or money order. Instead, make the estimated tax payment separately.

**Tip:** You may need to (a) increase the amount of income tax withheld from your pay or (b) make estimated tax payments for 2001. See *Income Tax Withholding and Estimated Tax Payments for 2001* on page 7.

**What if You Cannot Pay?** If you cannot pay the full amount shown on line 26 when you file, you may ask to make monthly **installment payments**. You may have up to 60 months to pay. However, you will be charged interest and may be charged a late payment penalty on the tax not paid by the date due, even if your request to pay in installments is granted. You must also pay a fee. To limit the interest and penalty charges, pay as much of the tax as possible when you file. But before requesting an installment agreement, you should consider other less costly alternatives, such as a bank loan.

To ask for an installment agreement, use **Form 9465**. You should receive a response to your request for installments within 30 days. But if you file your return after March 31, it may take us longer to reply.

## Line 27—Estimated Tax Penalty.

**Caution:** You must include household employment taxes reported on line 17 to see if you owe the penalty if line 19 is more than zero or you would owe the penalty even if you did not include those

taxes. But if you entered an amount on Schedule H (Form 1040), line 7, include the total of that amount plus the amount on Form 1040NR-EZ, line 17.

You may owe this penalty if:

- Line 26 is at least \$1,000 and it is more than 10% of the tax shown on your return or
- You did not pay enough estimated tax by any of the due dates. This is true even if you are due a refund.

**Figuring the penalty.** If you choose to figure the penalty yourself, see **Form 2210** to find out if you owe the penalty. If you do, you can use the form to figure the amount. In certain situations, you may be able to lower your penalty. For details, see the Instructions for Form 2210. Enter the penalty on Form 1040NR-EZ, line 27. Add the penalty to any tax due and enter the total on line 26. If you are due a refund, subtract the penalty from the overpayment you show on line 23. **Do not** file Form 2210 with your return unless Form 2210 indicates that you must do so. Instead, keep it for your records.

**Tip:** Because Form 2210 is complicated, if you want to, you can leave line 27 blank and the IRS will figure the penalty and send you a bill. We will not charge you interest on the penalty if you pay by the date specified on the bill.

## Other Information (Page 2)

**Item J—Reporting of Treaty Benefits Claimed.** If you take the position that a treaty of the United States overrides or modifies any provision of the Internal Revenue Code and that position reduces (or potentially reduces) your tax, you must attach **Form 8833** or a similar statement to your return.

You can be charged a \$1,000 penalty for each failure to report the required information. For more details, see Form 8833 and Regulations section 301.6114-1.

**Exceptions.** You do not have to file Form 8833 for any of the following situations.

1. You claim a reduced rate of withholding tax under a treaty on interest, dividends, rents, royalties, or other fixed or determinable annual or periodic income ordinarily subject to the 30% rate.
2. You claim a treaty reduces or modifies the taxation of income from dependent personal services, pensions, annuities, social security and other public pensions, or income of artists, athletes, students, trainees, or teachers. This includes taxable scholarship and fellowship grants.
3. You claim a reduction or modification of taxation of income under an International Social Security Agreement or a Diplomatic or Consular Agreement.
4. The payments or items of income that are otherwise required to be disclosed total no more than \$10,000.

## Reminders

### Sign and Date Your Return

**Form 1040NR-EZ is not considered a valid return unless you sign it.** You may have an agent in the United States prepare and sign your return if you could not do so for one of the following reasons:

- You were ill.
- You were not in the United States at any time during the 60 days before the return was due.
- For other reasons that you explained in writing to the Internal Revenue Service Center, Philadelphia, PA 19255, U.S.A., and that the IRS approved.

A return prepared by an agent must be accompanied by a power of attorney. **Form 2848** may be used for this purpose.

Be sure to date your return and show your occupation in the United States in the space provided. If you have someone prepare your return, you are still responsible for the correctness of the return.

**Child's Return.** If your child cannot sign the return, either parent may sign the child's name in the space provided. Then, add “By (your signature), parent for minor child.”

