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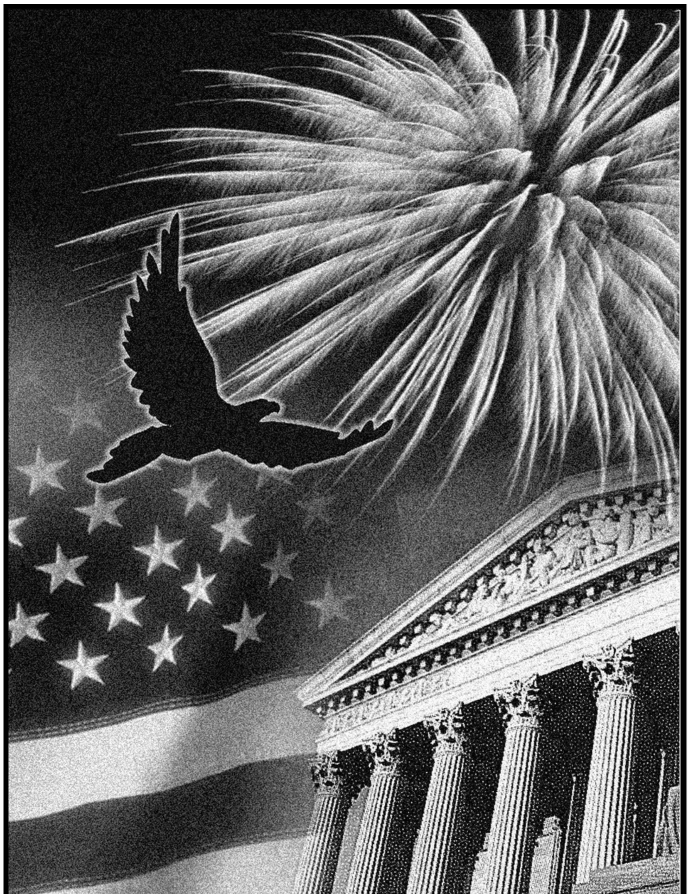
Tax Guide for Individuals With Income From U.S. Possessions

For use in preparing

2010 Returns



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What's New

Military Spouses Residency Relief Act (MSRRA). This Act was signed into law too late in 2009 to be included in the 2009 Publication 570. It applies to the 2009 tax year as well as subsequent years.

Under MSRRA, the civilian spouse who accompanies an active duty member of the U.S. Armed Forces (servicemember) to a new military duty station in one of the 50 states, the District of Columbia, or a U.S. possession may choose to keep his or her prior residence or domicile for tax purposes (tax residence).

Making this choice may affect the individual income tax return filing requirements for those who claim the benefits of its tax provisions. For more information, see chapters 1, 2, and 3.

Reminders

IRS individual taxpayer identification numbers (ITINs) for aliens. If you are a nonresident or resident alien and you do not have and are not eligible to get a social security number (SSN), you must apply for an ITIN. For details on how to do so, see Form W-7, Application for IRS Individual Taxpayer Identification Number, and its instructions. Allow 6 weeks for the IRS to notify you of your ITIN (8–10 weeks if submitted during peak processing periods (January 15 through April 30) or if you are filing from overseas).

If you already have an ITIN, enter it wherever your SSN is requested on your tax return.

CAUTION *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.*

Making work pay credit. If you have earned income from work you may be able to take this credit. It is 6.2% of your earned income, but cannot be more than $400 ($800 if married filing jointly). Bona fide residents of Puerto Rico, American Samoa, the Commonwealth of the Northern Mariana Islands (CNMI), Guam, and the U.S. Virgin Islands (USVI) will receive this credit from their territorial governments.

Earned income credit (EIC). Generally, if you are a bona fide resident of a U.S. possession, you cannot claim the EIC on your U.S. tax return. However, certain U.S. possessions may allow bona fide residents to claim the EIC on their possession tax return.

To claim the EIC on your U.S. tax return, your home (and your spouse's if filing a joint return) must have been in the United States for more than half the year. If you have a child, the child must have lived with you in the United States for more than half the year. For this purpose, the United States includes only the 50 states and the District of Columbia. Special rules apply to military personnel stationed outside the United States. For more information on this credit, see Publication 596, Earned Income Credit (EIC).

Change of address. If you change your mailing address, use Form 8822, Change of Address, to notify the Internal Revenue Service and U.S. possession tax administration, if appropriate. Mail Form 8822 to the Internal Revenue Service Center or U.S. possession tax administration for your old address (addresses for the Service Centers are on the back of the form).

Photographs of missing children. The Internal Revenue Service is a proud partner with the National Center for Missing and Exploited Children. Photographs of missing children selected by the Center may appear in this publication on pages that would otherwise be blank. You can help bring these children home by looking at the photographs and calling 1-800-THE-LOST (1-800-843-5678) if you recognize a child.

Introduction

This publication discusses how to treat income received from the following U.S. possessions on your tax return(s).

- American Samoa.
- The Commonwealth of Puerto Rico (Puerto Rico).
- The Commonwealth of the Northern Mariana Islands (CNMI).
- Guam.
- The U.S. Virgin Islands (USVI).

Unless stated otherwise, when the term "possession" is used in this publication, it includes the Commonwealths of Puerto Rico and the Northern Mariana Islands.

Chapter 1 discusses the requirements for being considered a bona fide resident of the listed possessions.

Chapter 2 gives the rules for determining if your income is from sources within, or effectively connected with a trade or business in, those possessions.

Next, chapter 3 looks at the rules for filing tax returns when you receive income from any of these possessions. You may have to file a U.S. tax return only, a possession tax return only, or both returns. This generally depends on whether you are a bona fide resident of the possession. In some cases, you may have to file a U.S. return, but will be able to exclude income earned in a possession from U.S. tax. You can find illustrated examples of some of the additional forms required in chapter 5.

If you are not a bona fide resident of one of the possessions listed earlier on this page, or are otherwise required to file a U.S. income tax return, the information in chapter 4 will tell you how to file your U.S. tax return. This information also applies if you have income from U.S. insular areas other than the five possessions listed earlier on this page because that income will not qualify for any of the exclusions or other benefits discussed in chapter 3. These other U.S. insular areas include:

- Baker Island,
- Howland Island,
- Jarvis Island,
- Johnston Island,
- Kingman Reef,
- Midway Islands,
- Palmyra Atoll, and
- Wake Island.

If you need information on U.S. taxation, write to:

Internal Revenue Service
Philadelphia, PA 19255-0725

If you need additional information on your tax obligations in a U.S. possession, write to the tax department of that possession. Their addresses are provided in chapter 3 under the individual headings for each possession.

Comments and suggestions. We welcome your comments about this publication and your suggestions for future editions.

You can write to us at the following address:

Internal Revenue Service
Individual Forms and Publications Branch
SE:W:CAR:MP:T:I
1111 Constitution Ave. NW, IR-6526
Washington, DC 20224

We respond to many letters by telephone. Therefore, it would be helpful if you would include your daytime phone number, including the area code, in your correspondence.

You can email us at *taxforms@irs.gov*. (The asterisk must be included in the address.) Please put "Publications Comment" on the subject line. You can also send us comments from *www.irs.gov/formspubs/index*, select "Comment on Tax Forms and Publications" under "Information about."

Although we cannot respond individually to each comment received, we do appreciate your feedback and will consider your comments as we revise our tax products.

Ordering forms and publications. Visit *www.irs.gov/formspubs* to download forms and publications, call 1-800-829-3676, or write to the address below and receive a response within 10 days after your request is received.

Internal Revenue Service
1201 N. Mitsubishi Motorway
Bloomington, IL 61705-6613

Tax questions. If you have a tax question, check the information available on IRS.gov or call 1-800-829-1040. We cannot answer tax questions sent to either of the earlier addresses.

You can get the necessary possession tax forms at the tax office for the appropriate possession. The office addresses are given in chapter 3.

Useful Items

You may want to see:

Publication

- ❏ **54** Tax Guide for U.S. Citizens and Resident Aliens Abroad
- ❏ **514** Foreign Tax Credit for Individuals
- ❏ **519** U.S. Tax Guide for Aliens

Form (and Instructions)

- ❏ **1040-PR** Planilla para la Declaración de la Contribución Federal sobre el Trabajo por Cuenta Propia (Incluyendo el Crédito Tributario Adicional por Hijos para Residentes *Bona Fide* de Puerto Rico)
- ❏ **1040-SS** U.S. Self-Employment Tax Return (Including the Additional Child Tax Credit for Bona Fide Residents of Puerto Rico)
- ❏ **1116** Foreign Tax Credit
- ❏ **4563** Exclusion of Income for Bona Fide Residents of American Samoa
- ❏ **4868** Application for Automatic Extension of Time To File U.S. Individual Income Tax Return
- ❏ **5074** Allocation of Individual Income Tax to Guam or the Commonwealth of the Northern Mariana Islands (CNMI)
- ❏ **8689** Allocation of Individual Income Tax to the U.S. Virgin Islands
- ❏ **8898** Statement for Individuals Who Begin or End Bona Fide Residence In a U.S. Possession

1.

Bona Fide Residence

In order to qualify for certain tax benefits (see chapter 3), you must be a bona fide resident of American Samoa, the CNMI, Guam, Puerto Rico, or the USVI for the entire tax year.

Generally, you are a bona fide resident of one of these possessions (the relevant possession) if, during the tax year, you:

- Meet the presence test,
- Do not have a tax home outside the relevant possession, and
- Do not have a closer connection to the United States or to a foreign country than to the relevant possession.

Special rule for members of the U.S. Armed Forces. If you are a member of the U.S. Armed Forces who qualified as a bona fide resident of the relevant possession in an earlier tax year, your absence from that possession during the current tax year in compliance with military orders will not affect your status as a bona fide resident. Likewise, being in a possession solely in compliance with military orders will not qualify you for bona fide residency. Also see the special income source rule for members of the U.S. Armed Forces in chapter 2, under *Compensation for Labor or Personal Services*.

Special rule for civilian spouse of active duty member of the U.S. Armed Forces. If you are the civilian spouse of an active duty servicemember, under MSRRA you can choose to keep your prior residence or domicile for tax purposes (tax residence) when accompanying the servicemember spouse, who is relocating under military orders, to a new military duty station in one of the 50 states, the District of Columbia, or a U.S. possession. You and your spouse must have the same tax residence. If the civilian spouse chooses to keep his or her prior tax residence after such relocation, the source of income for services performed (for example, wages or self-employment) by the civilian spouse is considered to be (the jurisdiction of) the prior tax residence. As a result, the amount of income tax withholding (from Form(s) W-2, Wage and Tax Statement) that you are able to claim on your federal return, as well as the need to file a state or U.S. possession return, may be affected. For more information, consult with state, local, or U.S. possession tax authorities regarding your tax obligations under MSRRA.

Presence Test

If you are a U.S. citizen or resident alien, you will satisfy the presence test for the entire tax year if you meet one of the following conditions.

1. You were present in the relevant possession for at least 183 days during the tax year.
2. You were present in the relevant possession for at least 549 days during the 3-year period that includes the current tax year and the 2 immediately preceding tax years. During each year of the 3-year period, you must be present in the relevant possession for at least 60 days.
3. You were present in the United States for no more than 90 days during the tax year.
4. You had earned income in the United States of no more than a total of $3,000 and were present for more days in the relevant possession than in the United States during the tax year. Earned income is pay for personal services performed, such as wages, salaries, or professional fees.
5. You had no significant connection to the United States during the tax year.

Special rule for nonresident aliens. Conditions (1) through (5) above do not apply to nonresident aliens of the United States. Instead, nonresident aliens must meet the substantial presence test discussed in chapter 1 of Publication 519. In that discussion, substitute the name of the possession for “United States” and “U.S.” wherever they appear. Disregard the discussion in that chapter about a *Closer Connection to a Foreign Country*.

Days of Presence in the United States or Relevant Possession

Generally, you are treated as being present in the United States or in the relevant possession on any day that you are physically present in that location at any time during the day.

Days of presence in a possession. You are considered to be present in the relevant possession on any of the following days.

1. Any day you are physically present in that possession at any time during the day.
2. Any day you are outside of the relevant possession in order to receive, or to accompany any of the following family members to receive, qualifying medical treatment (see *Qualifying Medical Treatment*, later).
   a. Your parent.
   b. Your spouse.
   c. Your child, who is your son, daughter, stepson, or stepdaughter. This includes an adopted child or child lawfully placed with you for legal adoption. This also includes a foster child who is placed with you by an authorized placement agency or by judgment, decree, or other order of any court of competent jurisdiction.
3. Any day you are outside the relevant possession because you leave or are unable to return to the relevant possession during any:
   a. 14-day period within which a major disaster occurs in the relevant possession for which a Federal Emergency Management Agency (FEMA) notice of a federal declaration of a major disaster is issued in the Federal Register, or
   b. Period for which a mandatory evacuation order is in effect for the geographic area in the relevant possession in which your main home is located.

If, during a single day, you are physically present:

- In the United States and in the relevant possession, that day is considered a day of presence in the relevant possession; or
- In two possessions, that day is considered a day of presence in the possession where your tax home is located (see *Tax Home*, later).

Days of presence in the United States. You are considered to be present in the United States on any day that you are physically present in the United States at any time during the day. However, do not count the following days as days of presence in the United States.

1. Any day you are temporarily present in the United States in order to receive, or to accompany a parent, spouse, or child who is receiving, qualifying medical treatment. “Child” is defined under item 2c earlier on this page. “Qualifying medical treatment” is defined later.
2. Any day you are temporarily present in the United States because you leave or are unable to return to the relevant possession during any:
   a. 14-day period within which a major disaster occurs in the relevant possession for which a Federal Emergency Management Agency (FEMA) notice of a federal declaration of a major disaster is issued in the Federal Register, or
   b. Period for which a mandatory evacuation order is in effect for the geographic area in the relevant possession in which your main home is located.
3. Any day you are in the United States for less than 24 hours when you are traveling between two places outside the United States.
4. Any day you are temporarily present in the United States as a professional athlete to compete in a charitable sports event (defined later).
5. Any day you are temporarily in the United States as a student (defined later).
6. Any day you are in the United States serving as an elected representative of the relevant possession, or serving full time as an elected or appointed official or employee of the government of that possession (or any of its political subdivisions).

Qualifying Medical Treatment

Such treatment is generally provided by (or under the supervision of) a physician for an illness, injury, impairment, or physical or mental condition. The treatment generally involves:

- Any period of inpatient care that requires an overnight stay in a hospital or hospice, and any period immediately before or after that inpatient care to the extent it is medically necessary, or
- Any temporary period of inpatient care in a residential medical care facility for medically necessary rehabilitation services.

