

Resident or Nonresident?

How to Complete Your Nonresident PhD Trainee Tax Return Emily Roberts, PhD Personal Finance for PhDs

In this module, you will determine whether you are considered a resident, non-resident, or dual status for federal income tax purposes.

What are the residency statuses with respect to the IRS?

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Let's first go over the various residency statuses for the IRS.

Residency
status for:
federal tax

≠

Residency
status for:
Immigration
University
State tax

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The first thing to acknowledge is that your residency status for federal income tax purposes is independent of your residency status as determined by immigration, your university, your state, etc. Each different body has its own definition of a resident, and while the definitions might consider some of the same factors, they are not necessarily identical. So you can't just translate your status in one of these other areas over to the federal income tax area.



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There are three basic filing statuses that anyone might have with respect to the IRS: a citizen or permanent resident, a resident alien, and a nonresident alien.

If you are a citizen, permanent resident, or resident alien aka resident for tax purposes, the foundation of your tax return is Form 1040. I'll use the term resident for these statuses during this workshop. If you are a nonresident alien, the foundation of your tax return is Form 1040-NR. I'll use the term nonresident for this status.

If both nonresident and resident: Dual status

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It's also possible to switch from being a nonresident to resident (or vice versa) during a calendar year, in which case you would be labeled dual-status for that year. The CPA I consulted with on this material confirmed the recommendation of the IRS's Volunteer Income Tax Assistance program that anyone who is dual-status should use a human professional tax preparer!

This workshop is for nonresidents.

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This workshop is specifically for nonresident tax returns. If you go through this section and figure out that you were a resident for tax purposes for the entirety of 2025, please email tax@PFforPhDs.com to potentially switch to the corresponding tax workshop for citizens and residents.

Determining residency status

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How can you determine what your residency status is?

IRS Publication 519 Chapter 1:

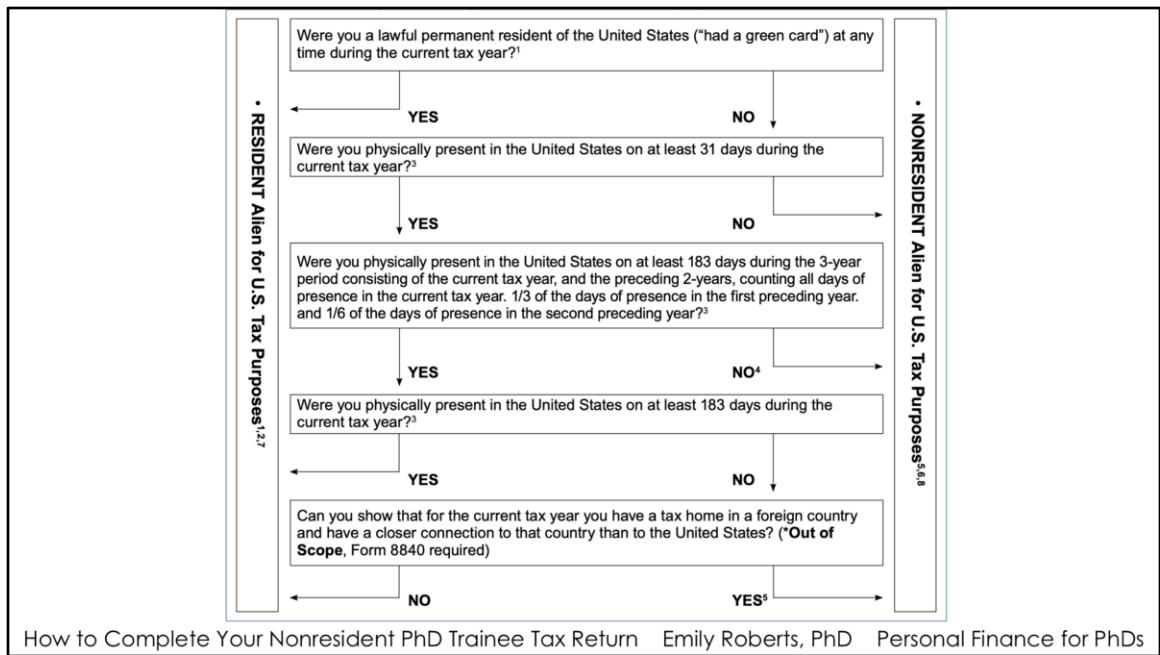
“If you are an alien (not a U.S. citizen), you are considered a nonresident alien unless you meet one of the two tests described under *Resident Aliens* below.”

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Publication 519 puts it clearly in Chapter 1:

“If you are an alien (not a U.S. citizen), you are considered a nonresident alien unless you meet one of the two tests.”

So non-citizens by default are considered nonresidents unless they pass one of two tests. The two tests are the Green Card Test and the Substantial Presence Test, and they are the subject of this module.