### Paid Preparer Must Sign Your Return.

Generally, anyone you pay to prepare your return must sign it by hand in the space provided. Signature stamps or labels cannot be used. The preparer must give you a copy of the return for your records. Someone who prepares your return but does not charge you should not sign your return.

### Paid Preparer Authorization

If you want to allow the IRS to discuss your 2000 tax return with the paid preparer who signed it, check the “Yes” box in the signature area of the return. This authorization applies only to the individual whose signature appears in the “Paid Preparer's Use Only” section of your return. It does not apply to the firm, if any, shown in that section.

If you check the “Yes” box, you are authorizing the IRS to call the preparer to answer any questions that may arise during the processing of your return. You are also authorizing the preparer to:

- Give the IRS any information that it is missing from your return,
- Call the IRS for information about the processing of your return or the status of your refund or payment(s), and
- Respond to certain IRS notices that you have shared with the preparer about math errors, offsets, and return preparation. The notices will not be sent to the preparer.

You are not authorizing the preparer to receive any refund check, bind you to anything (including any additional tax liability), or otherwise represent you before the IRS. If you want to expand the preparer's authorization, see **Pub. 947**.

The authorization cannot be revoked. However, the authorization will automatically end no later than the due date (without regard to extensions) for filing your 2001 tax return.

### Address Change

If you move after you file, always notify the IRS in writing of your new address. To do this, you can use **Form 8822**.

### Income Tax Withholding and Estimated Tax Payments for 2001

If the amount you owe or the amount you overpaid is large, you may want to file a new **Form W-4** with your employer to change the amount of income tax to be withheld from your 2001 pay. In general, you do not have to make estimated tax payments if you expect that your 2001 Form 1040NR-EZ will show a tax refund or a tax balance due the IRS of less than \$1,000. If your total estimated tax (including any household employment taxes) for 2001 is \$1,000 or more, see **Form 1040-ES (NR)**. It has a worksheet you can use to see if you have to make estimated tax payments. However, if you expect to be a resident of Puerto Rico during all of 2001 and you must pay estimated tax, use **Form 1040-ES**.

### How Long Should Records Be Kept?

Keep your records as long as they may be needed to carry out any Internal Revenue law. Records of income, deductions, and credits shown on your return, as well as any worksheets you used, should be kept until the statute of limitations runs out for that return. Usually, this is 3 years from the date the return was due or filed or 2 years from the date the tax was paid, whichever is later. Keep some records longer. For example, keep property records (including those on your own home) as long as they are needed to figure the basis of the original or replacement property. Also, keep copies of your filed tax returns and any Forms W-2, 1099, and 1042-S you received as part of your records. For more details, see **Pub. 552**.

### Requesting a Copy of Your Tax Return

If you need a copy of your tax return, use **Form 4506**.

### Amended Return

File **Form 1040X** to change a return you already filed. Also, use Form 1040X if you filed Form 1040NR-EZ and you should have filed a Form 1040, 1040A, or 1040EZ, or vice versa. Generally, Form 1040X must be filed within 3 years after the date the original return was filed or within 2 years after the date the tax was paid, whichever is later. But you may have more time to file Form 1040X if you are physically or mentally unable to manage your financial affairs. See **Pub. 556** for details.

### Interest and Penalties

**Tip:** *You do not have to figure the amount of any interest or penalties you may owe. Because figuring these amounts can be complicated, we will do it for you if you want. We will send you a bill for any amount due.*

If you include interest or penalties (other than the estimated tax penalty) with your payment, identify and enter the amount in the bottom margin of Form 1040NR-EZ, page 1. **Do not** include interest or penalties (other than the estimated tax penalty) in the **amount you owe** on line 26.

**Interest.** We will charge you interest on taxes not paid by their due date, even if an extension of time to file is granted. We will also charge you interest on penalties imposed for failure to file, negligence, fraud, substantial valuation misstatements, and substantial understatements of tax. Interest is charged on the penalty from the due date of the return (including extensions).