With respect to each qualifying medical treatment, you must prepare (or obtain) and maintain documentation supporting your claim that such treatment meets the criteria to be considered days of presence in the relevant possession. You must be able to produce this documentation within 30 days if requested by the IRS or tax administrator for the relevant possession.

You must keep the following documentation.

1. Records that provide:
   a. The patient's name and relationship to you (if the medical treatment is provided to a person you accompany);
   b. The name and address of the hospital, hospice, or residential medical care facility where the medical treatment was provided;
   c. The name, address, and telephone number of the physician who provided the medical treatment;
   d. The date(s) on which the medical treatment was provided; and
   e. Receipt(s) of payment for the medical treatment.
2. Signed certification by the providing or supervising physician that the medical treatment met the requirements for being qualified medical treatment, and setting forth:
   a. The patient's name,
   b. A reasonably detailed description of the medical treatment provided by (or under the supervision of) the physician,
   c. The dates on which the medical treatment was provided, and
   d. The medical facts that support the physician's certification and determination that the treatment was medically necessary.

Charitable Sports Event

A charitable sports event is one that meets all of the following conditions.

- The main purpose is to benefit a qualified charitable organization.
- The entire net proceeds go to charity.
- Volunteers perform substantially all the work.

In figuring the days of presence in the United States, you can exclude only the days on which you actually competed in the charitable sports event. You cannot exclude the days on which you were in the United States to practice for the event, to perform promotional or other activities related to the event, or to travel between events.

Student

To qualify as a student, you must be, during some part of each of any 5 calendar months during the calendar year:

1. A full-time student at a school that has a regular teaching staff, course of study, and regularly enrolled body of students in attendance, or
2. A student taking a full-time, on-farm training course given by a school described in (1) above or by a state, county, or local government agency.

The 5 calendar months do not have to be consecutive.

Full-time student. A full-time student is a person who is enrolled for the number of hours or courses the school considers to be full-time attendance. However, school attendance exclusively at night is not considered full-time attendance.

School. The term "school" includes elementary schools, middle schools, junior and senior high schools, colleges, universities, and technical, trade, and mechanical schools. It does not include on-the-job training courses, correspondence schools, and schools offering courses only through the Internet.

Significant Connection

One way in which you can meet the presence test is to have no significant connection to the United States during the tax year. This section looks at the factors that determine if a significant connection exists.

You are treated as having a significant connection to the United States if you:

1. Have a permanent home in the United States,
2. Are currently registered to vote in any political subdivision of the United States, or
3. Have a spouse or child (see item 2c under *Days of presence in a possession*, earlier) who is under age 18 whose main home is in the United States, other than:
   a. A child who is in the United States because he or she is the child of divorced or legally separated parents and is living with a custodial parent under a custodial decree or multiple support agreement, or
   b. A child who is in the United States as a student.

For the purpose of determining if you have a significant connection to the United States, the term "spouse" does not include a spouse from whom you are legally separated under a decree of divorce or separate maintenance.

Permanent home. A permanent home generally includes an accommodation such as a house, an apartment, or a furnished room that is either owned or rented by you or your spouse. The dwelling unit must be available at all times, continuously, not only for short stays.

Exception for rental property. If you or your spouse own the dwelling unit and at any time during the tax year it is rented to someone else at fair rental value, it will be considered your permanent home only if you or your spouse use that property for personal purposes for more than the greater of:

- 14 days, or
- 10% of the number of days during that tax year that the property is rented to others at a fair rental value.

You are treated as using rental property for personal purposes on any day the property is not being rented to someone else at fair rental value for the entire day.

A day of personal use of a dwelling unit is also any day that the unit is used by any of the following persons.

- You or any other person who has an interest in it, unless you rent it to another owner as his or her main home under a shared equity financing agreement.
- A member of your family or a member of the family of any other person who has an interest in it, unless the family member uses the dwelling unit as his or her main home and pays a fair rental price. Family includes only brothers and sisters, half-brothers and half-sisters, spouses, ancestors (parents, grandparents, etc.), and lineal descendants (children, grandchildren, etc.).
- Anyone under an arrangement that lets you use some other dwelling unit.
- Anyone at less than a fair rental price.

However, any day you spend working substantially full time repairing and maintaining (not improving) your property is not counted as a day of personal use. Whether your property is used mainly for this purpose is determined in light of all the facts and circumstances, such as:

- The amount of time you devote to repair and maintenance work,
- How often during the tax year you perform repair and maintenance work on this property, and
- The presence and activities of companions.

See Publication 527, Residential Rental Property, for more information about personal use of a dwelling unit.

Example—significant connection. Ann Green, a U.S. citizen, is a sales representative for a company based in Guam. Ann lives with her husband and young children in their house in Guam, where she is also registered to vote. Her business travel requires her to spend 120 days in the United States and another 120 days in foreign countries. When traveling on business, Ann generally stays at hotels but sometimes stays with her brother, who lives in the United States. Ann's stays are always of short duration and she asks her brother's permission to stay with him. Her brother's house is not her permanent home, nor does she have any other accommodations in the United States that would be considered her permanent home. Ann satisfies the presence test because she has no significant connection to the United States.

Example—presence test. Eric and Wanda Brown live for part of the year in a condominium, which they own, in the CNMI. They also own a house in Maine where they live for 120 days every year to be near their grown children and grandchildren. The Browns are retired and their only income is from pension payments, dividends, interest, and social security benefits. In 2010, they spent only 175 days in the CNMI because of a 70-day vacation to Europe and Asia.

Thus, in 2010, the Browns were not present in the CNMI for at least 183 days, were present in the United States for more than 90 days, and had a significant connection to the United States because of their permanent home. However, the Browns still satisfied the presence test with respect to the CNMI because they had no earned income in the United States and were physically present for more days in the CNMI than in the United States.

Tax Home

You will have met the tax home test if you did not have a tax home outside the relevant possession during any part of the tax year.

Your tax home is your regular or main place of business, employment, or post of duty regardless of where you maintain your family home. If you do not have a regular or main place of business because of the nature of your work, then your tax home is the place where you regularly live. If you do not fit either of these categories, you are considered an itinerant and your tax home is wherever you work.

Exceptions

There are some special rules regarding tax home that provide exceptions to the general rule stated above.

Students and Government Officials

Disregard the following days when determining whether you have a tax home outside the relevant possession.

- Days you were temporarily in the United States as a student (see *Student* under *Days of Presence in the United States or Relevant Possession*, earlier).
- Days you were in the United States serving as an elected representative of the relevant possession, or serving full time as an elected or appointed official or employee of the government of that possession (or any of its political subdivisions).

Seafarers

You will not be considered to have a tax home outside the relevant possession solely because you are employed on a ship or other seafaring vessel that is predominantly used in local and international waters. For this purpose, a vessel is considered to be predominantly used in local and international waters if, during the tax year, the total amount of time it is used in international waters and in the waters within 3 miles of the relevant possession exceeds the total amount of time it is used in the territorial waters of the United States, another possession, or any foreign country.

Example. In 2010, Sean Silverman, a U.S. citizen, was employed by a fishery and spent 250 days at sea on a fishing vessel. When not at sea, Sean lived with his wife at a house they own in American Samoa. The fishing vessel on which Sean works departs and arrives at various ports in American Samoa, other possessions, and foreign countries, but was in international or American Samoa's local waters for 225 days. For purposes of determining bona fide residency of American Samoa, Sean will not be considered to have a tax home outside that possession solely because of his employment on board the fishing vessel.

Year of Move

If you are moving to or from a possession during the year, you may still be able to meet the tax home test for that year. See *Special Rules in the Year of a Move*, later in this chapter.

Closer Connection

You will have met the closer connection test if, during any part of the tax year, you do not have a closer connection to the United States or a foreign country than to the relevant U.S. possession.

You will be considered to have a closer connection to a possession than to the United States or to a foreign country if you have maintained more significant contacts with the possession(s) than with the United States or foreign country. In determining if you have maintained more significant contacts with the relevant possession, the facts and circumstances to be considered include, but are not limited to, the following.

- The location of your permanent home.
- The location of your family.
- The location of personal belongings, such as automobiles, furniture, clothing, and jewelry owned by you and your family.
- The location of social, political, cultural, professional, or religious organizations with which you have a current relationship.
- The location where you conduct your routine personal banking activities.
- The location where you conduct business activities (other than those that go into determining your tax home).
- The location of the jurisdiction in which you hold a driver's license.
- The location of the jurisdiction in which you vote.
- The location of charitable organizations to which you contribute.
- The country of residence you designate on forms and documents.
- The types of official forms and documents you file, such as Form W-8BEN, Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding, or Form W-9, Request for Taxpayer Identification Number and Certification.

Your connections to the relevant possession will be compared to the total of your connections with the United States and foreign countries. Your answers to the questions on Form 8898, Part III, will help establish the jurisdiction to which you have a closer connection.

Example—closer connection to the United States. Marcos Reyes, a U.S. citizen, moved to Puerto Rico in 2010 to start an investment consulting and venture capital business. His wife and two teenage children remained in California to allow the children to complete high school. He traveled back to the United States regularly to see his wife and children, to engage in business activities, and to take vacations. Marcos had an apartment available for his full-time use in Puerto Rico, but remained a joint owner of the residence in California where his wife and children lived. Marcos and his family had automobiles and personal belongings such as furniture, clothing, and jewelry located at both residences. Although Marcos was a member of the Puerto Rico Chamber of Commerce, he also belonged to and had current relationships with social, political, cultural, and religious organizations in California. Marcos received mail in California, including bank and brokerage statements and credit card bills. He conducted his personal banking activities in California. He held a California driver's license and was also registered to vote there. Based on all of the particular facts and circumstances pertaining to Marcos, he was not a bona fide resident of Puerto Rico in 2010 because he had a closer connection to the United States than to Puerto Rico.

Closer connection to another possession. Generally, possessions are not treated as foreign countries. Therefore, a closer connection to a possession other than the relevant possession will not be treated as a closer connection to a foreign country.

Example—tax home and closer connection to possession. Pearl Blackmon, a U.S. citizen, is a permanent employee of a hotel in Guam, but works only during the tourist season. For the remainder of each year, Pearl lives with her husband and children in the CNMI, where she has no outside employment. Most of Pearl's personal belongings, including her automobile, are located in the CNMI. She is registered to vote in, and has a driver's license issued by, the CNMI. She does her personal banking in the CNMI and routinely lists her CNMI address as her permanent address on forms and documents. Pearl satisfies the presence test with respect to both Guam and the CNMI. She satisfies the tax home test with respect to Guam, because her regular place of business is in Guam. Pearl satisfies the closer connection test with respect to both Guam and the CNMI, because she does not have a closer connection to the United States or to any foreign country. Pearl is considered a bona fide resident of Guam, the location of her tax home.

Exception for Year of Move

If you are moving to or from a possession during the year, you may still be able to meet the closer connection test for that year. See *Special Rules in the Year of a Move*, next.

Special Rules in the Year of a Move

If you are moving to or from a possession during the year, you may still be able to meet the tax home and closer connection tests for that year.

Year of Moving to a Possession

You will satisfy the tax home and closer connection tests in the tax year of changing your residence to the relevant possession if you meet all of the following.

- You have not been a bona fide resident of the relevant possession in any of the 3 tax years immediately preceding your move.
- In the year of the move, you do not have a tax home outside the relevant possession or a closer connection to the United States or a foreign country than to the relevant possession during any of the last 183 days of the tax year.
- You are a bona fide resident of the relevant possession for each of the 3 tax years immediately following your move.

Example. Dwight Wood, a U.S. citizen, files returns on a calendar year basis. He lived in the United States from January 2005 through May 2010. In June 2010, he moved to the USVI, purchased a house, and accepted a permanent job with a local employer. From July 1 through December 31, 2010 (more than 183 days), Dwight's principal place of business was in the USVI and, during that time, he did not have a closer connection to the United States or a foreign country than to the USVI. If he is a bona fide resident of the USVI during all of 2011 through 2013, he will satisfy the tax home and closer connection tests for 2010. If Dwight also satisfies the presence test in 2010, he will be considered a bona fide resident of the USVI for the entire 2010 tax year.

Year of Moving From a Possession

In the year you cease to be a bona fide resident of American Samoa, the CNMI, Guam, or the USVI, you will satisfy the tax home and closer connection tests with respect to the relevant possession if you meet all of the following.

- You have been a bona fide resident of the relevant possession for each of the 3 tax years immediately preceding your change of residence.
- In the year of the move, you do not have a tax home outside the relevant possession or a closer connection to the United States or a foreign country than to the relevant possession during any of the first 183 days of the tax year.
- You are not a bona fide resident of the relevant possession for any of the 3 tax years immediately following your move.

Example. Jean Aspen, a U.S. citizen, files returns on a calendar year basis. From January 2007 through December 2009, Jean was a bona fide resident of American Samoa. Jean continued to live there until September 6, 2010, when she accepted new employment and moved to Hawaii. Jean's principal place of business from January 1 through September 5, 2010 (more than 183 days), was in American Samoa, and during that period Jean did not have a closer connection to the United States or a foreign country than to American Samoa. If Jean continues to live and work in Hawaii for the rest of 2010 and throughout years 2011 through 2013, she will satisfy the tax home and closer connection tests for 2010 with respect to American Samoa. If Jean also satisfies the presence test in 2010, she will be considered a bona fide resident for the entire 2010 tax year.

Puerto Rico

You will be considered a bona fide resident of Puerto Rico for the part of the tax year preceding the date on which you move if you:

- Are a U.S. citizen,
- Are a bona fide resident of Puerto Rico for at least 2 tax years immediately preceding the tax year of the move,
- Cease to be a bona fide resident of Puerto Rico during the tax year,
- Cease to have a tax home in Puerto Rico during the tax year, and
- Have a closer connection to Puerto Rico than to the United States or a foreign country throughout the part of the tax year preceding the date on which you cease to have a tax home in Puerto Rico.

Example. Randy White, a U.S. citizen, files returns on a calendar year basis. For all of 2008 and 2009, Randy was a bona fide resident of Puerto Rico. From January through April 2010, Randy continued to reside and maintain his principal place of business in and closer connection to Puerto Rico. On May 5, 2010, Randy moved and changed his tax home to Nevada. Later that year he established a closer connection to the United States than to Puerto Rico. Randy did not satisfy the presence test for 2010 with respect to Puerto Rico, nor the tax home or closer connection tests. However, because Randy was a bona fide resident of Puerto Rico for at least 2 tax years before he moved to Nevada in 2010, he was a bona fide resident of Puerto Rico from January 1 through May 4, 2010.