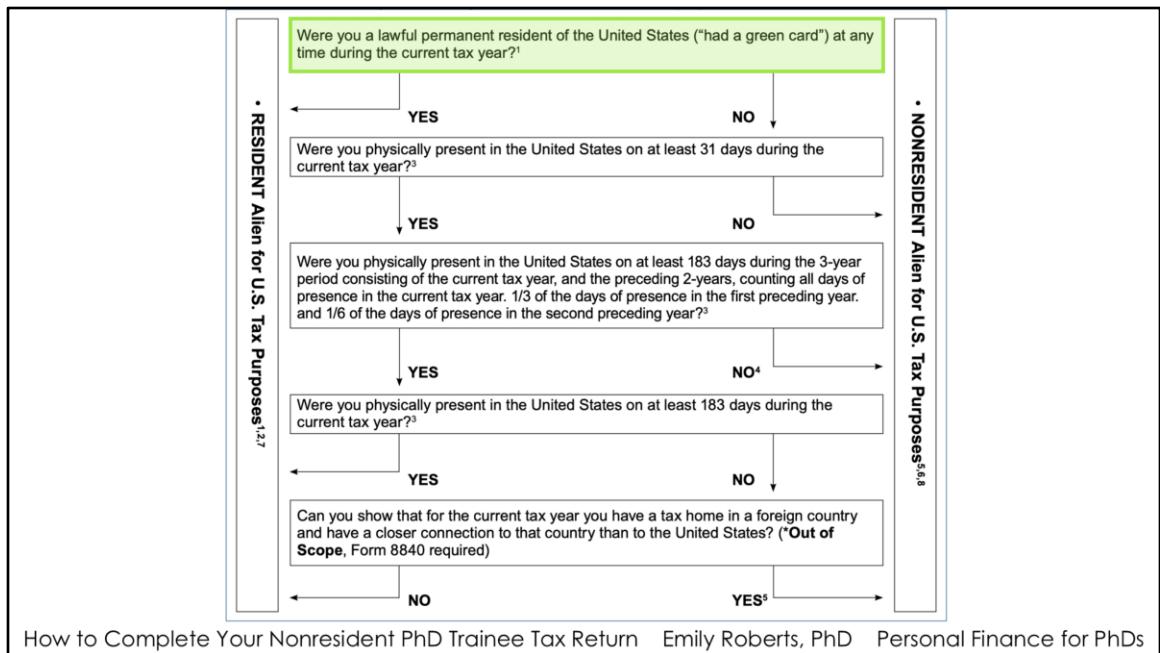


IRS Publication 4011 provides a handy flow chart for determining residency status. We'll go through the steps of this flow chart next. I've omitted a few important footnotes from this image, but I'll relay them to you as we walk through the chart.

Green Card Test

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The first test is the Green Card Test. You can read about it in Publication 519 Chapter 1. If you pass the Green Card Test, you are considered a resident for tax purposes this year.



The question from the flow chart in Publication 4011 is: "Were you a lawful permanent resident of the United States (had a "green card") at any time during the current tax year?"

If you answer yes, then you are a resident for tax purposes.

However, if this was the first or last year of your permanent residency, you may be considered dual-status.

The start date of your residency for tax purposes is...

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If 2025 was the year in which you received your permanent resident status, the start date of your residency for tax purposes is the date indicated in your letter from the United States Citizenship and Immigration Services. [Reference: Publication 4152 p. 1-18]

If you became a permanent resident and passed the substantial presence test in 2025, the start date for your residency for tax purposes is whichever date is earlier in the year.



Publication 4011 p. 10:

“In some circumstances you may still be considered a nonresident alien and eligible for benefits under an income tax treaty between the U.S. and your country.”

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Another caveat here, though! The tax treaty between the US and your home country can modify even the Green Card Test. If you are a Green Card holder, please check the relevant tax treaty to see if you can still be considered a nonresident for tax purposes.

Substantial Presence Test (SPT)

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The substantial presence test (SPT) involves two conditions regarding your presence in the US, both of which have to be met to pass the test. Both conditions involve the number of days that you were physically present in the US during 2025, 2024, and/or 2023. If you pass the Substantial Presence Test, you are considered a resident for tax purposes this year.

👍 Resident

👍 Substantial Presence Test (SPT)

👎 Exempt individual?

👍 Until you've been an exempt individual for...

👎 Unless you meet conditions...

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Now we're going to get into a bit of a conditional mess in the next handful of slides. I want to orient you as to what we're discussing.

Overall, we are determining if you are a resident for tax purposes. If you pass the SPT, you are considered a resident. But first, perhaps you are an exempt individual with respect to the SPT, which would help you to not pass the SPT. But once you've spent a certain amount of time in the US, you're no longer considered an exempt individual and it's more likely that you'll pass the SPT. But even if that is the case, if you meet a set of conditions, you can still be an exempt individual with respect to the SPT, which means you're less likely to pass it. Only once we go through all the exempt individual conditions can we return to the actual SPT.

Exempt Individuals

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Now we will review when an individual is exempt from counting days toward the SPT. Please note that even if you are determined to be an exempt individual in 2025, this does not necessarily mean that you are exempt from paying income tax in the US in 2025. An exempt individual is very narrowly defined with respect to only the SPT. The following quotes are from Publication 519 Chapter 1.

Publication 519 Chapter 1: “Do not count days for which you are an exempt individual.”

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Any of the days on which you were an “exempt individual” do not count toward your days for the SPT. “Do not count days for which you are an exempt individual.”

I’ll go through first who exempt individuals are. Then, if you determine that there are days in your year for which you are not exempt, you can apply the SPT.

Publication 519 Chapter 1:
“The term “exempt individual”... refers to anyone in
the following categories.”

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Publication 519 Chapter 1 lists exempt individuals. I am selecting the subset of that list that typically applies to graduate students and postdocs.

Publication 519 Chapter 1:

“A student temporarily present in the United States under an “F,” “J,” “M,” or “Q” visa who substantially complies with the requirements of the visa.”

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An exempt individual is “A student temporarily present in the United States under an “F,” “J,” “M,” or “Q” visa who substantially complies with the requirements of the visa.”