**Penalty for Late Filing.** If you do not file your return by the due date (including extensions), the penalty is usually 5% of the amount due for each month or part of a month your return is late, unless you have a reasonable explanation. If you do, attach it to your return. The penalty cannot usually be more than 25% of the tax due. If your return is more than 60 days late, the minimum penalty will be \$100 or the amount of any tax you owe, whichever is smaller.

**Penalty for Late Payment of Tax.** If you pay your taxes late, the penalty is usually  $\frac{1}{2}$  of 1% of the unpaid amount for each month or part of a month the tax is not paid. The penalty cannot be more than 25% of the unpaid amount. It applies to any unpaid tax on the return. This penalty is in addition to interest charges on late payments.

**Penalty for Frivolous Return.** In addition to any other penalties, the law imposes a penalty of \$500 for filing a frivolous return. A frivolous return is one that does not contain information needed to figure the correct tax or shows a substantially incorrect tax because you take a frivolous position or desire to delay or interfere with the tax laws. This includes altering or striking out the preprinted language above the space where you sign.

**Other Penalties.** Other penalties can be imposed for negligence, substantial understatement of tax, and fraud. Criminal penalties may be imposed for willful failure to file, tax evasion, or making a false statement. See **Pub. 17** for details on some of these penalties.

### Gift To Reduce the Public Debt

If you wish to make such a gift, make a check payable to "Bureau of the Public Debt." You can send it to: Bureau of the Public Debt, Department G, P.O. Box 2188, Parkersburg, WV 26106-2188. Or

you can enclose the check with your income tax return when you file. Do not add your gift to any tax you may owe. See page 6 for details on how to pay any tax you owe.

**Tip:** *You may be able to deduct this gift on your 2001 tax return as a charitable contribution. But you must file Form 1040NR to do so.*

### Taxpayer Assistance

IRS assistance is available to help you prepare your return. But you should know that you are responsible for the accuracy of your return. If we do make an error, you are still responsible for the payment of the correct tax.

In the United States, call **1-800-829-1040**.

If you wish to write instead of call, please address your letter to: Internal Revenue Service, International Returns Section, P.O. Box 920, Bensalem, PA 19020-8518. Make sure you include your identifying number when you write.

Assistance in answering tax questions and filling out tax returns is also available in person from IRS offices in: Berlin, Germany; London, England; Mexico City, Mexico; Paris, France; Rome, Italy; Singapore; and Tokyo, Japan. The offices generally are located in the U.S. embassies or consulates. During every tax return filing period, you can get income tax forms and publications from U.S. embassies and consulates abroad. You can also download forms and publications from the IRS Web Site at **www.irs.gov**.

The IRS conducts an overseas taxpayer assistance program during the filing season (January to mid-June). To find out if IRS personnel will be in your area, contact the consular office at the nearest U.S. embassy.

### Help With Unresolved Tax Issues

If you have attempted to deal with an IRS problem unsuccessfully, you should contact your Taxpayer Advocate.

The Taxpayer Advocate independently represents your interests and concerns within the IRS by protecting your rights and resolving problems that have not been fixed through normal channels.

While Taxpayer Advocates cannot change the tax law or make a technical tax decision, they can clear up problems that resulted from previous contacts and ensure that your case is given a complete and impartial review.

To contact your Taxpayer Advocate:

- In the United States, call the toll-free number **1-877-777-4778**.
- Write to the Taxpayer Advocate at the IRS office that last contacted you (or contact one of the overseas IRS offices listed above).

For more information about the Taxpayer Advocate, see **Pub. 1546**.







2000 Tax Table—Continued

Table with 12 columns: If Form 1040NR-EZ, line 14, is—; And you are—; If Form 1040NR-EZ, line 14, is—; And you are—; If Form 1040NR-EZ, line 14, is—; And you are—; If Form 1040NR-EZ, line 14, is—; And you are—; and 4 sub-columns for each 'And you are—' section: Single, Married filing separately, Your tax is—. Rows are grouped by income brackets: 21,000-22,000; 22,000-23,000; 23,000-24,000; 24,000-25,000; 25,000-26,000; 26,000-27,000; 27,000-28,000; 28,000-29,000; 29,000-30,000; 30,000-31,000; 31,000-32,000.