Reporting a Change in Bona Fide Residence

If you became or ceased to be a bona fide resident of a U.S. possession, you may need to file Form 8898. This applies to the U.S. possessions of American Samoa, the CNMI, Guam, Puerto Rico, and the USVI.

Who Must File

You must file Form 8898 for the tax year (beginning with tax year 2001) in which you meet both of the following conditions.

1. Your worldwide gross income (defined below) in that tax year is more than $75,000.
2. You meet one of the following.
   a. You take a position for U.S. tax purposes that you became a bona fide resident of a U.S. possession after a tax year for which you filed a U.S. income tax return as a citizen or resident alien of the United States but not as a bona fide resident of the possession.
   b. You are a citizen or resident alien of the United States who takes the position for U.S. tax purposes that you ceased to be a bona fide resident of a U.S. possession after a tax year for which you filed an income tax return (with the IRS, the possession tax authority, or both) as a bona fide resident of the possession.
   c. You take the position for U.S. tax purposes that you became a bona fide resident of Puerto Rico or American Samoa after a tax year for which you were required to file an income tax return as a bona fide resident of the CNMI, Guam, or the USVI.

Worldwide gross income. Worldwide gross income means all income you received in the form of money, goods, property, and services, including any income from sources outside the United States (even if you can exclude part or all of it) and before any deductions, credits, or rebates.

Example. You are a U.S. citizen who moved to the CNMI in December 2009, but did not become a bona fide resident of that possession until the 2010 tax year. You must file Form 8898 for the 2010 tax year if your worldwide gross income for that year was more than $75,000.

Penalty for Not Filing Form 8898

If you are required to file Form 8898 for any tax year and you fail to file it, you may owe a penalty of $1,000. You may also owe this penalty if you do not include all the information required by the form or the form includes incorrect information. In either case, you will not owe this penalty if you can show that such failure is due to reasonable cause and not willful neglect. This is in addition to any criminal penalty that may be imposed.

2. Possession Source Income

In order to determine where to file your return and which form(s) you need to complete, you must determine the source of each item of income you received during the tax year. Income you received from sources within, or that was effectively connected with the conduct of a trade or business within, the relevant possession must be identified separately from U.S. or foreign source income.

This chapter discusses the rules for determining if the source of your income is from:

- American Samoa,
- The Commonwealth of the Northern Mariana Islands (CNMI),
- The Commonwealth of Puerto Rico (Puerto Rico),
- Guam, or
- The U.S. Virgin Islands (USVI).

Generally, the same rules that apply for determining U.S. source income also apply for determining possession source income. However, there are some important exceptions to these rules. Both the general rules and the exceptions are discussed in this chapter.

U.S. income rule. This rule states that income is not possession source income if, under the rules of Internal Revenue Code sections 861–865, it is treated as income:

- From sources within the United States, or
- Effectively connected with the conduct of a trade or business within the United States.

Table 2-1 shows the general rules for determining whether income is from sources within the United States.

Table 2-1. **General Rules for Determining U.S. Source of Income**

Item of Income	Factor Determining Source
Salaries, wages, and other compensation for labor or personal services	Where labor or services performed
Pensions	Contributions: Where services were performed that earned the pension Investment earnings: Where pension trust is located
Interest	Residence of payer
Dividends	Where corporation created or organized
Rents	Location of property
Royalties: Natural resources Patents, copyrights, etc.	 Location of property Where property is used
Sale of business inventory—purchased	Where sold
Sale of business inventory—produced	Allocation if produced and sold in different locations
Sale of real property	Location of property
Sale of personal property	Seller's tax home (but see Special Rules for Gains From Dispositions of Certain Property, later, for exceptions)
Sale of natural resources	Allocation based on fair market value of product at export terminal. For more information, see Regulations section 1.863-1(b).

Types of Income

This section looks at the most common types of income received by individuals, and the rules for determining the source of the income. Generally, the same rules shown in Table 2-1 are used to determine if you have possession source income.

Compensation for Labor or Personal Services

Income from labor or personal services includes wages, salaries, commissions, fees, per diem allowances, employee allowances and bonuses, and fringe benefits. It also includes income earned by sole proprietors and general partners from providing personal services in the course of their trade or business.

Services performed wholly within a relevant possession. Generally, all pay you receive for services performed in a relevant possession is considered to be from sources within that possession. However, there is an exception for income earned as a member of the U.S. Armed Forces.

U.S. Armed Forces. If you are a bona fide resident of a relevant possession, your military service pay will be sourced in that possession even if you perform the services in the United States or another possession. However, if you are not a bona fide resident of a possession, your military service pay will be income from the United States even if you perform services in a possession.

Civilian spouse of active duty member of the U.S. Armed Forces. If you are a bona fide resident of a U.S. possession and choose to keep that possession as your tax residence under MSRRA when relocating with your servicemember spouse under military orders, the source of income for your labor or personal services is considered to be that possession. Likewise, if your tax residence is in one of the 50 states or the District of Columbia before relocating and you choose to keep it as your tax residence, the source of income for services performed in any of the U.S. possessions is considered to be the United States and, specifically, your state of residence or the District of Columbia.

Services performed partly inside and partly outside a relevant possession. If you are an employee and receive compensation for labor or personal services performed both inside and outside the relevant possession, special rules apply in determining the source of the compensation. Compensation (other than certain fringe benefits) is sourced on a time basis. Certain fringe benefits (such as housing and education) are sourced on a geographical basis.

Or, you may be permitted to use an alternative basis to determine the source of compensation. See *Alternative basis*, later.

If you are self-employed, determine the source of your income for labor or personal services from self-employment on the basis that most correctly reflects the proper source of that income under the facts and circumstances of your particular case. In many cases, the facts and circumstances will call for an apportionment on a time basis as explained next.

Time basis. Use a time basis to figure your compensation for labor or personal services from the relevant possession (other than the fringe benefits discussed later). Do this by multiplying your total compensation (other than the fringe benefits discussed later) by the following fraction:

$$\frac{\text{Number of days you performed services in the relevant possession during the year}}{\text{Total number of days you performed services during the year}}$$

You can use a unit of time less than a day in the above fraction, if appropriate. The time period for which the income is made does not have to be a year. Instead, you can use another distinct, separate, and continuous time period if you can establish to the satisfaction of the IRS that this other period is more appropriate.

Example. In 2010, you worked in your employer's office in the United States for 60 days and in the Puerto Rico office for 180 days, earning a total of $80,000 for the year. Your Puerto Rico source income is $60,000, figured as follows.

$$\frac{180 \text{ days}}{240 \text{ days}} \times \$80{,}000 = \$60{,}000$$

Multi-year compensation. The source of multi-year compensation is generally determined on a time basis over the period to which the compensation is attributable. Multi-year compensation is compensation that is included in your income in 1 tax year but is attributable to a period that includes 2 or more tax years. You determine the period to which the income is attributable based on the facts and circumstances of your case. For more information on multi-year compensation, see Treasury Decision (T.D.) 9212 and Regulations section 1.861-4, 2005-35 I.R.B. 429, available at *www.irs.gov/irb/2005-35_IRB/ar14.html*.

Certain fringe benefits sourced on a geographical basis. If you received any of the following fringe benefits as compensation for labor or services performed as an employee partly inside and partly outside a relevant possession, you must source that income on a geographical basis.

- Housing.
- Education.
- Local transportation.
- Tax reimbursement.
- Hazardous or hardship duty pay.
- Moving expense reimbursement.

For information on determining the source of the fringe benefits listed above, see Regulations section 1.861-4.

Alternative basis. You can determine the source of your compensation under an alternative basis if you establish to the satisfaction of the IRS that, under the facts and circumstances of your case, the alternative basis more properly determines the source of your income than the time or geographical basis. If you use an alternative basis, you must keep (and have available for inspection) records to document why the alternative basis more properly determines the source of your income.

De minimis exception. There is an exception to the rule for determining the source of income earned in a possession. Generally, you will not have income from a possession if during a tax year you:

- Are a U.S. citizen or resident,
- Are not a bona fide resident of that possession,
- Are not engaged in a trade or business in that possession,
- Temporarily perform services in that possession for 90 days or less, and
- Earned $3,000 or less from such services.

This exception began with income earned during your 2008 tax year.

Pensions. Generally, pension income has two components: contributions to the pension plan and the earnings accrued from investing those contributions. The contribution portion is sourced according to where services were performed that earned the pension. The investment earnings portion is sourced according to the location of the pension trust.

Example. You are a U.S. citizen who worked in Puerto Rico for a U.S. company. All services were performed in Puerto Rico. Upon retirement you remained in Puerto Rico and began receiving your pension from the U.S. pension trust of your employer. Distributions from the U.S. pension trust must be allocated between (1) contributions, which are Puerto Rico source income, and (2) investment earnings, which are U.S. source income.

Investment Income

This category includes such income as interest, dividends, rents, and royalties.

Interest income. The source of interest income is generally determined by the residence of the payer. Interest paid by corporations created or organized in a relevant possession (possession corporation) or by individuals who are bona fide residents of a relevant possession is considered income from sources within that possession.

However, there is an exception to this rule if you are a bona fide resident of a relevant possession, receive interest from a corporation created or organized in that possession, and are a shareholder of that corporation who owns, directly or indirectly, at least 10% of the total voting stock of the corporation. See Regulations section 1.937-2(i) for more information.

Dividends. Generally, dividends paid by a corporation created or organized in a relevant possession will be considered income from sources within that possession. There are additional rules for bona fide residents of a relevant possession who receive dividend income from possession corporations, and who own, directly or indirectly, at least 10% of the voting stock of the corporation. For more information, see Regulations section 1.937-2(g).

Rental income. Rents from property located in a relevant possession are treated as income from sources within that possession.

Royalties. Royalties from natural resources located in a relevant possession are considered income from sources within that possession.

Also considered possession source income are royalties received for the use of, or for the privilege of using, in a relevant possession, patents, copyrights, secret processes and formulas, goodwill, trademarks, trade brands, franchises, and other like property.

Sales or Other Dispositions of Property

The source rules for sales or other dispositions of property are varied. The most common situations are discussed below.

Real property. Real property includes land and buildings, and generally anything built on, growing on, or attached to land. The location of the property generally determines the source of income from the sale. For example, if you are a bona fide resident of Guam and sell your home that is located in Guam, the gain on the sale is sourced in Guam. If, however, the home you sold was located in the United States, the gain is U.S. source income.

Personal property. The term "personal property" refers to property (such as machinery, equipment, or furniture) that is not real property. Generally, gain or loss from the sale or other disposition is sourced according to the seller's tax home. If personal property is sold by a bona fide resident of a relevant possession, the gain or loss from the sale is treated as sourced within that possession.

This rule does not apply to the sale of inventory, intangible property, depreciable personal property, or property sold through a foreign office or fixed place of business. The rules applying to sales of inventory are discussed below. For information on sales of the other types of property mentioned, see Internal Revenue Code section 865.

Inventory. Your inventory is personal property that is stock in trade or that is held primarily for sale to customers in the ordinary course of your trade or business. The source of income from the sale of inventory depends on whether the inventory was purchased or produced.

Purchased. Income from the sale of inventory that you purchased is sourced where you sell the property. Generally, this is where title to the property passes to the buyer.

Produced. Income from the sale of inventory that you produced in a relevant possession and sold outside that possession (or vice versa) is sourced based on an allocation. For information on making the allocation, see Regulations section 1.863-3(f).

Special Rules for Gains From Dispositions of Certain Property

There are special rules for gains from dispositions of certain investment property (for example, stocks, bonds, debt instruments, diamonds, and gold) owned by a U.S. citizen or resident alien prior to becoming a bona fide resident of a possession. You are subject to these special rules if you meet both of the following conditions.

- For the tax year for which the source of the gain must be determined, you are a bona fide resident of the relevant possession.
- For any of the 10 years preceding that year, you were a citizen or resident alien of the United States (other than a bona fide resident of the relevant possession).

If you meet these conditions, gains from the disposition of this property will not be treated as income from sources within the relevant possession for purposes of the Internal Revenue Code. Accordingly, bona fide residents of American Samoa and Puerto Rico, for example, may not exclude the gain on their U.S. tax return. (See chapter 3 for additional filing information.) With respect to the CNMI, Guam, and the USVI, the gain from the disposition of this property will not meet the requirements for certain tax rules that may allow bona fide residents of those possessions to reduce or obtain a rebate of taxes on income from sources within the relevant possessions.

These rules apply to dispositions after April 11, 2005. For details, see Regulations section 1.937-2(f)(1) and Examples 1 and 2 of section 1.937-2(k).

Example 1. In 2004, Cheryl Jones, a U.S. citizen, lived in the United States and paid $1,000 for 100 shares of stock in the Rose Corporation, a U.S. corporation listed on the New York Stock Exchange. On March 1, 2007, she moved to Puerto Rico and changed her tax home to Puerto Rico on the same date. Cheryl satisfied the presence test in 2007 and, under the year-of-move exception, she was considered a bona fide resident of Puerto Rico for the rest of 2007. On March 1, 2007, the closing value of Cheryl's stock in the Rose Corporation was $2,000. On January 5, 2010, while still a bona fide resident of Puerto Rico, Cheryl sold all her Rose Corporation stock for $7,000. Under the earlier rules, none of Cheryl's $6,000 gain will be treated as income from sources within Puerto Rico.

CAUTION

The source rules discussed in the preceding paragraphs supplement, and may apply in conjunction with, an existing special rule. This existing special rule applies if you are a U.S. citizen or resident alien who becomes a bona fide resident of American Samoa, the CNMI, or Guam, and who has gain from the disposition of certain U.S. assets during the 10-year period beginning when you became a bona fide resident. The gain is U.S. source income that generally is subject to U.S. tax if the property is either (1) located in the United States; (2) stock issued by a U.S. corporation or a debt obligation of a U.S. person or of the United States, a state (or political subdivision), or the District of Columbia; or (3) property that has a basis in whole or in part by reference to property described in (1) or (2). See chapter 3 for filing information.

Special election. For dispositions after April 11, 2005, you can choose to treat the part of gain (or loss) attributable to the time you held the property while a bona fide resident of the relevant possession (the possession holding period) as gain (or loss) from sources within that possession. Make the election by reporting the gain attributable to the possession holding period on your income tax return for the year of disposition. This election overrides both of the special rules discussed earlier.

There are two methods for figuring the gain for the possession holding period, one for marketable securities and another for other types of investment property.