Publication 519 Chapter 1:
“A teacher or trainee temporarily present in the United States under a “J” or “Q” visa who substantially complies with the requirements of the visa.”

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An exempt individual is “A teacher or trainee temporarily present in the United States under a “J” or “Q” visa who substantially complies with the requirements of the visa.”

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Nonresident PhD Trainee Tax Return

How are you classified?

Were you a student in 2025? Yes No

The visa you are on is:

F J

Did you receive "employee income" in 2025?

Yes, reported on Form W-2 Yes, reported on Form 1042-S No

Did you receive "awarded income" in 2025 in excess of qualified expenses?

Yes, reported on Form 1042-S Yes, not reported No

If you received a Form 1042-S, which income code appeared in Box 1?

16 19 20

With respect to the substantial presence test, you are considered a:

Student Teacher or trainee

What is your country of residence?

With respect to your tax treaty (if applicable), you are considered a:

Student or apprentice

Professor, teacher, or researcher

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Mark down on your classification worksheet which group you fall into, "students" or "teachers or trainees" based on this definition.

By the way, if you changed classification and visa type in the course of the year, you will still discern for which days you are exempt under each classification and then apply the SPT if you were not exempt for the whole year.

👍 Resident

👍 Substantial Presence Test (SPT)

👎 Exempt individual?

👍 Until you've been an exempt individual for...

👎 Unless you meet conditions...

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We've defined an exempt individual, but that's not the end of the story... on to the two layers of exceptions.

How long you stay an exempt individual depends on your classification.

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Your exemption from the SPT does not necessarily last the entire time you are in the US on your visa. As a student or trainee, it may expire sooner.

Student

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I'll address students on F, J, M, and Q visas first.

Publication 519 Chapter 1:

“You will not be an exempt individual as a student in 2025 if you have been exempt as a teacher, trainee, or student for any part of more than 5 calendar years unless you meet both of the following requirements.”

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As a student, you will not be an exempt individual in 2025 if you have been exempt as a teacher, trainee, or student for any part of more than 5 calendar years. We’re about to go over some exceptions to that rule, but before we do, let’s parse this sentence.

Let’s take a simple example first of a grad student who has been in the US for several years already. If they have been in the US for any part of five years or more prior to 2025 as an exempt individual, they are no longer exempt from the SPT. We’re talking about 2025, so if the person spent time in the US in every year between 2020 and 2024, inclusive, as a teacher, trainee, or student, that person is no longer exempt from the SPT under their student status as of 2025. If that person came to the US for the first time as a teacher, trainee, or student in 2021, they are still exempt in 2025.

Please note that these five or more years do not have to be continuous, so time you spent in the US as a teacher, trainee, or student in earlier years will count toward the years as well.

Now, even if you have been in the US as a teacher, trainee, or student for any part of more than five years prior to 2025, you could still continue your student exemption

to the SPT if you meet both of the following conditions.

Publication 519 Chapter 1:

- “You establish that you do not intend to reside permanently in the United States.
- You have substantially complied with the requirements of your visa.”

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You are able to continue your student exemption to the SPT if:

- 1) “You establish that you do not intend to reside permanently in the US” and
- 1) “You have substantially complied with the requirements of your visa.”

I won’t go into all the details about how to establish that you do not intend to reside permanently in the US. You cannot have take any affirmative steps toward becoming a permanent resident and you must establish that you have a closer connection to a foreign country. For example, do you maintain a permanent home in a foreign country that is continuously available to you throughout the year? There are a lot of factors that could go into establishing a closer connection to a foreign country, which you can read about in Publication 519 Chapter 1.

PERSONAL FINANCE *for PhDs*

Nonresident PhD Trainee Tax Return

As a student, in 2025, are you an exempt individual?

Were you exempt as a teacher, trainee, or student in any part of:

2024 Yes No
2023 Yes No
2022 Yes No
2021 Yes No
2020 Yes No
2019 Yes No
2018 Yes No
2017 Yes No
2016 Yes No
2015 Yes No

Number of exempt years prior to 2015: _____

If you were exempt as a teacher, trainee, or student in any part of more than 5 calendar years, you are not exempt in 2025—unless an exception applies to you.

I am an exempt individual in 2025. EXEMPT

I was already an exempt individual in 5 or years prior to 2025, and an exception does not apply to me. NOT EXEMPT

I was already an exempt individual in 5 or years prior to 2025, and an exception applies to me. EXEMPT

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You can use the worksheet titled “As a student, in 2025, are you an exempt individual?” to note in which years you were already an exempt individual as a teacher, trainee, or student and whether an exception applies to you. Ultimately, you should be able to check off if you were an exempt individual in 2025.

