

Philip M. Johnson Acct '17

International Tax Treaties: Affecting Iowa State University Students and Faculty

Table of Contents		2
Overview and Background Information	.....	3
Australia	.....	4
Austria	.....	5
Bangladesh	.....	6
Canada	.....	7
China	.....	8
Egypt	.....	9
India	.....	10
Indonesia	.....	11
Japan	.....	12
Korea, South	.....	13
Mexico	.....	14
Pakistan	.....	15
Russia	.....	16
Sri Lanka	.....	17
Thailand	.....	18
Turkey	.....	19
United Kingdom	.....	20
Venezuela	.....	21
References	.....	22

Objective: Provide a comprehensive reference for students participating in Iowa State's Volunteer Income Tax Assistance Program.

Methods: Summarized and compiled the tax treaties the U.S. holds with countries whom have the most residents attending Iowa State.

Results: A 22 page, quick-reference booklet.

China		8
*1,796 Students Enrolled		
<u>Personal Services Income</u>		
Self Employed income is exempt from U.S. Taxation if:		
-You are in the U.S. for 183 or fewer days in the tax year		
AND		
-You do not work from a fixed location		
*If a fixed location is located in the U.S., income attributable from the base is taxable		
(Code 16, Article 13)		
Regular Employed income is exempt from U.S. Taxation if:		
-You are in the U.S. for 183 or fewer days in the tax year		
AND		
-The pay is from an employer that is not a resident of the U.S.		
AND		
-Your employer does not work from a fixed location		
*Exemptions do not apply to public entertainers (actors, athletes, etc.) who earn more than \$10,000 in the U.S. per year (Code 42, Article 16)		
<u>Professors, Teachers, and Researchers</u>		
Income from teaching, lecturing, or conducting research for an accredited education institution is exempt for 3 years		
*After two years the scholar becomes a resident for tax purposes but can still use the 1-year left in their 3 years of exemption.		
*Exemptions do not apply to income from research primarily for private benefit rather than in the public interest. (Code 18, Article 19)		
<u>Students and Apprentices</u>		
Students, business apprentices, or trainees are eligible for exemptions on:		
-Payments received from abroad for maintenance, education, study, research, or training		
-Grants or awards from a government, scientific, educational, or other tax-exempt organization		
-Income from personal services performed in the U.S. of up to \$5,000 per year		
*Exemptions only available for the time reasonably necessary to complete the education or training		
*3 Year exemption for Professors, Teachers, and Researchers also applies to Students and Apprentices (Code 19, Article 20(a))		