Marketable securities. Marketable securities are those actively traded on an established financial market, such as stock in a publicly held corporation. Under the special election, allocate the gain (or loss) by figuring the appreciation separately for your possession and U.S. holding periods.

Your possession holding period begins on the first day you do not have a tax home outside the relevant possession. The gain (or loss) attributable to the possession holding period is the difference in fair market value of the security at the close of the market on the first and last days of this holding period. This is your gain or loss that is treated as being from sources within the relevant possession. If you were a bona fide resident of the relevant possession for more than one continuous period, combine the gains (or losses) from each possession holding period.

Example 2. Assume the same facts as in *Example 1*, except that Cheryl makes the special election to allocate the gain between her U.S. and possession holding periods. Cheryl's possession holding period began March 1, 2007, the date her tax home changed to Puerto Rico. Therefore, the portion of gain attributable to her possession holding period is $5,000 ($7,000 sale price − $2,000 closing value on first day of the possession holding period). By reporting $5,000 of her $6,000 gain as Puerto Rico source income on her 2010 Puerto Rico tax return (and the remainder as non-Puerto Rico source income), Cheryl elects to treat that amount as Puerto Rico source income.

Other personal property. For personal property other than marketable securities, use a time-based allocation. Figure the gain (or loss) attributable to the possession holding period by multiplying your total gain (or loss) by the following fraction.

$$\frac{\text{Number of days in the possession holding period}}{\text{Total number of days in your holding period}}$$

The result is your gain or loss that is treated as being from sources within the relevant possession.

Example 3. In addition to the stock in Rose Corporation, Cheryl acquired a 5% interest in the Alder Partnership on January 1, 2006. On March 1, 2007, when she established bona fide residency in Puerto Rico, her partnership interest was not considered a marketable security. On September 15, 2010, while still a bona fide resident of Puerto Rico, Cheryl sold her interest in Alder Partnership for a $100,000 gain. She had owned the interest for a total of 1,718 days. Cheryl's possession holding period (from March 1, 2007, through September 15, 2010) is 1,295 days. The portion of her gain attributable to Puerto Rico is $75,378 ($100,000 x (1,295 Puerto Rico days ÷ 1,718 total days)). By reporting $75,378 of her $100,000 gain as Puerto Rico source income on her 2010 Puerto Rico tax return (and the remainder as non-Puerto Rico source income), Cheryl elects to treat that amount as Puerto Rico source income.

Scholarships, Fellowships, Grants, Prizes, and Awards

The source of these types of income is generally the residence of the payer, regardless of who actually disburses the funds. Therefore, in order to be possession source income, the payer must be a resident of the relevant possession, such as an individual who is a bona fide resident or a corporation created or organized in that possession.

CAUTION

These rules do not apply to amounts paid as salary or other compensation for services. See Compensation for Labor or Personal Services, earlier in this chapter, for the source rules that apply.

Effectively Connected Income

In limited circumstances, some kinds of income from sources outside the relevant possession must be treated as effectively connected with a trade or business in that possession. These circumstances are listed below.

- You have an office or other fixed place of business in the relevant possession to which the income can be attributed.
- That office or place of business is a material factor in producing the income.
- The income is produced in the ordinary course of the trade or business carried on through that office or other fixed place of business.

An office or other fixed place of business is a material factor if it significantly contributes to, and is an essential economic element in, the earning of the income.

The three kinds of income from sources outside the relevant possession to which these rules apply are the following.

1. Rents and royalties for the use of, or for the privilege of using, intangible personal property located outside the relevant possession or from any interest in such property. Included are rents or royalties for the use of, or for the privilege of using, outside the relevant possession, patents, copyrights, secret processes and formulas, goodwill, trademarks, trade brands, franchises, and similar properties if the rents or royalties are from the active conduct of a trade or business in the relevant possession.
2. Dividends or interest from the active conduct of a banking, financing, or similar business in the relevant possession.
3. Income, gain, or loss from the sale or exchange outside the relevant possession, through the office or other fixed place of business in the relevant possession, of:
   a. Stock in trade,
   b. Property that would be included in inventory if on hand at the end of the tax year, or
   c. Property held primarily for sale to customers in the ordinary course of business.

Item (3) will not apply if you sold the property for use, consumption, or disposition outside the relevant possession and an office or other fixed place of business in a foreign country was a material factor in the sale.

Example. Marcy Jackson is a bona fide resident of American Samoa. Her business, which she conducts from an office in American Samoa, is developing and selling specialized computer software. A software purchaser will frequently pay Marcy an additional amount to install the software on the purchaser's operating system and to ensure that the software is functioning properly. Marcy installs the software at the purchaser's place of business, which may be in American Samoa, in the United States, or in another country. The income from selling the software is effectively connected with the conduct of Marcy's business in American Samoa, even though the product's destination may be outside the possession. However, the compensation she receives for installing the software (personal services) outside of American Samoa is not effectively connected with the conduct of her business in the possession—the income is sourced where she performs the services.

3. Filing Information for Individuals in Certain U.S. Possessions

If you have income from American Samoa, the CNMI, Guam, Puerto Rico, or the USVI, you may have to file a tax return with the tax department of that possession. Or, you may have to file two annual tax returns, one with the possession's tax department and the other with the U.S. Internal Revenue Service. This chapter covers the general rules for filing returns in the five possessions.

You must first determine if you are a bona fide resident of the relevant possession. See chapter 1 for a discussion of the requirements you must meet.

You should ask for forms and advice about the filing of possession tax returns from that possession's tax department, not the Internal Revenue Service. Contact information is listed in this chapter under the heading for each possession.

American Samoa

American Samoa has its own separate and independent tax system. Although its tax laws are modeled on the U.S. Internal Revenue Code, there are certain differences.

Where To Get Forms and Information

Requests for advice about matters connected with Samoan taxation should be sent to:

Tax Division
Government of American Samoa
Lutali Executive Building - First Floor
Pago Pago, American Samoa 96799

The phone number is 684-633-4181. The fax number is 684-633-1513.

You can access the Samoan website at *www.americansamoa.gov/tax-forms-and-tables*.

Caution. The addresses and phone numbers listed above are subject to change.

Which Returns To File

Your residency status and your source of income with regard to American Samoa determine whether you file your return and pay your tax to American Samoa, to the United States, or to both.

In addition to the information below that is categorized by residency status, the *Special Rules for American Samoa* section (later) contains important information for determining the correct forms to file.

Bona Fide Resident of American Samoa

Bona fide residents of American Samoa are generally exempt from U.S. tax on their American Samoa source income.

U.S. citizen or resident alien. If you are a U.S. citizen or resident alien and a bona fide resident of American Samoa during the entire tax year, you generally must file the following returns.

- An American Samoa tax return reporting your gross income from worldwide sources. If you report non-American Samoa source income on your American Samoa tax return, you can claim a credit against your American Samoa tax liability for income taxes paid on that income to the United States, a foreign country, or another possession.
- A U.S. tax return reporting income from worldwide sources, but excluding income from sources within American Samoa. However, amounts received for services performed as an employee of the United States or any of its agencies cannot be excluded (see *U.S. Government employees* under *Special Rules for American Samoa*, later).

  To exclude American Samoa source income, attach a completed Form 4563 to your U.S. tax return (see *Form 4563* on this page for more information). If you are excluding American Samoa source income on your U.S. tax return, you will not be allowed any deductions from gross income or credits against tax that are directly or indirectly allocable to the exempt income. For more information, see *Special Rules for Completing Your U.S. Tax Return* in chapter 4.

Nonresident alien. If you are a bona fide resident of American Samoa during the entire tax year, but a nonresident alien of the United States, you generally must file the following returns.

- An American Samoa tax return reporting worldwide income.
- A U.S. tax return (Form 1040, U.S. Individual Income Tax Return) reporting income from worldwide sources, but excluding American Samoa source income other than amounts for services performed as an employee of the United States or any of its agencies. For more information, see *U.S. Government employees* under *Special Rules for American Samoa*, later. To exclude income from sources within American Samoa, attach a completed Form 4563 to your U.S. tax return (see *Form 4563*, below, for more information).

  For all other tax purposes, however, you will be treated as a nonresident alien individual. For example, you are not allowed the standard deduction, you cannot file a joint return, and you are not allowed a deduction for a dependent unless that person is a citizen or national of the United States. There are also limitations on what deductions and credits are allowed. See Publication 519 for more information.

Form 4563. If you must file a U.S. income tax return and you qualify to exclude any of your income from American Samoa, claim the exclusion by completing Form 4563 and attaching it to your Form 1040. Form 4563 cannot be filed by itself. There is an example of a filled-in Form 4563 in chapter 5.

Where to file. If you are a bona fide resident of American Samoa during the entire tax year, send your U.S. tax return and all attachments to:

Department of the Treasury
Internal Revenue Service Center
Austin, TX 73301-0215
USA

Send your American Samoa tax return and all attachments to the address given under *Where To Get Forms and Information*, earlier.

Self-employment tax. If you are not required to file a U.S. tax return but have income that is effectively connected with a trade or business in American Samoa, you must file Form 1040-SS with the United States. On this form you will report your self-employment income to the United States and, if necessary, pay self-employment tax on that income.

Estimated tax payments. To see if you are required to make payments of estimated income tax and/or self-employment tax to the IRS, get Form 1040-ES, Estimated Tax for Individuals.

To pay by check or money order, send your payment with the Form 1040-ES payment voucher to:

Internal Revenue Service
P.O. Box 1300
Charlotte, NC 28201-1300
USA

To get information on paying electronically (by credit or debit card, or through the Electronic Federal Tax Payment System (EFTPS)), go to *www.irs.gov/e-pay*.

For information on making estimated income tax payments to American Samoa, see *Where To Get Forms and Information*, earlier.

Not a Bona Fide Resident of American Samoa

An individual who is not a bona fide resident of American Samoa for the tax year generally files both U.S. and American Samoa tax returns, and claims a foreign tax credit on the U.S. return for taxes paid to American Samoa.

U.S. citizen or resident alien. If you are a U.S. citizen or resident alien but not a bona fide resident of American Samoa during the entire tax year, you generally must file the following returns.

- An American Samoa tax return reporting only your income from sources within American Samoa. Wages for services performed in American Samoa, whether for a private employer, the U.S. Government, or otherwise, is income from sources within American Samoa.
- A U.S. tax return reporting your income from worldwide sources. You can take a credit against your U.S. tax liability if you paid income taxes to American Samoa (or other possession or foreign country) and reported income from those sources on your U.S. tax return.

De minimis exception to determining source of income. In certain situations you will not have income from a possession. See *De minimis exception* under *Compensation for Labor or Personal Services* in chapter 2.

Nonresident alien. If you are a nonresident alien of the United States who does not qualify as a bona fide resident of American Samoa for the entire tax year, you generally must file the following returns.

- An American Samoa tax return reporting only your income from sources within American Samoa. In this situation, wages for services performed in American Samoa, whether for a private employer, the U.S. Government, or otherwise, is income from sources within American Samoa.
- A U.S. tax return (Form 1040NR, U.S. Nonresident Alien Income Tax Return) reporting U.S. source income according to the rules for a nonresident alien. See the instructions for Form 1040NR.

Where to file. If you are not a bona fide resident of American Samoa during the entire tax year, send your U.S. tax return and all attachments to:

Department of the Treasury
Internal Revenue Service Center
Austin, TX 73301-0215

Send your American Samoa tax return and all attachments to the address given under *Where To Get Forms and Information*, earlier.

Special Rules for American Samoa

Some special rules apply to certain types of income and employment connected with American Samoa.

U.S. Armed Forces. Bona fide residents of American Samoa include military personnel whose official home of record is American Samoa.

Civilian spouse of active duty member of the U.S. Armed Forces. If, under the rule discussed at the beginning of chapter 1 (see *Special rule for civilian spouse of active duty member of the U.S. Armed Forces*), your tax residence is American Samoa, follow the guidance in the section for bona fide residents under *Which Returns To File*, earlier. However, if your tax residence is one of the 50 states or the District of Columbia and your only income from American Samoa is from wages or self-employment, you will be taxed on your worldwide income and file only a U.S. tax return (Form 1040) and a state and/or local tax return, if required. If you have income from American Samoa other than wages or self-employment that is considered to be sourced in that possession (see Table 2-1), contact the local tax administration for guidance.

U.S. Government employees. If you are employed in American Samoa by the U.S. Government or any of its agencies, you are subject to tax by American Samoa on your pay from the government. Whether you are subject to tax by American Samoa on your non-American Samoa source income depends on your status in American Samoa as a bona fide resident.

Wages and salaries paid to employees of the U.S. Government and its agencies are also subject to U.S. federal income tax. These payments do not qualify for the exclusion of income from sources within American Samoa, discussed earlier.

For tax years ending after April 9, 2008, wages and salaries paid to bona fide residents by the Government of American Samoa can be excluded on the U.S. tax return.

If you report government wages on both your U.S. and American Samoa tax returns, you can take a credit on your U.S. tax return for income taxes paid or accrued to American Samoa. Figure the credit on Form 1116, and attach that form to your U.S. tax return, Form 1040. Show your wages paid for services performed in American Samoa on Form 1116, line 1a, enter "American Samoa" on line g, and check box b above Part I.

Moving expense deduction. Generally, expenses of a move to American Samoa are directly attributable to American Samoa wages, salaries, and other earned income. Likewise, the expenses of a move back to the United States are generally attributable to U.S. earned income.

If your move was to American Samoa, report your deduction for moving expenses as follows.

- If you are a bona fide resident in the tax year of your move, enter your deductible expenses on your American Samoa tax return.
- If you are not a bona fide resident, enter your deductible expenses on both your American Samoa and U.S. tax returns. Also, for purposes of a tax credit against your U.S. tax liability, reduce your American Samoa "general category income" on Form 1116, line 1a, by entering the deductible moving expenses on line 2.

If your move was to the United States, complete Form 3903, Moving Expenses, and enter the deductible amount on Form 1040, line 26.

Double Taxation

A mutual agreement procedure exists to settle cases of double taxation between the United States and American Samoa. See *Double Taxation* in chapter 4.

The Commonwealth of Puerto Rico

The Commonwealth of Puerto Rico has its own separate and independent tax system. Although it is modeled after the U.S. system, there are differences in law and tax rates.

Where To Get Forms and Information

Requests for information about the filing of Puerto Rican tax returns should be addressed to:

Departamento de Hacienda
Negociado de Asistencia Contributiva
P.O. Box 9024140
San Juan, Puerto Rico 00902-4140

The phone number is 787-721-2020, extension 3611. You can also call 1-800-981-9236 toll free from within Puerto Rico but outside the San Juan metropolitan area.