8840		Closer Connection Exception Statement for Aliens	
Department of Treasury Internal Revenue Service		OMB No. 1545-0074 2025 Attachment Sequence No. 101	
For calendar year 2025 or other tax year beginning _____, 2025, and ending _____, 20____		Attach to Form 1040-NR. Go to www.irs.gov/Form8840 for the latest information.	
Your first name and initial _____ Last name _____		Your U.S. taxpayer identification number, if any _____	
Fill in your addresses only if you are filling this form by itself and not with your U.S. tax return.		Address in country of residence _____ Address in the United States _____	
Part I General Information 1 Type of U.S. visa (for example, F, J, M, etc.) and date you entered the United States _____ 2 Of what country or countries were you a citizen during the tax year? _____ 3 What country or countries issued you a passport? _____ 4 Enter your passport number(s) _____ 5 Enter the number of days you were present in the United States during 2025. _____ 6 During 2025, did you apply for, or take other affirmative steps to apply for, lawful permanent resident status in the United States or have an application pending to change your status to that of a lawful permanent resident of the United States? See instructions. <input type="checkbox"/> Yes <input type="checkbox"/> No			
Part II Closer Connection to One Foreign Country (see instructions) 7 Where was your tax home during 2025? _____ 8 Enter the name of the foreign country to which you had a closer connection than to the United States during 2025. _____ Next, complete Part IV.			
Part III Closer Connection to Two Foreign Countries (see instructions) 9 Where was your tax home on January 1, 2025? _____ 10 After changing your tax home from its location on January 1, 2025, where was your tax home for the remainder of 2025? _____ 11 Did you have a closer connection to each foreign country listed on lines 9 and 10 than to the United States for the period during which you maintained a tax home in that foreign country? <input type="checkbox"/> Yes <input type="checkbox"/> No 12 Were you subject to tax as a resident under the internal laws of (a) either of the countries listed on lines 9 and 10 during all of 2025, or (b) both of the countries listed on lines 9 and 10 for the period during which you maintained a tax home in each country? <input type="checkbox"/> Yes <input type="checkbox"/> No 13 Have you filed or will you file tax returns for 2025 in the countries listed on lines 9 and 10? If "Yes" to either line 12 or line 13, attach verification. <input type="checkbox"/> Yes <input type="checkbox"/> No If "No" to either line 12 or line 13, please explain. _____ Next, complete Part IV.			
For Paperwork Reduction Act Notice, see instructions.		Cat. No. 15829P Form 8840 (2025) Created 4/28/25	
Part IV Significant Contacts With Foreign Country or Countries in 2025 14 Where was your regular or principal permanent home located during 2025? See instructions. 15 If you had more than one permanent home available to you at all times during 2025, list the location of each and explain. _____ 16 Where was your family located? _____ 17 Where was your automobile(s) located? _____ 18 Where was your automobile(s) registered? _____ 19 Where were your personal belongings, furniture, etc., located? _____ 20 Where was the bank(s) with which you conducted your routine personal banking activities located? a _____ c _____ b _____ d _____ 21 Did you conduct business activities in a location other than your tax home? <input type="checkbox"/> Yes <input type="checkbox"/> No If "Yes," where? _____ 22a Where was your driver's license issued? b If you hold a second driver's license, where was it issued? _____ 23 Where were you registered to vote? 24 When did you file official documents, forms, etc., what country do you list as your residence? 25 Has your employer ever done any of the following? a Form W-4BEN or any other W-8 form (relating to foreign status)? <input type="checkbox"/> Yes <input type="checkbox"/> No b Form W-9, Request for Taxpayer Identification Number and Certification? <input type="checkbox"/> Yes <input type="checkbox"/> No c Any other U.S. official forms? If "Yes," indicate the forms? <input type="checkbox"/> Yes <input type="checkbox"/> No 26 In what country or countries did you keep your personal, financial, and legal documents? 27 From what country or countries did you derive the majority of your 2025 income? 28 Did you have any income from U.S. sources? <input type="checkbox"/> Yes <input type="checkbox"/> No If "Yes," what type? _____ 29 In what country or countries were your investments located? See instructions. 30 Did you qualify for any type of "national" health plan sponsored by a foreign country? <input type="checkbox"/> Yes <input type="checkbox"/> No If "Yes," in what country? _____ If "No," please explain _____ If you have any other information to substantiate your closer connection to a country other than the United States or you wish to explain or defend any of your responses to lines 14 through 30, attach a statement to this form. Sign here only if you are filing this form by itself and not with your U.S. tax return. Under penalty of perjury, I declare that I have examined this form and the accompanying attachments, and to the best of my knowledge and belief, they are true, correct, and complete. _____ Your signature _____ Date _____ Form 8840 (2025)			

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If you do want to claim a closer connection to a foreign country to continue your student exempt status for the SPT, you must fill out Form 8840 and file it along with your tax return. You still have to file this form even if you're not required to file a tax return. The due date is the same as the tax filing deadline. I'm not going to cover this form any further in this workshop, and I recommend working with a tax professional if you want to take this exception.

Teachers and Trainees

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Now I'll address teachers and trainees on J and Q visas.

Publication 519 Chapter 1:

“You will not be an exempt individual as a teacher or trainee in 2025 if you were exempt as a teacher, trainee, or student for any part of 2 of the 6 preceding calendar years. However, you will be an exempt individual if all of the following conditions are met.”

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As a teacher or trainee, you will not be an exempt individual in 2025 if you have been exempt as a teacher, trainee, or student for any part of 2 of the 6 preceding calendar years. We’re about to go over some exceptions to that rule, but before we do, let’s parse this sentence.

Let’s take a simple example first of a postdoc who has been in the US for a few years already as a grad student or postdoc. If they have been in the US for any part of 2 of the 6 preceding calendar years as an exempt teacher, trainee, or student, they are no longer exempt from the SPT. The year in question is 2025, so the preceding six years are 2019, 2020, 2021, 2022, 2023, and 2024. If the person was an exempt teacher, trainee, or student in any part of any two of those years, that person is no longer exempt from the SPT under their teacher or trainee status as of 2025. If that person came to the US for the first time as a teacher, trainee, or student in 2024, they are still exempt in 2025.

Now, even if you have been in the US as an exempt teacher, trainee, or student in any part of two of the preceding six years, you could still continue your teacher or trainee exemption to the SPT if you meet all of the following conditions.

