

TAXES!



1. Forms you need to start
2. Tax residence is **NOT** immigration status
3. Software available

1. Forms you need

- **W-2** describes how much MGH (or whoever pays your salary) paid you.
- **1099-HC** describes the medical insurance you had during the year.

Paid for something else?

There are many other forms that you might receive for different types of income.

A bank may issue you an income form if you earned interest on savings.

The state of Massachusetts might issue an income form for your 2011 tax return.

All of these forms will also be needed, and you must report all your US income.

Paid by a foreign org?

You can use whatever the income-reporting form you receive from them (*e.g.*, Canadians get a “T4” instead of a “W2”).

Whether or not you have to report your foreign income to the US depends on whether or not you are a US tax-resident.

2. Tax residence (US)

- **NOT** the same as immigration status
- On a J-1 visa you must “count days”
- Other visas have their own rules
- You can become a US tax-resident without any change to your immigration status or visa.

US-Tax resident

- If you are a US tax-resident you **MUST** report your entire world income in 2012 on your US tax return.
- Even if you weren't in the US when you earned foreign income, you still have to report it.
- You can deduct foreign taxes from your US tax bill (there's a form for this).

NOT US-Tax resident

- Only report your US-sourced income to the US.
- You will pay taxes in the US on your US-sourced income.
- You will probably be able to deduct the US taxes from your home-country taxes (your home country probably has a form for this)

2. Tax residence (MA)

- Massachusetts tax-residence doesn't care about your visa.
- Just counts whether you lived in MA for more than 50% of the year.
- “Lived in MA” essentially means “slept in MA”.
- You can be an MA tax-resident with or without with being a US tax-resident; **they're different!**

MA-Tax resident

- Regardless of whether you are US tax-resident or not, MA charges taxes on the income you report on the US tax form (1040).
- Don't forget to deduct your rent!

NOT MA-Tax resident

- If you lived in MA for less than 50% of 2012, but you've moved here, then you are a Part-Year Resident. There's a slightly different form for this.

3. Software (Federal)

- **Try the MGH software first.** It knows about visa status rules, counting days, etc. It will either help you fill out a non-resident Federal claim, or will tell you that you are a resident.
- **If you are a US tax-resident** then you can use any of the commercial online programs (*e.g.*, TurboTax, TaxACT, etc.)

3. Software (MA)

- Massachusetts' state website allows you to fill out all your tax forms online.
- You need to figure out if you're an MA Tax-resident or not; the rules are on the MA website here:
<http://www.mass.gov/dor/individuals/filing-and-payment-information/personal-income-tax-faqs/nonresidents-and-part-year-residents-faqs.html#2>

3. Software

- Fill out your Federal taxes first.
- Fill out the MA taxes second. You will need to refer to your Federal tax forms when you fill out the MA taxes.