To obtain Puerto Rican tax forms, contact the Forms and Publications Division Office at the above address or call 787-721-2020, extension 2645 or 2646.

You can access the Hacienda website at *www.hacienda.gobierno.pr* or email your questions about Puerto Rican taxes to *InfoServ@hacienda.gobierno.pr*.

Caution. The addresses and phone numbers listed above are subject to change.

Which Returns To File

Generally, you will file returns with both Puerto Rico and the United States. The income reported on each return depends on your residency status in Puerto Rico. To determine if you are a bona fide resident of Puerto Rico, see the information in chapter 1.

Bona Fide Resident of Puerto Rico

Bona fide residents of Puerto Rico will generally pay tax to Puerto Rico on their worldwide income.

U.S. citizen or resident alien. If you are a U.S. citizen or resident alien and also a bona fide resident of Puerto Rico during the entire tax year, you generally must file the following returns.

- A Puerto Rican tax return reporting income from worldwide sources. If you report U.S. source income on your Puerto Rican tax return, you can claim a credit against your Puerto Rican tax, up to the amount allowable, for income taxes paid to the United States.
- A U.S. tax return reporting income from worldwide sources, but excluding Puerto Rican source income. However, see U.S. Government employees under *Special Rules for Puerto Rico*, later, for an exception.

  If you are excluding Puerto Rican income on your U.S. tax return, you will not be allowed any deductions or credits that are directly or indirectly allocable to exempt income. For more information, see Special Rules for Completing Your U.S. Tax Return in chapter 4.

  If all of your income is from Puerto Rican sources, you are not required to file a U.S. tax return. However, if you have self-employment income, see Self-employment tax, later.

U.S. citizen only. If you are a U.S. citizen, you may also qualify under these rules if you have been a bona fide resident of Puerto Rico for at least 2 years before moving from Puerto Rico. In this case, you can exclude your income derived from sources within Puerto Rico (but not wages and salaries received as an employee of the U.S. Government or its agencies) that you earned before the date you changed your residence. For more information, see Puerto Rico under *Year of Moving From a Possession* in chapter 1.

Nonresident alien. If you are a bona fide resident of Puerto Rico during the entire tax year, but a nonresident alien of the United States, you generally must file the following returns.

- A Puerto Rican tax return reporting income from worldwide sources. If you report U.S. source income on your Puerto Rican tax return, you can claim a credit against your Puerto Rican tax, up to the amount allowable, for income taxes paid to the United States.
- A U.S. tax return (Form 1040) reporting income from worldwide sources, but excluding Puerto Rican source income (other than amounts for services performed as an employee of the United States or any of its agencies). For tax purposes other than reporting income, however, you will be treated as a nonresident alien individual. For example, you are not allowed the standard deduction, you cannot file a joint return, and you are not allowed a deduction for a dependent unless that person is a citizen or national of the United States. There are also limitations on what deductions and credits are allowed. See Publication 519 for more information.

Self-employment tax. If you have no U.S. filing requirement but have income that is effectively connected with a trade or business in Puerto Rico, you must file Form 1040-SS or Form 1040-PR with the United States to report your self-employment income and, if necessary, pay self-employment tax.

Estimated tax payments. To see if you are required to make payments of estimated income tax and/or self-employment tax to the IRS, get Form 1040-ES (or Form 1040-ES(PR)).

To pay by check or money order, send your payment with the Form 1040-ES (or Form 1040–ES(PR)) payment voucher to:

Internal Revenue Service
P.O. Box 1300
Charlotte, NC 28201-1300
USA

To get information on paying electronically (by credit or debit card, or through the Electronic Federal Tax Payment System (EFTPS)), go to *www.irs.gov/e-pay*.

For information on making estimated income tax payments to Hacienda, see *Where To Get Forms and Information*, earlier.

Not a Bona Fide Resident of Puerto Rico

An individual who is not a bona fide resident of Puerto Rico for the tax year generally files tax returns with both Puerto Rico and the United States.

U.S. citizen or resident alien. If you are a U.S. citizen or resident alien but not a bona fide resident of Puerto Rico during the entire tax year, you generally must file the following returns.

- A Puerto Rican tax return reporting only your income from Puerto Rican sources. Wages for services performed in Puerto Rico, whether for a private employer, the U.S. Government, or otherwise, is income from Puerto Rican sources.
- A U.S. tax return reporting income from worldwide sources. Generally, you can claim a foreign tax credit for income taxes paid to Puerto Rico on the Puerto Rican income that is not exempt from U.S. taxes (see chapter 4 for more information).

Nonresident alien. If you are a nonresident alien of the United States who does not qualify as a bona fide resident of Puerto Rico for the entire tax year, you generally must file the following returns.

- A Puerto Rican tax return reporting only your income from Puerto Rican sources. Wages for services performed in Puerto Rico, whether for a private employer, the U.S. Government, or otherwise, is income from Puerto Rican sources.
- A U.S. tax return (Form 1040NR) according to the rules for a nonresident alien. See the instructions for Form 1040NR.

De minimis exception to determining source of income. In certain situations you will not have income from a possession. See De minimis exception under *Compensation for Labor or Personal Services* in chapter 2.

Where To File

Use the addresses listed below to file your U.S. and Puerto Rico income tax returns.

Send your U.S. tax return and all attachments to:

Department of the Treasury
Internal Revenue Service Center
Austin, TX 73301-0215
USA

If you request a refund, send your Puerto Rican tax return and all attachments to:

Departamento de Hacienda
P.O. Box 50072
San Juan, PR 00902-6272

Send all other Puerto Rican tax returns, with all attachments, to:

Departamento de Hacienda
P.O. Box 9022501
San Juan, PR 00902-2501

Special Rules for Puerto Rico

In addition to the general rules given earlier for filing U.S. and Puerto Rican tax returns, there are some special rules that apply to certain individuals and types of income.

U.S. Government employees. Wages and cost-of-living allowances paid by the U.S. Government (or one of its agencies) for working in Puerto Rico are subject to Puerto Rican tax. However, the cost-of-living allowances are excluded from Puerto Rican gross income up to the amount exempt from U.S. tax. In order to claim this exclusion, you must:

- Include with your Puerto Rican tax return evidence to show the amount received during the year, and
- Be in full compliance with your Puerto Rican tax responsibilities.

These wages are also subject to U.S. tax, but the cost-of-living allowances are excludable. A foreign tax credit is available in order to avoid double taxation.

Civilian spouse of active duty member of the U.S. Armed Forces. If, under the rule discussed at the beginning of chapter 1 (see *Special rule for civilian spouse of active duty member of the U.S. Armed Forces*), your tax residence is Puerto Rico, follow the guidance in the section for bona fide residents under *Which Returns To File*, earlier. However, if your tax residence is one of the 50 states or the District of Columbia and your only income from Puerto Rico is from wages or self-employment, you will be taxed on your worldwide income and file only a U.S. tax return (Form 1040) and a state and/or local tax return, if required. If you have income from Puerto Rico other than wages or self-employment that is considered to be sourced in that possession (see *Table 2-1*), contact the Hacienda for guidance.

Income from sources outside Puerto Rico and the United States. If you are a U.S. citizen and bona fide resident of Puerto Rico and you have income from sources outside both Puerto Rico and the United States, that income is treated as foreign source income under both tax systems. In addition to your Puerto Rican and U.S. tax returns, you may also have to file a return with the country or possession from which your outside income was derived. To avoid double taxation, a foreign tax credit is generally available for either the U.S. or Puerto Rican return.

Example. Thomas Red is a bona fide resident of Puerto Rico and a U.S. citizen. He traveled to the Dominican Republic and worked in the construction industry for 1 month. His wages were $20,000. Because the wages were earned outside Puerto Rico and outside the United States, Thomas must file a tax return with Puerto Rico and the United States. He may also have to file a tax return with the Dominican Republic.

Moving expense deduction. Generally, expenses of a move to Puerto Rico are directly attributable to wages, salaries, and other earned income from Puerto Rico. Likewise, the expenses of a move back to the United States are generally attributable to U.S. earned income.

If your move was to Puerto Rico, report your deduction for moving expenses as follows.

- If you are a bona fide resident in the tax year of your move, enter your deductible expenses on your Puerto Rican tax return.
- If you are not a bona fide resident, enter your deductible expenses on both your Puerto Rican and U.S. tax returns. Also, for purposes of a tax credit against your U.S. tax liability, reduce your Puerto Rican "general category income" on Form 1116, line 1a, by entering the deductible moving expenses on line 2.

If your move was to the United States, complete Form 3903 and enter the deductible amount on Form 1040, line 26.

Additional child tax credit. If you are not required to file a U.S. income tax return, this credit is available only if you meet all three of the following conditions.

- You were a bona fide resident of Puerto Rico during the entire tax year.
- Social security and Medicare taxes were withheld from your wages or you paid self-employment tax.
- You had three or more qualifying children. (For the definition of a qualifying child, see the instructions for Form 1040-PR or Form 1040-SS.)

If your income exceeds certain levels, you may be disqualified from receiving this credit. Use Form 1040-PR or Form 1040-SS to claim the additional child tax credit.

TIP *Advice about possible tax benefits under the Puerto Rican investment incentive programs is available from the Puerto Rican tax authorities.*

Double Taxation

A mutual agreement procedure exists to settle cases of double taxation between the United States and the Commonwealth of Puerto Rico. See *Double Taxation* in chapter 4.

The Commonwealth of the Northern Mariana Islands

The Commonwealth of the Northern Mariana Islands (CNMI) has its own tax system based partly on the same tax laws and tax rates that apply to the United States and partly on local taxes imposed by the CNMI government.

Where To Get Forms and Information

Requests for advice about CNMI residency and tax matters should be addressed to:

Department of Finance
Division of Revenue and Taxation
Commonwealth of the Northern Mariana Islands
P.O. Box 5234 CHRB
Saipan, MP 96950

The phone number is 670-664-1000. The fax number is 670-664-1015.

You can access the CNMI website at *www.cnmidof.net*.

Caution. The addresses and phone numbers listed above are subject to change.

Which Return To File

In general, all individuals with income from the CNMI will file only one return, either to the CNMI or to the United States. Your residency status with regard to the CNMI determines which return you will file. Be sure to check the *Special Rules for the CNMI*, later, for additional information about filing your tax return.

Bona Fide Resident of the CNMI

If you are a U.S. citizen, resident alien, or nonresident alien and a bona fide resident of the CNMI during the entire tax year, file your income tax return with the CNMI.

- Include income from worldwide sources on your CNMI return. In determining your total tax payments, include all income tax withheld by either the CNMI or the United States, any credit for an overpayment of income tax to either the CNMI or the United States, and any payments of estimated tax to either the CNMI or the United States. Pay any balance of tax due with your tax return.
- Generally, if you properly file your return with, and fully pay your income tax to, the CNMI, then you are not liable for filing an income tax return with, or for paying tax to, the United States for the tax year. However, if you were self-employed in 2010, see *Self-employment tax*, later.

Example. David Gold was a bona fide resident of the CNMI for 2010. He received wages of $30,000 paid by a private employer in the CNMI and dividends of $4,000 from U.S. corporations that carry on business mainly in the United States. He must file a 2010 income tax return with the CNMI Division of Revenue and Taxation. He reports his total income of $34,000 on the CNMI return.

Where to file. If you are a bona fide resident of the CNMI for the entire tax year, send your return and all attachments to the Division of Revenue and Taxation at the address given earlier.

U.S. Citizen or Resident Alien (Other Than a Bona Fide Resident of the CNMI)

If you have income from sources within the CNMI and are a U.S. citizen or resident alien, but you are not a bona fide resident of the CNMI during the entire tax year, file your income tax return with the United States.

- Include income from worldwide sources on your U.S. return. In determining your total tax payments, include all income tax withheld by either the United States or the CNMI, any credit for an overpayment of income tax to either the United States or the CNMI, and any payments of estimated tax to either the United States or the CNMI. Pay any balance of tax due with your tax return.

  You may also need to complete Form 5074.
- You are not liable for filing an income tax return with, or for paying tax to, the CNMI for the tax year.

Form 5074. If you file a U.S. income tax return, attach a completed Form 5074 if you (and your spouse if filing a joint return) have:

- Adjusted gross income of $50,000 or more for the tax year, and
- Gross income of $5,000 or more from sources within the CNMI.

The United States and the CNMI use this form to divide your income taxes.

There is an example of a filled-in Form 5074 in chapter 5.

De minimis exception to determining source of income. In certain situations you will not have income from a possession. See De minimis exception under *Compensation for Labor or Personal Services* in chapter 2.

Where to file. If you are a citizen or resident alien of the United States but not a bona fide resident of the CNMI during the entire tax year, send your return and all attachments to:

Department of the Treasury
Internal Revenue Service Center
Austin, TX 73301-0215

Nonresident Alien (Other Than a Bona Fide Resident of the CNMI)

If you are a nonresident alien of the United States who does not qualify as a bona fide resident of the CNMI for the entire tax year, you generally must file the following returns.

- A CNMI tax return reporting only your income from sources within the CNMI. In this situation, wages for services performed in the CNMI, whether for a private employer, the U.S. Government, or otherwise, is income from sources within the CNMI.
- A U.S. tax return (Form 1040NR) reporting U.S. source income according to the rules for a nonresident alien. See the instructions for Form 1040NR.

Where to file. If you are not a bona fide resident of the CNMI during the entire tax year, send your U.S. tax return and all attachments to:

Department of the Treasury
Internal Revenue Service Center
Austin, TX 73301-0215

Send your CNMI tax return and all attachments to the Division of Revenue and Taxation at the address given earlier.

Citizen of the CNMI

If you are a citizen of the CNMI (meaning that you were born or naturalized in the CNMI) but not otherwise a U.S. citizen or a U.S. resident alien during the tax year, file your income tax return with the CNMI. Include income from worldwide sources on your CNMI return. Take into account tax withheld by both jurisdictions in determining if there is tax overdue or an overpayment. Pay any balance of tax due with your tax return.

Where to file. If you are a citizen of the CNMI, send your return and all attachments to the Division of Revenue and Taxation at the address given earlier.

Special Rules for the CNMI

Special rules apply to certain types of income, employment, and filing status.

Joint return. If you file a joint return, file your return (and pay the tax) with the jurisdiction where the spouse who has the greater adjusted gross income (AGI) would have to file if you were filing separately. If the spouse with the greater AGI is a bona fide resident of the CNMI during the entire tax year, file the joint return with the CNMI. If the spouse with the greater AGI is a U.S. citizen or resident alien but not a bona fide resident of the CNMI during the entire tax year, file your joint return with the United States. For this purpose, income is determined without regard to community property laws.