Continued on next page

2000 Tax Table—Continued

Table with 12 columns: If Form 1040NR-EZ, line 14, is—; And you are—; If Form 1040NR-EZ, line 14, is—; And you are—; If Form 1040NR-EZ, line 14, is—; And you are—; If Form 1040NR-EZ, line 14, is—; And you are—; If Form 1040NR-EZ, line 14, is—; And you are—. Rows are grouped by tax brackets: 33,000, 34,000, 35,000, 36,000, 37,000, 38,000, 39,000, 40,000, 41,000, 42,000, 43,000, 44,000.

Continued on next page

2000 Tax Table—Continued

If Form 1040NR-EZ, line 14, is—		And you are—		If Form 1040NR-EZ, line 14, is—		And you are—		<b>Disclosure and Paperwork Reduction Act Notices.</b> The IRS Restructuring and Reform Act of 1998 requires that we tell you the conditions under which return information may be disclosed to any party outside the Internal Revenue Service. We ask for the information on this form to carry out the Internal Revenue laws of the United States. You are required to give us the information. We need the information to ensure that you are complying with these laws and to allow us to figure and collect the right amount of tax.  This notice applies to all papers you file with us, including this tax return. It also applies to any questions we need to ask you so we can complete, correct, or process your return; figure your tax; and collect tax, interest, or penalties.  You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law.  Generally, tax returns and return information are confidential, as required by section 6103. However, section 6103 allows or requires the Internal Revenue Service to disclose or give the information you write on your tax return to others as described in the Code. For example, we may disclose your tax information to the Department of Justice, to enforce the tax laws, both civil and criminal, and to cities, states, the District of Columbia, U.S. commonwealths or possessions, and certain foreign governments to carry out their tax laws. We may disclose your tax information to the Department of Treasury and contractors for tax administration purposes; and to other persons as necessary to obtain information that we cannot get in any other way in order to determine the amount of or to collect the tax you owe. We may disclose your tax information to the Comptroller General of the United States to permit the Comptroller General to review the Internal Revenue Service. We may also disclose your tax information to Committees of Congress; Federal, state, and local child support agencies; and to other Federal agencies for purposes of determining entitlement for benefits or the eligibility for and the repayment of loans.  Keep this notice with your records. It may help you if we ask you for other information. If you have any questions about the rules for filing and giving information, call or visit any Internal Revenue Service office.  The time needed to complete and file this form will vary depending on individual circumstances. The estimated average time is: <b>Recordkeeping</b> , 1 hr., 18 min.; <b>Learning about the law or the form</b> , 49 min.; <b>Preparing the form</b> , 1 hr., 48 min.; and <b>Copying, assembling, and sending the form to the IRS</b> , 34 min.  If you have comments concerning the accuracy of these time estimates or suggestions for making this form simpler, we would be happy to hear from you. You can write to the Tax Forms Committee, Western Area Distribution Center, Rancho Cordova, CA 95743-0001. <b>Do not</b> send your return to this address. Instead, see <b>Where To File</b> on page 2.