Publication 519 Chapter 1:

- “You were exempt as a teacher, trainee, or student for any part of 3 (or fewer) of the 6 preceding calendar years.
- A foreign employer paid all of your compensation during 2025.
- You were present in the United States as a teacher or trainee in any of the 6 prior years.
- A foreign employer paid all of your compensation during each of the preceding 6 years you were present in the United States as a teacher or trainee.”

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You are able to continue your teacher or trainee exemption to the SPT if you meet all of these conditions:

- 1) “You were exempt as a teacher, trainee, or student for any part of 3 (or fewer) of the 6 preceding calendar years.
- 2) A foreign employer paid all of your compensation during 2025.
- 3) You were present in the United States as a teacher or trainee in any of the 6 prior years.
- 4) A foreign employer paid all of your compensation during each of the preceding 6 years you were present in the United States as a teacher or trainee.”

PERSONAL FINANCE *for PhDs*

Nonresident PhD Trainee Tax Return

As a teacher or trainee, in 2025, are you an exempt individual?

Were you exempt as a teacher, trainee, or student in any part of:

2024 Yes No
2023 Yes No
2020 Yes No
2019 Yes No
2018 Yes No
2017 Yes No

If you were exempt as a teacher, trainee, or student in any part of 2 of the 6 preceding calendar years, you are not exempt in 2025—unless an exception applies to you.

I am an exempt individual in 2025. EXEMPT

I was already an exempt individual in 2 of the preceding 6 years, and an exception does not apply to me. NOT EXEMPT

I was already an exempt individual in 2 of the preceding 6 years, and an exception applies to me. EXEMPT

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You can use the worksheet titled “As a teacher or trainee, in 2025, are you an exempt individual?” to note in which years you were already an exempt individual as a teacher, trainee, or student and whether an exception applies to you. Ultimately, you should be able to check off if you were an exempt individual in 2025.

8843	Statement for Exempt Individuals and Individuals With a Medical Condition <small>For use by alien individuals only.</small> <small>Go to www.irs.gov/Form8843 for the latest information.</small>	
<small>OMB No. 1545-0204</small> 2025 <small>Attachment Sequence No. 102</small>		
<small>For tax year 2025, or tax year beginning <u>1, 2025</u>, and ending <u>1, 2026</u></small> <small>Your first name and initial _____ Last name _____ Your U.S. taxpayer identification number (TIN) if any _____</small>		
<small>Fill in your addresses only if you are filing the Form 8843 and not with your U.S. tax return.</small>		
Part I General Information		
1a Type of U.S. visa (for example, F, J, M, Q, etc.) and date you entered the United States: b Current nonimmigrant status. If your status has changed, also enter date of change and previous status. See instructions.		
2 Of what country or countries were you a citizen during the tax year? 3a What country or countries issued you a passport? b Enter your passport number: 4a Enter the actual number of days you were present in the United States during: 2025 _____ 2023 _____ b Enter the number of days in 2025 you claim you can exclude for purposes of the substantial presence test: 5 For Teachers and Trainees 6 For trainees, enter the name, address, and telephone number of the director of the academic or other specialized program you participated in during 2025: 7 Enter the type of U.S. visa (J or Q) you held during: 2019 _____ 2020 _____ 2021 _____ 2022 _____ 2023 _____ If the type of visa you held during any of these years changed, attach a statement showing the new visa type and the date it was acquired. 8 Were you exempt as a teacher, trainee, or student for any part or 2 of the preceding 6 calendar years (2019 through 2024)? _____ * If you checked the "Yes" box on line 8, you cannot exclude days of presence as a teacher or trainee unless you meet the exception explained in the instructions. Part II Students 9 Enter the name, address, and telephone number of the academic institution you attended during 2025: 10 Enter the name, address, and telephone number of the director of the academic or other specialized program you participated in during 2025: 11 Enter the type of U.S. visa (F, J, M, or Q) you held during: 2019 _____ 2020 _____ 2021 _____ 2022 _____ 2023 _____ If the type of visa you held during any of these years changed, attach a statement showing the new visa type and the date it was acquired. 12 Were you exempt as a teacher, trainee, or student for any part of more than 5 calendar years? _____ * Yes _____ No If you checked the "Yes" box on line 12, you must provide sufficient facts on an attached statement to establish that you do not intend to reside permanently in the United States. 13 During the tax year, did you take any other steps to apply for, lawful permanent resident status in the United States or have an application pending to change your status to that of a lawful permanent resident of the United States? _____ * Yes _____ No 14 If you checked the "Yes" box on line 13, explain: <small>For Paperwork Reduction Act Notice, see instructions.</small>		
<small>Cat. No. 17227H Form 8843 (2025) Created 6/5/25</small>		
<small>Form 8843 (2025) Page 2</small>		
Part IV Professional Athletes		
15 Enter the name of the charitable sports event(s) in the United States in which you competed during 2025 and the dates of competition: <small>Note: You must attach a statement to verify that all of the net proceeds of the sports event(s) were contributed to the charitable organization(s) listed on line 16.</small>		
Part V Individuals With a Medical Condition or Medical Problem 17a Describe the medical condition or medical problem that prevented you from leaving the United States. See instructions. b Enter the date you intended to leave the United States prior to the onset of the medical condition or medical problem described on line 17a: c Enter the date you actually left the United States: Physician's Statement: I certify that _____ Name of taxpayer <small>was unable to leave the United States on the date shown on line 17b because of the medical condition or medical problem described on line 17a and there was no indication that their condition or problem was preexisting.</small>		
<small>Name of physician or other medical official _____ Physician's or other medical official's address and telephone number _____</small>		
<small>Physician's or other medical official's signature _____ Date _____</small>		
<small>Sign here only if you are signing this form by itself and not with your U.S. tax return.</small>		
<small>Under penalties of perjury, I declare that I have examined this form and the accompanying attachments, and, to the best of my knowledge and belief, they are true, correct, and complete.</small>		
<small>Your signature _____ Date _____</small>		
<small>Form 8843 (2025)</small>		