Example. Marsha Blue, a U.S. citizen, was a resident of the United States, and her husband, a citizen of the CNMI, was a bona fide resident of the CNMI during the entire tax year. Marsha earned $65,000 as a computer programmer in the United States. Her husband earned $20,000 as an artist in the CNMI. Mr. and Mrs. Blue will file a joint return. Because Marsha has the greater AGI, the Blues must file their return with the United States and report the entire $85,000 on that return.

U.S. Armed Forces. If you are a member of the U.S. Armed Forces who qualified as a bona fide resident of the CNMI in a prior tax year, your absence from the CNMI solely in compliance with military orders will not change your bona fide residency. If you did not qualify as a bona fide resident of the CNMI in a prior tax year, your presence in the CNMI solely in compliance with military orders will not qualify you as a bona fide resident of the CNMI.

Civilian spouse of active duty member of the U.S. Armed Forces. If, under the rule discussed at the beginning of chapter 1 (see Special rule for civilian spouse of active duty member of the U.S. Armed Forces), your tax residence is the CNMI, follow the guidance in the section for bona fide residents under *Which Return To File*, earlier. However, if your tax residence is one of the 50 states or the District of Columbia and your only income from the CNMI is from wages or self-employment, you will be taxed on your worldwide income and file only a U.S. tax return (Form 1040) and a state and/or local tax return, if required. If you have income from the CNMI other than wages or self-employment that is considered to be sourced in that possession (see Table 2-1), you may need to file Form 5074 with your U.S. tax return.

Moving expense deduction. Generally, expenses of a move to the CNMI are directly attributable to wages, salaries, and other earned income from the CNMI. Likewise, the expenses of a move back to the United States are generally attributable to U.S. earned income.

If your move was to the CNMI, report your deduction for moving expenses as follows.

- If you are a bona fide resident in the tax year of your move, enter your deductible expenses on your CNMI tax return.
- If you are not a bona fide resident, enter your deductible expenses on Form 3903 and enter the deductible amount on Form 1040, line 26, and on Form 5074, line 20.

If your move was to the United States, complete Form 3903 and enter the deductible amount on Form 1040, line 26.

Foreign tax credit. Under the filing rules explained earlier, individuals with CNMI source income normally will not claim a foreign tax credit on a U.S. income tax return for tax paid to the CNMI.

Self-employment tax. If you have no U.S. filing requirement, but have income that is effectively connected with a trade or business in the CNMI, you must file Form 1040-SS with the United States to report your self-employment income and, if necessary, pay self-employment tax.

Estimated tax payments. To see if you are required to make payments of estimated income tax and/or self-employment tax to the IRS, get Form 1040-ES.

Payment of estimated tax. If you must pay estimated tax, make your payment to the jurisdiction where you would file your income tax return if your tax year were to end on the date your first estimated tax payment is due. Generally, you should make the rest of your quarterly payments of estimated tax to the jurisdiction where you made your first payment of estimated tax. However, estimated tax payments to either jurisdiction will be treated as payments to the jurisdiction with which you file the tax return.

If you make a joint payment of estimated tax, make your payment to the jurisdiction where the spouse who has the greater estimated AGI would have to pay (if a separate payment were made). For this purpose, income is determined without regard to community property laws.

Early payment. If you make your first payment of estimated tax early, follow the rules given earlier to determine where to send it. If you send it to the wrong jurisdiction, make all later payments to the jurisdiction to which the first payment should have been sent.

Where to file. To pay by check or money order, send your payment with the Form 1040-ES payment voucher to:

Internal Revenue Service
P.O. Box 1300
Charlotte, NC 28201-1300
USA

To get information on paying electronically (by credit or debit card, or through the Electronic Federal Tax Payment System (EFTPS)), go to *www.irs.gov/e-pay*.

For information on making estimated income tax payments to the CNMI, see *Where To Get Forms and Information*, earlier.

Double Taxation

A mutual agreement procedure exists to settle cases of double taxation between the United

States and the CNMI. See *Double Taxation* in chapter 4.

Guam

Guam has its own tax system based on the same tax laws and tax rates that apply in the United States.

Where To Get Forms and Information

Requests for advice about Guam residency and tax matters should be addressed to:

Department of Revenue and Taxation
Government of Guam
P.O. Box 23607
GMF, GU 96921

The phone number is 671-635-1840 or 671-635-1841. The fax number is 671-633-2643.

You can access the Guam Department of Revenue and Taxation website at *www.guamtax.com*.

Caution. The addresses and phone numbers listed above are subject to change.

Which Return To File

Bona fide residents of Guam are subject to special U.S. tax rules. In general, all individuals with income from Guam will file only one return— either to Guam or the United States.

Bona Fide Resident of Guam

If you are a bona fide resident of Guam during the entire tax year, file your return with Guam. This applies to all bona fide residents who are citizens, resident aliens, or nonresident aliens of the United States.

- Include income from worldwide sources on your Guam return. In determining your total tax payments, include all income tax withheld by either Guam or the United States, any credit for an overpayment of income tax to either Guam or the United States, and any payments of estimated tax to either Guam or the United States. Pay any balance of tax due with your tax return.
- Generally, if you properly file your return with, and fully pay your income tax to, Guam, then you are not liable for filing an income tax return with, or for paying tax to, the United States. However, if you were self-employed in 2010, see *Self-employment tax*, later.

Example. Gary Barker was a bona fide resident of Guam for 2010. He received wages of $25,000 paid by a private employer in Guam and dividends of $2,000 from U.S. corporations that carry on business mainly in the United States. He must file a 2010 income tax return with the Government of Guam. He reports his total income of $27,000 on the Guam return.

Where to file. If you are a bona fide resident of Guam for the entire tax year, file your return and all attachments with the Department of Revenue and Taxation at the address given earlier.

U.S. Citizen or Resident Alien (Other Than a Bona Fide Resident of Guam)

If you have income from sources within Guam and are a U.S. citizen or resident alien, but you are not a bona fide resident of Guam during the entire tax year, file your income tax return with the United States.

- Include income from worldwide sources on your U.S. return. In determining your total tax payments, include all income tax withheld by either the United States or Guam, any credit for an overpayment of income tax to either the United States or Guam, and any payments of estimated tax to either the United States or Guam. Pay any balance of tax due with your tax return.

  You may also need to complete Form 5074.
- You are not liable for filing an income tax return with, or for paying tax to, Guam for the tax year.

Form 5074. If you file a U.S. income tax return, attach a completed Form 5074 if you (and your spouse if filing a joint return) have:

- Adjusted gross income of $50,000 or more for the tax year, and
- Gross income of $5,000 or more from sources within Guam.

The United States and Guam use this form to divide your income taxes.

There is an example of a filled-in Form 5074 in chapter 5.

De minimis exception to determining source of income. In certain situations you will not have income from a possession. See *De minimis exception* under *Compensation for Labor or Personal Services* in chapter 2.

Where to file. If you are a citizen or resident alien of the United States but not a bona fide resident of Guam during the entire tax year, send your return and all attachments to:

Department of the Treasury
Internal Revenue Service Center
Austin, TX 73301-0215

Nonresident Alien (Other Than a Bona Fide Resident of Guam)

If you are a nonresident alien of the United States who does not qualify as a bona fide resident of Guam for the entire tax year, you generally must file the following returns.

- A Guam tax return reporting only your income from sources within Guam. In this situation, wages for services performed in Guam, whether for a private employer, the U.S. Government, or otherwise, is income from sources within Guam.
- A U.S. tax return (Form 1040NR) reporting U.S. source income according to the rules for a nonresident alien. See the instructions for Form 1040NR.

Where to file. If you are not a bona fide resident of Guam during the entire tax year, send your U.S. tax return and all attachments to:

Department of the Treasury
Internal Revenue Service Center
Austin, TX 73301-0215

Send your Guam tax return to the Department of Revenue and Taxation at the address given earlier.

Citizen of Guam

If you are a citizen of Guam (meaning that you were born or naturalized in Guam) but not otherwise a U.S. citizen or a U.S. resident alien during the tax year, file your income tax return with Guam. Include income from worldwide sources on your Guam return. Take into account tax withheld by both jurisdictions in determining if there is tax overdue or an overpayment. Pay any balance of tax due with your tax return.

Where to file. If you are a citizen of Guam, send your return and all attachments to the Division of Revenue and Taxation at the address given earlier.

Special Rules for Guam

Special rules apply to certain types of income, employment, and filing status.

Joint return. If you file a joint return, you should file your return (and pay the tax) with the jurisdiction where the spouse who has the greater adjusted gross income (AGI) would have to file if you were filing separately. If the spouse with the greater AGI is a bona fide resident of Guam during the entire tax year, file the joint return with Guam. If the spouse with the greater AGI is a U.S. citizen or resident alien but not a bona fide resident of Guam during the entire tax year, file the joint return with the United States. For this purpose, income is determined without regard to community property laws.

Example. Bill Whiting, a U.S. citizen, was a resident of the United States, and his wife, a citizen of Guam, was a bona fide resident of Guam during the entire tax year. Bill earned $45,000 as an engineer in the United States. His wife earned $15,000 as a teacher in Guam. Mr. and Mrs. Whiting will file a joint return. Because Bill has the greater AGI, the Whitings must file their return with the United States and report the entire $60,000 on that return.

U.S. Armed Forces. If you are a member of the U.S. Armed Forces who qualified as a bona fide resident of Guam in a prior tax year, your absence from Guam solely in compliance with military orders will not change your bona fide residency. If you did not qualify as a bona fide resident of Guam in a prior tax year, your presence in Guam solely in compliance with military orders will not qualify you as a bona fide resident of Guam.

Civilian spouse of active duty member of the U.S. Armed Forces. If, under the rule discussed at the beginning of chapter 1 (see Special rule for civilian spouse of active duty member of the U.S. Armed Forces), your tax residence is Guam, follow the guidance in the section for bona fide residents under *Which Return To File*, earlier. However, if your tax residence is one of the 50 states or the District of Columbia and your only income from Guam is from wages or self-employment, you will be taxed on your worldwide income and file only a U.S. tax return (Form 1040) and a state and/or local tax return, if required. If you have income from Guam other than wages or self-employment that is considered to be sourced in that possession (see Table 2-1), you may need to file Form 5074 with your U.S. tax return.

Moving expense deduction. Generally, expenses of a move to Guam are directly attributable to wages, salaries, and other earned income from Guam. Likewise, the expenses of a move back to the United States are generally attributable to U.S. earned income.

If your move was to Guam, report your deduction for moving expenses as follows.

- If you are a bona fide resident in the tax year of your move, enter your deductible expenses on your Guam tax return.
- If you are not a bona fide resident, enter your deductible expenses on Form 3903 and enter the deductible amount on Form 1040, line 26, and on Form 5074, line 20.

If your move was to the United States, complete Form 3903 and enter the deductible amount on Form 1040, line 26.

Foreign tax credit. Under the filing rules explained earlier, individuals with Guam source income normally will not claim a foreign tax credit on a U.S. income tax return for tax paid to Guam.

Self-employment tax. If you have no U.S. filing requirement, but have income that is effectively connected with a trade or business in Guam, you must file Form 1040-SS with the United States to report your self-employment income and, if necessary, pay self-employment tax.

Estimated tax payments. To see if you are required to make payments of estimated income tax and/or self-employment tax to the IRS, get Form 1040-ES.

Payment of estimated tax. If you must pay estimated tax, make your payment to the jurisdiction where you would file your income tax return if your tax year were to end on the date your first estimated tax payment is due. Generally, you should make the rest of your quarterly payments of estimated tax to the jurisdiction where you made your first payment of estimated tax. However, estimated tax payments to either jurisdiction will be treated as payments to the jurisdiction with which you file the tax return.

If you make a joint payment of estimated tax, make your payment to the jurisdiction where the spouse who has the greater estimated AGI would have to pay (if a separate payment were made). For this purpose, income is determined without regard to community property laws.

Early payment. If you make your first payment of estimated tax early, follow the rules given earlier to determine where to send it. If you send it to the wrong jurisdiction, make all later payments to the jurisdiction to which the first payment should have been sent.

Where to file. To pay by check or money order, send your payment with the Form 1040-ES payment voucher to:

Internal Revenue Service
P.O. Box 1300
Charlotte, NC 28201-1300
USA

To get information on paying electronically (by credit or debit card, or through the Electronic Federal Tax Payment System (EFTPS)), go to *www.irs.gov/e-pay*.

For information on making estimated income tax payments to the Department of Revenue and Taxation, see *Where To Get Forms and Information*, earlier.

Double Taxation

A mutual agreement procedure exists to settle cases of double taxation between the United States and Guam. See *Double Taxation* in chapter 4.

The U.S. Virgin Islands

An important factor in USVI taxation is whether, during the entire tax year, you are a bona fide resident of the USVI.

Where To Get Forms and Information

For information about filing your U.S. Virgin Islands tax return or about Form 1040INFO, contact:

Virgin Islands Bureau of Internal Revenue
9601 Estate Thomas
Charlotte Amalie
St. Thomas, VI 00802

The phone number is 340-715-1040. The fax numbers are 340-714-9341 and 340-714-9336.

You can access the USVI website at *www.viirb.com*.

Caution. The addresses and phone numbers listed above are subject to change.

Which Return To File

In general, bona fide residents of the USVI pay taxes only to the USVI. U.S. citizens or resident aliens (but not bona fide residents of the USVI) with USVI source income pay a portion of the tax to each jurisdiction.

Bona Fide Resident of the USVI

File your tax return with the USVI if you are a U.S. citizen, resident alien, or nonresident alien and a bona fide resident of the USVI during the entire tax year.

- Include your worldwide income on your USVI return. In determining your total tax payments, take into account all income tax withheld by either the USVI or the United States, any credit for an overpayment of income tax to either the USVI or the United States, and any payments of estimated tax to either the USVI or the United States. Pay any balance of tax due with your tax return. For 2006 and subsequent tax years, filing this return with the USVI generally also starts the statute of limitations on assessment of your U.S. income tax.
- You generally do not have to file with the United States for any tax year in which you are a bona fide resident of the USVI during the entire tax year, provided you report and pay tax on your income from all sources to the USVI and identify the source(s) of the income on the return. However, if you have self-employment income, you may be required to file Form 1040-SS with the United States. For more information, see *Self-employment tax* under *Special Rules for the USVI*, later.