At least	But less than	Single	Married filing separately	At least	But less than	Single	Married filing separately	
		Your tax is—				Your tax is—		
<b>45,000</b>				<b>48,000</b>				
45,000	45,050	9,195	9,757	48,000	48,050	10,035	10,597	
45,050	45,100	9,209	9,771	48,050	48,100	10,049	10,611	
45,100	45,150	9,223	9,785	48,100	48,150	10,063	10,625	
45,150	45,200	9,237	9,799	48,150	48,200	10,077	10,639	
45,200	45,250	9,251	9,813	48,200	48,250	10,091	10,653	
45,250	45,300	9,265	9,827	48,250	48,300	10,105	10,667	
45,300	45,350	9,279	9,841	48,300	48,350	10,119	10,681	
45,350	45,400	9,293	9,855	48,350	48,400	10,133	10,695	
45,400	45,450	9,307	9,869	48,400	48,450	10,147	10,709	
45,450	45,500	9,321	9,883	48,450	48,500	10,161	10,723	
45,500	45,550	9,335	9,897	48,500	48,550	10,175	10,737	
45,550	45,600	9,349	9,911	48,550	48,600	10,189	10,751	
45,600	45,650	9,363	9,925	48,600	48,650	10,203	10,765	
45,650	45,700	9,377	9,939	48,650	48,700	10,217	10,779	
45,700	45,750	9,391	9,953	48,700	48,750	10,231	10,793	
45,750	45,800	9,405	9,967	48,750	48,800	10,245	10,807	
45,800	45,850	9,419	9,981	48,800	48,850	10,259	10,821	
45,850	45,900	9,433	9,995	48,850	48,900	10,273	10,835	
45,900	45,950	9,447	10,009	48,900	48,950	10,287	10,849	
45,950	46,000	9,461	10,023	48,950	49,000	10,301	10,863	
<b>46,000</b>				<b>49,000</b>				
46,000	46,050	9,475	10,037	49,000	49,050	10,315	10,877	
46,050	46,100	9,489	10,051	49,050	49,100	10,329	10,891	
46,100	46,150	9,503	10,065	49,100	49,150	10,343	10,905	
46,150	46,200	9,517	10,079	49,150	49,200	10,357	10,919	
46,200	46,250	9,531	10,093	49,200	49,250	10,371	10,933	
46,250	46,300	9,545	10,107	49,250	49,300	10,385	10,947	
46,300	46,350	9,559	10,121	49,300	49,350	10,399	10,961	
46,350	46,400	9,573	10,135	49,350	49,400	10,413	10,975	
46,400	46,450	9,587	10,149	49,400	49,450	10,427	10,989	
46,450	46,500	9,601	10,163	49,450	49,500	10,441	11,003	
46,500	46,550	9,615	10,177	49,500	49,550	10,455	11,017	
46,550	46,600	9,629	10,191	49,550	49,600	10,469	11,031	
46,600	46,650	9,643	10,205	49,600	49,650	10,483	11,045	
46,650	46,700	9,657	10,219	49,650	49,700	10,497	11,059	
46,700	46,750	9,671	10,233	49,700	49,750	10,511	11,073	
46,750	46,800	9,685	10,247	49,750	49,800	10,525	11,087	
46,800	46,850	9,699	10,261	49,800	49,850	10,539	11,101	
46,850	46,900	9,713	10,275	49,850	49,900	10,553	11,115	
46,900	46,950	9,727	10,289	49,900	49,950	10,567	11,129	
46,950	47,000	9,741	10,303	49,950	50,000	10,581	11,143	
<b>47,000</b>				<div style="border: 1px solid black; border-radius: 50%; padding: 20px; width: 100px; margin: 0 auto;"> <b>\$50,000 or over— use Form 1040NR</b> </div>				
47,000	47,050	9,755	10,317					
47,050	47,100	9,769	10,331					
47,100	47,150	9,783	10,345					
47,150	47,200	9,797	10,359					
47,200	47,250	9,811	10,373					
47,250	47,300	9,825	10,387					
47,300	47,350	9,839	10,401					
47,350	47,400	9,853	10,415					
47,400	47,450	9,867	10,429					
47,450	47,500	9,881	10,443					
47,500	47,550	9,895	10,457					
47,550	47,600	9,909	10,471					
47,600	47,650	9,923	10,485					
47,650	47,700	9,937	10,499					
47,700	47,750	9,951	10,513					
47,750	47,800	9,965	10,527					
47,800	47,850	9,979	10,541					
47,850	47,900	9,993	10,555					
47,900	47,950	10,007	10,569					
47,950	48,000	10,021	10,583					