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If you are going to claim that you are an exempt individual for any days of this year, you need to fill out and file Form 8843. The deadline for submitting this form is April 15, 2026 if you are filing a tax return or June 15, 2026 if you are not filing a tax return. We'll further discuss how to fill out this form in the module titled "Form 8843."

👍 Resident

👍 Substantial Presence Test (SPT)

👎 Exempt individual?

👍 Until you've been an exempt individual for...

👎 Unless you meet conditions...

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Now we've covered all of the exempt individual conditions. You should know by now if you are an exempt individual in 2025 or not.

If you are exempt, you can maintain your nonresident status.

If you are not exempt, this is when we get to the actual Substantial Presence Test.

Substantial Presence Test (If Not Exempt)

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If you are not an exempt individual for all of 2025, you will next apply the substantial presence test. You can be an exempt individual for some days of the year and not others. The following quotes are from Publication 519 Chapter 1.

Publication 519 Chapter 1:

“You are a resident for tax purposes if you meet the substantial presence test for calendar year 2025. To meet this test, you must be physically present in the United States on at least:”

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“You are a resident for tax purposes if you meet the substantial presence test for calendar year 2025. To meet this test, you must be physically present in the United States on at least:”

Publication 519 Chapter 1: “31 days during 2025”

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Condition 1:

“31 days during 2025”

and

Publication 519 Chapter 1:

“183 days during the 3-year period that includes 2025, 2024, and 2023, counting:

- All the days you were present in 2025, and
- 1/3 of the days you were present in 2024, and
- 1/6 of the days you were present in 2023.”

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Condition 2:

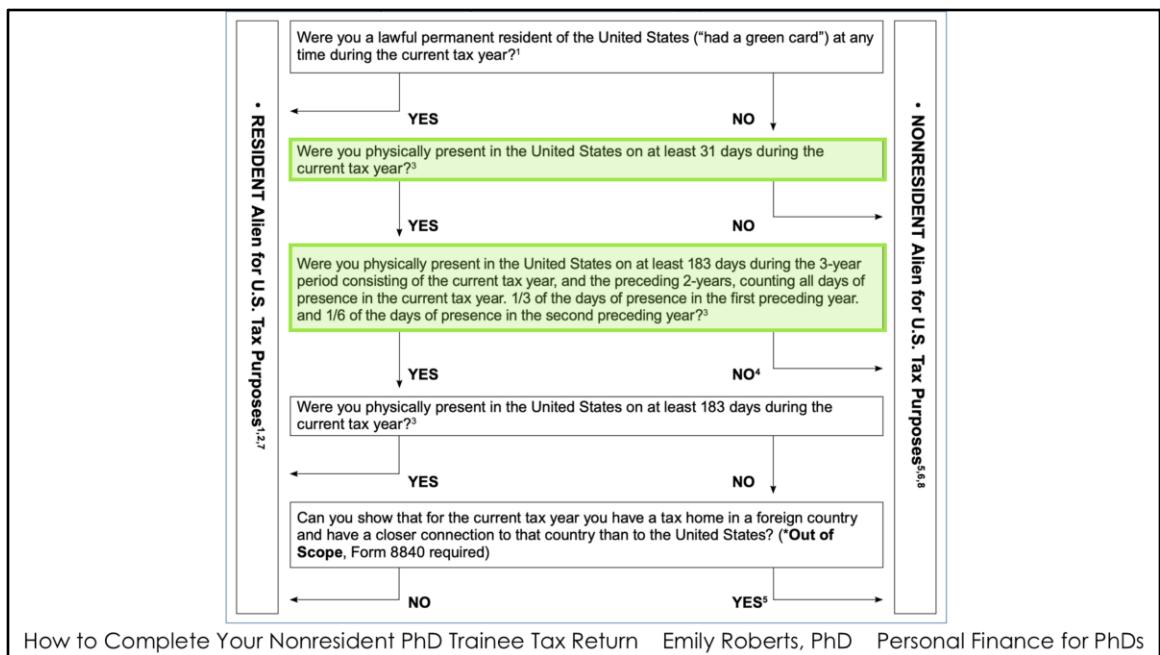
“183 days during the 3-year period that includes 2025, 2024, and 2023, counting:

All the days you were present in 2025, and
1/3 of the days you were present in 2024, and
1/6 of the days you were present in 2023.”

To be clear, the days being counted are nonexempt days, not the days when you were an exempt individual as we just discussed.

For a simple example, if you were an exempt individual prior to 2025 and switched to nonexempt in 2025 and spent 183 days or more physically in the US in 2025, you are considered a resident for tax purposes.

If you became not exempt in an earlier year, it’s going to become a bit of a math problem to divide and add up all of your days.



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Those two questions are captured in the next two steps in the flow chart.