Form 1040INFO. If you are a bona fide resident of the USVI and have non-USVI source income, you must also file Virgin Islands Form 1040INFO, Non-Virgin Islands Source Income of Virgin Islands Residents, with the Virgin Islands Bureau of Internal Revenue. Attach Form 1040INFO to your Form 1040 before filing. You can get Form 1040INFO by contacting the address or website given earlier.

Where to file. If you are a bona fide resident of the USVI for the entire tax year, file your return and all attachments with the Virgin Islands Bureau of Internal Revenue at the address given under *Where To Get Forms and Information*, earlier.

U.S. Citizen or Resident Alien (Other Than a Bona Fide Resident of the USVI)

If you are a U.S. citizen or resident alien but not a bona fide resident of the USVI during the entire tax year, you must file identical tax returns with the United States and the USVI if you have:

- Income from sources in the USVI, or
- Income effectively connected with the conduct of a trade or business in the USVI.

File your original Form 1040 with the United States and file a signed copy of the U.S. return (including all attachments, forms, and schedules) with the Virgin Islands Bureau of Internal Revenue by the due date for filing Form 1040. Use Form 8689 to figure the amount of tax you must pay to the USVI.

Form 8689. Complete this form and attach it to both the return you file with the United States and the copy you file with the USVI. Figure the amount of tax you must pay to the USVI as follows:

$$\text{Total tax on U.S. return (after certain adjustments)} \times \frac{\text{USVI AGI}}{\text{Worldwide AGI}}$$

Pay any tax due to the USVI when you file your return with the Virgin Islands Bureau of Internal Revenue. To receive credit for taxes paid to the USVI, include the amounts from Form 8689, lines 40 and 44, in the total on Form 1040, line 72. On the dotted line next to line 72, enter "Form 8689" and show the amounts.

See the illustrated example in chapter 5.

De minimis exception to determining source of income. In certain situations you will not have income from a possession. See *De minimis exception* under *Compensation for Labor or Personal Services* in chapter 2.

Where to file. If you are not a bona fide resident of the USVI during the entire tax year, but you have USVI source income, file Form 1040 and all attachments with the:

Department of the Treasury
Internal Revenue Service Center
Austin, TX 73301-0215

File the copy with the Virgin Islands Bureau of Internal Revenue at the address given under *Where To Get Forms and Information*, earlier.

Nonresident Alien (Other Than a Bona Fide Resident of the USVI)

If you are a nonresident alien of the United States who does not qualify as a bona fide resident of the USVI for the entire tax year, you generally must file the following returns.

- A USVI tax return reporting only your income from sources within the USVI. In this situation, wages for services performed in the USVI, whether for a private employer, the U.S. Government, or otherwise, is income from sources within the USVI.
- A U.S. tax return (Form 1040NR) reporting U.S. source income according to the rules for a nonresident alien. See the instructions for Form 1040NR.

Where to file. If you are not a bona fide resident of the USVI during the entire tax year, send your U.S. tax return and all attachments to:

Department of the Treasury
Internal Revenue Service Center
Austin, TX 73301-0215

Send your USVI tax return and all attachments to the address given under *Where To Get Forms and Information*, earlier.

Special Rules for the USVI

There are some special rules for certain types of income, employment, and filing status.

Joint return. If you file a joint return, you should file your return (and pay the tax) with the jurisdiction where the spouse who has the greater adjusted gross income (AGI) would have to file if you were filing separately. If the spouse with the greater AGI is a bona fide resident of the USVI during the entire tax year, file the joint return with the USVI. If the spouse with the greater AGI is a U.S. citizen or resident alien of the United States but not a bona fide resident of the USVI during the entire tax year, file the joint return with the United States. For this purpose, income is determined without regard to community property laws.

Example. Marge Birch, a U.S. citizen, was a resident of the United States, and her husband, a citizen of the USVI, was a bona fide resident of the USVI during the entire tax year. Marge earned $55,000 as an architect in the United States. Her husband earned $30,000 as a librarian in the USVI. Mr. and Mrs. Birch will file a joint return. Because Marge has the greater AGI, the Birches must file their return with the United States and report the entire $85,000 on that return.

Civilian spouse of active duty member of the U.S. Armed Forces. If, under the rule discussed at the beginning of chapter 1 (see *Special rule for civilian spouse of active duty member of the U.S. Armed Forces*), your tax residence is the USVI, follow the guidance in the section for bona fide residents under *Which Return To File*, earlier. However, if your tax residence is one of the 50 states or the District of Columbia and your only income from the USVI is from wages or self-employment, you will be taxed on your worldwide income and file only a U.S. tax return (Form 1040) and a state and/or local tax return, if required. If you have income from the USVI other than wages or self-employment that is considered to be sourced in that possession (see Table 2-1), you may need to file Form 8689 with your U.S. tax return. In this case, follow the guidance under *U.S. Citizen or Resident Alien (Other Than a Bona Fide Resident of the USVI)*, earlier.

Moving expense deduction. Generally, expenses of a move to the USVI are directly attributable to wages, salaries, and other earned income from the USVI. Likewise, the expenses of a move back to the United States are generally attributable to U.S. earned income.

If your move was to the USVI, report your deduction for moving expenses as follows.

- If you are a bona fide resident in the tax year of your move, enter your deductible expenses on your USVI tax return.
- If you are not a bona fide resident, enter your deductible expenses on Form 3903 and enter the deductible amount on Form 1040, line 26, and on Form 8689, line 20.

If your move was to the United States, complete Form 3903 and enter the deductible amount on Form 1040, line 26.

Foreign tax credit. Under the filing rules explained earlier, individuals with USVI source income normally will not claim a foreign tax credit on a U.S. income tax return for tax paid to the USVI. However, individuals other than bona fide residents of the USVI may claim a direct credit for such tax (see *Form 8689* earlier in this section).

Self-employment tax. If you have no U.S. filing requirement, but have income that is effectively connected with a trade or business in the USVI, you must file Form 1040-SS with the United States to report your self-employment income and, if necessary, pay self-employment tax.

Estimated tax payments. To see if you are required to make payments of estimated income tax and/or self-employment tax to the IRS, get Form 1040-ES.

To pay by check or money order, send your payment with the Form 1040-ES payment voucher to:

Internal Revenue Service
P.O. Box 1300
Charlotte, NC 28201-1300
USA

To get information on paying electronically (by credit or debit card, or through the Electronic Federal Tax Payment System (EFTPS)), go to *www.irs.gov/e-pay*.

For information on making estimated income tax payments to the Bureau of Internal Revenue, see *Where To Get Forms and Information*, earlier.

Extension of time to file. You can get an automatic 6-month extension of time to file your tax return. See *Extension of Time To File* in chapter 4. Bona fide residents of the USVI during the entire tax year must file a paper Form 4868 with the Virgin Islands Bureau of Internal Revenue. Nonresidents of the USVI should file separate extension requests with the IRS and the Virgin Islands Bureau of Internal Revenue and make any payments due to the respective jurisdictions. However, the Virgin Islands Bureau of Internal Revenue will honor an extension request that is timely filed with the IRS.

Double Taxation

A mutual agreement procedure exists to settle cases of double taxation between the United States and the U.S. Virgin Islands. See *Double Taxation* in chapter 4.

4. Filing U.S. Tax Returns

The information in chapter 3 will tell you if a U.S. income tax return is required for your situation. If a U.S. return is required, your next step is to see if you meet the filing requirements. If you do meet the filing requirements, the information presented in this chapter will help you understand the special procedures involved. This chapter discusses:

- Filing requirements,
- When to file your return,
- Where to send your return,

- How to adjust your deductions and credits if you are excluding income from American Samoa or Puerto Rico,
- How to make estimated tax payments and pay self-employment tax, and
- How to request assistance in resolving instances of double taxation.

Who Must File

If you are not required to file a possession tax return that includes your worldwide income, you must generally file a U.S. income tax return if your gross income is at least the amount shown in Table 4-1, later, for your filing status and age.

If you were a bona fide resident of American Samoa or Puerto Rico and are able to exclude your possession income from your U.S. tax return, your filing requirement may be less than the amount in Table 4-1. For details, see the information under *Filing Requirement if Possession Income Is Excluded*, below.

Some individuals (such as those who can be claimed as a dependent on another person's return or who owe certain taxes, such as self-employment tax) must file a tax return even though the gross income is less than the amount shown in Table 4-1 for their filing status and age. For more information, see the Form 1040 instructions.

Filing Requirement if Possession Income Is Excluded

If you were a bona fide resident of American Samoa or Puerto Rico and qualify to exclude possession income on your U.S. tax return, you must determine your adjusted filing requirement. Generally, your filing requirement is based on the total of your (and your spouse's if filing a joint return) personal exemption(s) plus your standard deduction.

Personal exemption. When figuring your filing requirement, your personal exemption is allowed in full. Do not reduce it for this purpose. Do not include exemptions for your dependents.

Allowable standard deduction. Unless your filing status is married filing separately, the minimum income level at which you must file a return is based, in part, on the standard deduction for your filing status and age. Because the standard deduction applies to all types of income, it must be divided between your excluded income and income from other sources. Multiply the regular standard deduction for your filing status and age (this is zero if you are married filing a separate return; all others, see Form 1040 instructions) by the following fraction:

$$\frac{\text{Gross income subject to U.S. income tax}}{\text{Gross income from all sources (including excluded possession income)}}$$

Example. Barbara Spruce, a U.S. citizen, is single, under 65, and a bona fide resident of American Samoa. During 2010, she received $20,000 of income from American Samoa sources (qualifies for exclusion) and $8,000 of income from sources outside the possession (subject to U.S. income tax). Her allowable standard deduction for 2010 is figured as follows:

$$\frac{\$8,000}{\$28,000} \times \begin{array}{c}\$5,700\\ \text{(regular}\\ \text{standard}\\ \text{deduction)}\end{array} = \$1,629$$

Adjusted filing requirement. Figure your adjusted filing requirement by adding the amount of your allowable standard deduction to the amount of your personal exemption. You must file a U.S. income tax return if your gross income is at least the amount shown on line 3 of the following worksheet.

1.	Enter the allowable standard deduction you figured earlier under *Allowable standard deduction*. If your filing status is married filing separately, enter -0-	______
2.	Personal exemption. If your filing status is married filing jointly, enter $7,300; if someone can claim you as a dependent, enter -0-; otherwise, enter $3,650	______
3.	Add lines 1 and 2. You must file a U.S. income tax return if your gross income from sources outside the relevant possession is at least this amount	______

Example 1. James and Joan Thompson, one over 65, are U.S. citizens and bona fide residents of Puerto Rico during the entire tax year. They file a joint income tax return. During 2010, they received $35,000 of income from Puerto Rican sources (qualifies for exclusion) and $6,000 of income from sources outside Puerto Rico (subject to U.S. income tax). Their allowable standard deduction for 2010 is figured as follows:

$$\frac{\$6,000}{\$41,000} \times \begin{array}{c}\$12,500\\ \text{(regular}\\ \text{standard}\\ \text{deduction)}\end{array} = \$1,829$$

The Thompsons do not have to file a U.S. income tax return because their gross income subject to U.S. tax ($6,000) is less than their allowable standard deduction plus their personal exemptions ($1,829 + $7,300 = $9,129).

Example 2. Barbara Spruce (see *Example* under *Allowable standard deduction*, earlier on this page), however, must file a U.S. income tax return because her gross income subject to U.S. tax ($8,000) is more than her allowable standard deduction plus her personal exemption ($1,629 + $3,650 = $5,279).

TIP *If you must file a U.S. income tax return, you may be able to file a paperless return using IRS e-file. See your form instructions or visit our website at IRS.gov.*

When To File

If you file on a calendar year basis, the due date for filing your U.S. income tax return is April 15 following the end of your tax year. If you use a fiscal year (a year ending on the last day of a month other than December), the due date is the 15th day of the 4th month after the end of your fiscal year. If any due date falls on a Saturday, Sunday, or legal holiday, your tax return is due on the next business day.

Table 4-1. **2010 Filing Requirements Chart for Most Taxpayers**

IF your filing status is...	AND at the end of 2010 you were*...	THEN file a return if your gross income** was at least...
single	under 65	$ 9,350
	65 or older	$10,750
married filing jointly***	under 65 (both spouses)	$18,700
	65 or older (one spouse)	$19,800
	65 or older (both spouses)	$20,900
married filing separately	any age	$ 3,650
head of household	under 65	$12,050
	65 or older	$13,450
qualifying widow(er) with dependent child	under 65	$15,050
	65 or older	$16,150

* If you were born on January 1, 1946, you are considered to be age 65 at the end of 2010.

** Gross income means all income you received in the form of money, goods, property, and services that is not exempt from tax, including any income from sources outside the United States (even if you can exclude part or all of it). **Do not** include social security benefits unless (a) you are married filing a separate return and you lived with your spouse at any time during 2010, or (b) one-half of your social security benefits plus your other gross income is more than $25,000 ($32,000 if married filing jointly). If (a) or (b) applies, see the instructions for Form 1040 or Publication 915, Social Security and Equivalent Railroad Retirement Benefits, to figure the taxable part of social security benefits you must include in gross income.

*** If you did not live with your spouse at the end of 2010 (or on the date your spouse died) and your gross income was at least $3,650, you must file a return regardless of your age.

For this purpose, “legal holiday” means a legal holiday in the District of Columbia or in the state where the return is required to be filed. It does not include a legal holiday in a foreign country, unless it is also a legal holiday described in the previous sentence.

For your 2010 tax return, the due date is April 18, 2011, because April 15, 2011, is a legal holiday in the District of Columbia—even if you do not live in the District of Columbia.

If you mail your federal tax return, it is considered timely if it bears an official postmark dated on or before the due date, including any extensions. If you use a private delivery service designated by the IRS, generally the postmark date is the date the private delivery service records in its database or marks on the mailing label. See your form instructions for a list of designated private delivery services.

Extension of Time To File

You can get an extension of time to file your return. Special rules apply for those living outside the United States.

Automatic 6-Month Extension

If you cannot file your 2010 return by the due date, you can get an automatic 6-month extension of time to file.

Example. If your return must be filed by April 18, 2011, you will have until October 17, 2011, to file.

Although you are not required to make a payment of the tax you estimate as due, Form 4868 does not extend the time to pay taxes. If you do not pay the amount due by the regular due date (generally, April 15), you will owe interest on any unpaid tax from the original due date to the date you pay the tax. You may also be charged penalties (see the instructions for Form 4868).

How to get the automatic extension. You can get the automatic 6-month extension if you do one of the following by the due date for filing your return.