1	How to Complete Your Nonresident PhD Trainee Tax Return (and Understand It, Too!)	
2	"Resident or Nonresident?"	
3		
4	2025 Substantial Presence Test (if you were not an exempt individual)	
5		
6	On how many days were you physically present* in the United States in:	
7		2025
8		2024
9		2023
10	* Reference which days do not count as days present in Publication 519 on p. 4.	
11		
12	Were you physically present in the United States in at least 31 days in 2025?	NO
13		
14	Were you physically present in the United States in at least 183 days in 2023-2025, counting:	NO
15	All the days present in 2025:	0
16	1/3 of the days present in 2024:	0
17	1/6 of the days present in 2023:	0
18		
19	Did you pass the SPT?	NO

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You can use the spreadsheet “Substantial Presence Test (if you were not an exempt individual)” to tabulate how many days you were physically present in the United States between 2023 and 2025. The spreadsheet calculates whether you pass the SPT in 2025. Enter your days physically present in 2025, 2024, and 2023 into the yellow cells.

👍 Resident

👍 Substantial Presence Test (SPT)

👎 Exempt individual?

👍 Until you've been an exempt individual for...

👎 Unless you meet conditions...

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Even if you pass the SPT this year, you might still be able to file as a nonresident if you can claim a closer connection to one or two foreign countries.

Publication 519 Chapter 1:

“Even if you meet the substantial presence test, you can be treated as a nonresident alien if you:

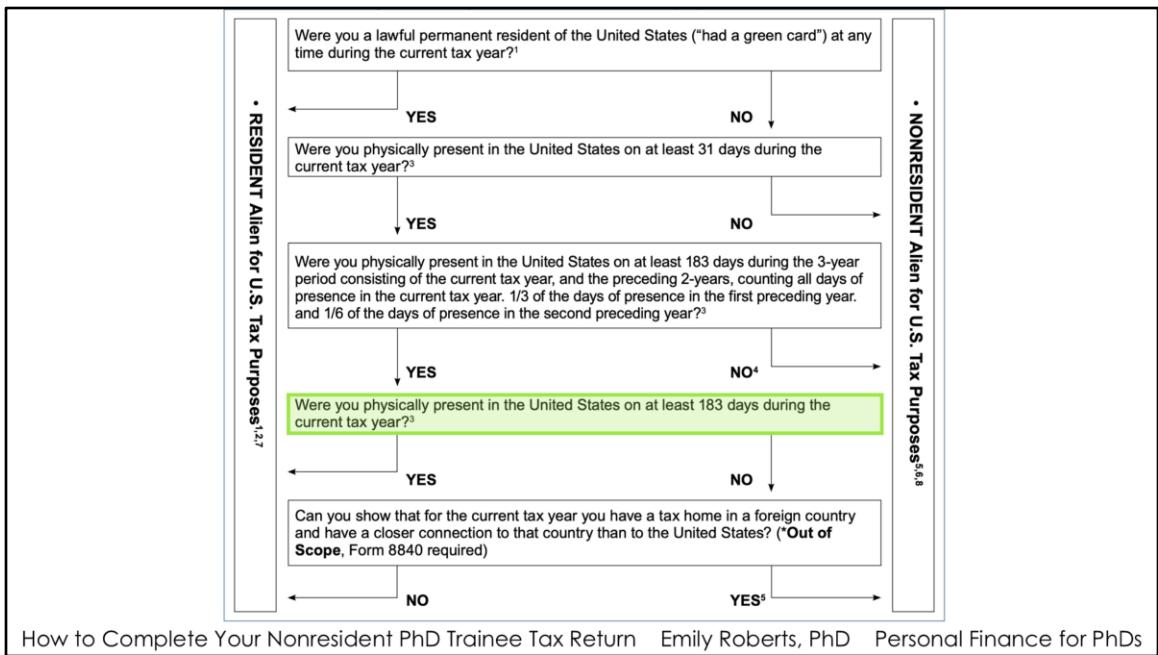
- Are present in the United States for less than 183 days during the year,
- Maintain a tax home in a foreign country during the year, and
- Have a closer connection during the year to one foreign country in which you have a tax home than to the United States...”

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This involves being present in the US for less than 183 days during the year, maintaining a tax home in a foreign country during the year, and having a closer connection during the year to that country or two countries. You can read about the specific requirements of establishing a closer connection in Publication 519 Chapter 1.

One requirement that I want to draw your attention to is that you must maintain a permanent home in that country. Publication 519 specifies: “It does not matter whether your permanent home is a house, an apartment, or a furnished room. It also does not matter whether you rent or own it. It is important, however, that your home be available at all times, continuously, and not solely for short stays.”

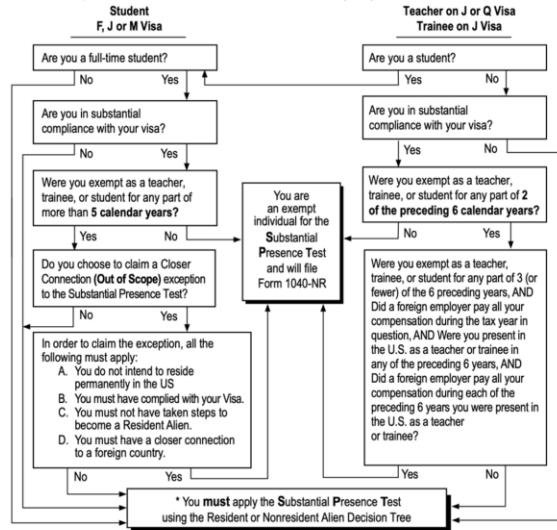
As I said earlier, if you want to claim a closer connection to a foreign country, you must fill out and file Form 8840.



As the flow chart states, you can claim a closer connection and maintain your status as a nonresident only if you were physically present for less than 183 days in 2025; otherwise, you'll be considered a resident.

Substantial Presence Test? - Decision Tree

If you are temporarily present in the United States on an F, J, M, or Q visa, use this chart to determine if you are an exempt individual for the Substantial Presence Test (SPT).



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This flow chart from Publication 4011 summarizes very well the Substantial Presence Test and exempt individuals for students and teachers and trainees. I have included it as a downloadable with this module so that you can fill it out for your individual situation.

Publication 519 Chapter 1:

“If you meet the substantial presence test for a calendar year, your residency starting date is generally the first day you are present in the United States during that calendar year. ”

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Let's say that you pass the SPT in 2025.

“If you meet the SPT for a calendar year, your residency starting date is generally the first day you are present in the US during that calendar year.”

So if you were present in the US on January 1, 2025 and met the SPT in 2025, you are a resident for tax purposes from the beginning of 2025. If you weren't physically present in the US on January 1, 2025, you might have dual status for 2025.

Publication 519 Chapter 1:

“However, you do not have to count up to 10 days of actual presence in the United States if on those days you establish that:

- You had a closer connection to a foreign country than to the United States, and
- Your tax home was in that foreign country.”

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The word “generally” was used in that last statement because you can elect to exclude 10 days if you are eligible.

Electing to be considered a resident for tax purposes

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Even if you are determined to be a non-resident for tax purposes, you might be able to elect to be considered a resident for tax purposes. There are a few circumstances under which this can happen.

IRS Publication 519 Chapter 1:

“Even if you do not meet either of these tests, you may be able to choose to be treated as a U.S. resident for part of the year.”

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Publication 519 states in Chapter 1:

“Even if you do not meet either of these tests, you may be able to choose to be treated as a U.S. resident for part of the year.”

Tax Treaties



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The tax treaty that the US has with your country of residence can override the rules in this section.

Publication 519 Chapter 1:
"Nonresident alien students from Barbados, Hungary, and Jamaica, as well as trainees from Jamaica, may qualify for an election to be treated as a resident alien for U.S. tax purposes under the U.S. income tax treaties with those countries."

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For example, if you are a nonresident student from Barbados, Hungary, or Jamaica, you can elect to be treated as a resident for tax purposes by attaching a signed election statement to your return.

First-year choice

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Another way to elect to be considered a resident for tax purposes is to make what is called the first-year choice. The following quotes are from Publication 519 Chapter 1.

Publication 519 Chapter 1:

“If you do not meet either the green card test or the substantial presence test for 2024 or 2025 and you did not choose to be treated as a resident for part of 2024, but you meet the substantial presence test for 2026, you can choose to be treated as a U.S. resident for part of 2025.”

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“If you do not meet either the green card test or the substantial presence test for 2024 or 2025 and you did not choose to be treated as a resident for part of 2024, but you meet the substantial presence test for 2026, you can choose to be treated as a U.S. resident for part of 2025.”

There is a particular test regarding the number and sequence of your days present in the US that will allow this first year choice or not, which you can read about in Publication 519 Chapter 1.

You must file a statement to make the first-year choice, but only after you have met the SPT for 2026.

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To make the first-year choice, you must file a statement with your tax return containing certain information, which is listed in Publication 519 Chapter 1. You can only make this decision after you have met the SPT in 2026. If that hasn't happened by April 15, 2026, you can request an extension on the deadline for filing your return, though you will still have to pay your tax due as a non-resident by April 15, 2026.

Publication 519 Chapter 1:

“If you were a U.S. resident in 2025 but are not a U.S. resident during any part of 2026, you cease to be a U.S. resident on your residency termination date. Your residency termination date is December 31, 2025, unless you qualify for an earlier date...”

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You can also terminate your residency prior to December 31 in the last year of your residency.

Marriage

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Your marriage to a US citizen or resident enables you to choose to be taxed as a resident.

Publication 519 Chapter 1:

“If, at the end of your tax year, you are married and one spouse is a U.S. citizen or a resident alien and the other spouse is a nonresident alien, you can choose to treat the nonresident spouse as a U.S. resident.”

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If you, as a nonresident, are married to a US citizen or resident at the end of the year, you can elect to be considered a resident for tax purposes that year. This applies even if your spouse became a resident during that year. You must file a joint return in that year.

Can I elect to be considered a resident in the absence of any of the prior mechanisms?

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What if one of the prior scenarios does not apply to you, but you want to be considered a resident for tax purposes? Is it possible to make the election? Unfortunately, the answer is no.

[Source: IRS Publication 4152 p. 3-8]

Now that you know your residency status, what is your next step?

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Now that you have determined your residency status, what is your next step with your tax return?

Nonresident: Continue with this workshop

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If you determined that you are a nonresident, you will file a Form 1040-NR and additional forms. If you are claiming days exempt from the SPT, you will also file a Form 8843.

Resident:

Switch to my workshop for residents

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If you determined that you are a resident for the entire year, you will file a Form 1040 and possibly additional forms. Please email tax@PFforPhDs.com about possibly switching to one of my other tax return workshops for citizens and residents.

Dual Status:

Use a tax pro

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If you determined that you are dual status in 2025, you must file a Form 1040 and a Form 1040-NR and allocate your income. This is a good reason to hire a professional tax preparer, and this status is not covered any further by this workshop.