- *E-file* Form 4868 using your personal computer or a tax professional.
- *E-file* and pay by credit or debit card. Your payment must be at least $1. You may pay by phone or over the Internet. Do not file Form 4868.
- File a paper Form 4868. If you are a fiscal year taxpayer, you must file a paper Form 4868.

See Form 4868 for information on getting an extension using these options.

When to file. You must request the automatic extension by the due date for your return. You can file your return any time before the 6-month extension period ends.

When you file your return. Enter any payment you made related to the extension of time to file on Form 1040, line 68. If you file Form 1040A, U.S. Individual Income Tax Return, or Form 1040EZ, Income Tax Return for Single and Joint Filers With No Dependents, include that payment in your total payments on Form 1040A, line 44, or Form 1040EZ, line 10. Also enter “Form 4868” and the amount paid in the space to the left of the entry space for line 44 or line 10.

You cannot ask the Internal Revenue Service to figure your tax if you use the extension of time to file.

Individuals Outside the United States

You are allowed an automatic 2-month extension (until June 15, 2011, if you use the calendar year) to file your 2010 return and pay any federal income tax due if:

1. You are a U.S. citizen or resident, and
2. On the due date of your return:
   a. You are living outside of the United States and Puerto Rico, and your main place of business or post of duty is outside the United States and Puerto Rico, or
   b. You are in military or naval service on duty outside the United States and Puerto Rico.

However, if you pay the tax due after the regular due date (generally April 15), interest will be charged from April 15 until the date the tax is paid.

If you serve in a combat zone or qualified hazardous duty area, you may be eligible for a longer extension of time to file. For more information, see Publication 3, Armed Forces' Tax Guide.

Married taxpayers. If you file a joint return, only one spouse has to qualify for this automatic extension. However, if you and your spouse file separate returns, this automatic extension applies only to the spouse who qualifies.

How to get the extension. To use this special automatic extension, you must attach a statement to your return explaining what situation qualified you for the extension. (See the situations listed under (2), earlier.)

Extension beyond 2 months. If you cannot file your 2010 return within the automatic 2-month extension period, you can get an additional 4-month extension, for a total of 6 months. File Form 4868 by the end of the automatic extension period (June 15, 2011, for calendar year taxpayers). Be sure to check the box on Form 4868, line 8, if appropriate.

In addition to this 6-month extension, taxpayers who are out of the country (as defined under (2) earlier) can request a discretionary 2-month additional extension of time to file their returns (to December 15 for calendar year taxpayers).

To request this extension, you must send the IRS a letter explaining the reasons why you need the additional 2 months. Send the letter by the extended due date (October 15 for calendar year taxpayers) to:

Department of the Treasury
Internal Revenue Service Center
Austin, TX 73301-0215

You will not receive any notification from the IRS unless your request is denied for being untimely.

Where To File

If you have to file Form 1040 with the United States and you are excluding possession income from American Samoa or Puerto Rico, send your return to:

Department of the Treasury
Internal Revenue Service Center
Austin, TX 73301-0215

Also send your U.S. return to this address if you are attaching Form 5074 or Form 8689.

If you are not in either of the above categories, send your return to the address shown in the Form 1040 instructions for the possession or state in which you reside.

Special Rules for Completing Your U.S. Tax Return

If you are not excluding possession income from your U.S. tax return, follow the instructions for the specific forms you file. However, you may not qualify to claim the earned income credit (EIC).

Earned income credit. Even if you maintain a household in one of the possessions discussed in this publication that is your main home and the home of your qualifying child, you cannot claim the earned income credit on your U.S. tax return. This credit is available only if you maintain the household in the United States or you are serving on extended active duty in the U.S. Armed Forces.

U.S. Armed Forces. U.S. military personnel stationed outside the United States on extended active duty are considered to live in the United States during that duty period for purposes of the EIC. Extended active duty means you are called or ordered to duty for an indefinite period or for a period of more than 90 days. Once you begin serving your extended active duty, you are still considered to have been on extended active duty even if you do not serve more than 90 days.

Income from American Samoa or Puerto Rico excluded. You will not be allowed to take deductions and credits that apply to the excluded income. The additional information you need follows.

Deductions if Possession Income Is Excluded

Deductions that specifically apply to your excluded possession income, such as employee business expenses, are not allowable on your U.S. income tax return.

Deductions that do not specifically apply to any particular type of income must be divided between your excluded income from sources in the relevant possession and income from all other sources to find the part that you can deduct on your U.S. tax return. Examples of such deductions are alimony payments, the standard deduction, and certain itemized deductions (such as medical expenses, charitable contributions, real estate taxes, and mortgage interest on your home).

Figuring the deduction. To find the part of a deduction that is allowable, multiply the deduction by the following fraction.

$$\frac{\text{Gross income subject to U.S. income tax}}{\text{Gross income from all sources (including excluded possession income)}}$$

Adjustments to Income

Your adjusted gross income equals your gross income minus certain deductions (adjustments).

Moving expense deduction. Generally, expenses of a move to a possession are directly attributable to wages, salaries, and other earned income from that possession. Likewise, the expenses of a move back to the United States are generally attributable to U.S. earned income.

If you are claiming expenses for a move to a relevant possession, how and where you will deduct the expenses depends on your status as a bona fide resident and if any of your possession income is excluded on your U.S. tax return. For more information, see *Moving expense deduction* in chapter 3 under the name of the relevant possession.

If you are claiming expenses for a move from a U.S. possession to the United States, use Form 3903 to figure your deductible expenses and enter the amount on Form 1040, line 26. For purposes of deducting moving expenses, the possessions are considered part of the United States. See Publication 521, Moving Expenses, for information about what expenses are deductible.

Self-employment tax deduction. Generally, if you are reporting self-employment income on your U.S. return, you can deduct one-half of your self-employment tax on Form 1040, line 27. This is an income tax deduction only; it is not a deduction in figuring net earnings from self-employment (for self-employment tax).

However, if you are a bona fide resident of American Samoa or Puerto Rico and you exclude all of your self-employment income from gross income, you cannot take the deduction on Form 1040, line 27, because the deduction is related to excluded income.

If only part of your self-employment income is excluded, the part of the deduction that is based on the nonexcluded income is allowed. This would happen if, for instance, you have two businesses and only the income from one of them is excludable.

For purposes of the deduction only, figure the self-employment tax on the nonexcluded income by multiplying your total self-employment tax (from Schedule SE (Form 1040), Self-Employment Tax) by the following fraction.

$$\frac{\text{Self-employment income subject to U.S. income tax}}{\text{Total self-employment income (including excluded possession income)}}$$

The result is your self-employment tax on nonexcluded income. Deduct one-half of this amount on Form 1040, line 27.

Individual retirement arrangement (IRA) deduction. Do not take excluded income into account when figuring your deductible IRA contribution.

Standard Deduction

The standard deduction is composed of the regular standard deduction amount and the additional standard deduction for taxpayers who are blind or age 65 or over. For 2010, you can add to these amounts certain new motor vehicle taxes and a net personal disaster loss attributable to a federally declared disaster (see the Form 1040 instructions for line 40). None of these deductions apply to any particular type of income.

To find the amount you can claim on Form 1040, line 40, first figure your full standard deduction according to the instructions for Form 1040, which may include completing Schedule L, Standard Deduction for Certain Filers. Then multiply your full standard deduction by the following fraction.

$$\frac{\text{Gross income subject to U.S. income tax}}{\text{Gross income from all sources (including excluded possession income)}}$$

In the space above line 40, enter "Standard deduction modified due to income excluded under section 931 (if American Samoa) or 933 (if Puerto Rico)." If you completed Schedule L, attach it to your return.

CAUTION *This calculation may not be the same as the one you used to determine if you need to file a U.S. tax return.*

Itemized Deductions

Most itemized deductions do not apply to a particular type of income. However, itemized deductions can be divided into three categories.

- Those that apply specifically to excluded income, such as employee business expenses, are not deductible.
- Those that apply specifically to income subject to U.S. income tax, which might also be employee business expenses, are fully allowable under the instructions for Schedule A (Form 1040), Itemized Deductions.
- Those that do not apply to specific income must be allocated between your gross income subject to U.S. income tax and your total gross income from all sources.

The example given later shows how to figure the deductible part of each type of expense that is not related to specific income.

Example. In 2010, you and your spouse are both under 65 and U.S. citizens who are bona fide residents of Puerto Rico during the entire tax year. You file a joint income tax return. During 2010, you earned $20,000 from Puerto Rican sources (excluded from U.S. gross income) and your spouse earned $60,000 from the U.S. Government. You have $16,000 of itemized deductions that do not apply to any specific type of income. These are medical expenses of $4,000, real estate taxes of $5,000, home mortgage interest of $6,000, and charitable contributions of $1,000 (cash contributions). You determine the amount of each deduction that you can claim on your Schedule A (Form 1040), Itemized Deductions, by multiplying the deduction by the fraction shown under *Figuring the deduction*, earlier under *Deductions if Possession Income is Excluded*.

Medical Expenses

$$\frac{\$60{,}000}{\$80{,}000} \times \$4{,}000 = \$3{,}000$$ (enter on line 1 of Schedule A)

Real Estate Taxes

$$\frac{\$60{,}000}{\$80{,}000} \times \$5{,}000 = \$3{,}750$$ (enter on line 6 of Schedule A)

Home Mortgage Interest

$$\frac{\$60{,}000}{\$80{,}000} \times \$6{,}000 = \$4{,}500$$ (enter on line 10 or 11 of Schedule A)

Charitable Contributions (cash contributions)

$$\frac{\$60{,}000}{\$80{,}000} \times \$1{,}000 = \$750$$ (enter on line 16 of Schedule A)

Enter on Schedule A (Form 1040) only the allowable portion of each deduction.

Personal Exemptions

Personal exemptions are allowed in full even if you are excluding possession income.

Foreign Tax Credit if Possession Income Is Excluded

If you must report American Samoa or Puerto Rico source income on your U.S. tax return, you can claim a foreign tax credit for income taxes paid to the possession on that income. However, you cannot claim a foreign tax credit for taxes paid on possession income that is excluded on your U.S. tax return. The foreign tax credit is generally figured on Form 1116.

If you have income, such as U.S. Government wages, that is not excludable, and you also have possession source income that is excludable, you must figure the credit by reducing your foreign taxes paid or accrued by the taxes based on the excluded income. You make this reduction for each separate income category. To find the amount of this reduction, use the following formula for each income category.

$$\frac{\text{Excluded income from possession sources less deductible expenses based on that income}}{\text{Total income subject to possession tax less deductible expenses based on that income}} \times \text{Tax paid or accrued to the possession} = \text{Reduction in foreign taxes}$$

Enter the amount of the reduction on Form 1116, line 12.

For more information on the foreign tax credit, see Publication 514.

Example. Jason and Lynn Reddy are U.S. citizens who were bona fide residents of Puerto Rico during all of 2010. They file a joint tax return. The following table shows their excludable and taxable income for U.S. federal income tax purposes.

	Taxable	Excludable
Jason's wages from U.S. Government . .	$25,000	
Lynn's wages from Puerto Rican corp.		$15,000
Dividend from Puerto Rican corp. doing business in Puerto Rico		200
Dividend from U.S. corp. doing business in U.S.*	1,000	
Totals	$26,000	$15,200

* Income from sources outside Puerto Rico is taxable.

Jason and Lynn must file 2010 income tax returns with both Puerto Rico and the United States. They have gross income of $26,000 for U.S. tax purposes. They paid taxes to Puerto Rico of $4,000 ($3,980 on their wages and $20 on the dividend from the Puerto Rican corporation). They figure their foreign tax credit on two Forms 1116, which they must attach to their U.S. return. They fill out one Form 1116 for wages and one Form 1116 for the dividend. Jason and Lynn figure the Puerto Rican taxes on excluded income as follows.

Wages: ($15,000 ÷ $40,000) × $3,980 = $1,493

Dividend: ($200 ÷ $200) × $20 = $20

They enter $1,493 on Form 1116, line 12, for wages and $20 on the second Form 1116, line 12, for the dividend.

Paying Your Taxes

You may find that not all of your income tax has been paid through withholding by either the United States or the possession. This is often true if you have income that is not subject to withholding, such as self-employment, interest, or rental income. In this situation, you may need to make estimated tax payments.

Estimated Tax

If your estimated income tax obligation is to the United States, use the worksheet in the Form 1040-ES package to figure your estimated tax, including self-employment tax. If you are paying by check or money order, use the payment vouchers in the Form 1040-ES package. Or, you can make your payments electronically and not have to file any paper forms. See the Form 1040-ES instructions for information on making payments.

Self-Employment Tax

Self-employment tax includes both social security and Medicare taxes for individuals who are self-employed.

A U.S. citizen or resident alien who is self-employed must pay self-employment tax on net self-employment earnings of $400 or more. This rule applies whether or not the earnings are excludable from gross income (or whether or not a U.S. income tax return must otherwise be filed). Bona fide residents of the possessions discussed in this publication are considered U.S. residents for this purpose and are subject to the self-employment tax.

Forms to file. If you have net self-employment income and are subject to self-employment tax, file one of the following with the United States.

- If you are required to file Form 1040 with the United States, complete Schedule SE (Form 1040) and attach it to your Form 1040.
- If you are not required to file Form 1040 with the United States **and** you are a bona fide resident of American Samoa, the CNMI, Guam, Puerto Rico, or the USVI, file Form 1040-SS. If you are a resident of Puerto Rico, you may file the Spanish-language Form 1040-PR instead. **Do not** file either of these forms with Form 1040.

Chapter 11 bankruptcy cases. While you are a debtor in a chapter 11 bankruptcy case, your net profit or loss from self-employment will be included on the income tax return (Form 1041, U.S. Income Tax Return for Estates and Trusts) of the bankruptcy estate. However, you—not the bankruptcy estate—are responsible for paying self-employment tax on your net earnings from self-employment.

Use Schedule SE (Form 1040), Form 1040-SS, or Form 1040-PR, as determined above, to figure your correct amount of self-employment tax.

For other reporting requirements, see page 19 in the instructions for Form 1040.

Double Taxation

Mutual agreement procedures exist to settle issues where there is inconsistent tax treatment between the IRS and the taxing authorities of the following possessions.

- American Samoa.
- The Commonwealth of Puerto Rico.
- The Commonwealth of the Northern Mariana Islands.
- Guam.
- The U.S. Virgin Islands.

These issues usually involve allocations of income, deductions, credits, or allowances between related persons; determinations of residency; and determinations of the source of income and related expenses.

The tax coordination agreements contain provisions allowing the competent authorities of the United States and the relevant possession to resolve, by mutual agreement, inconsistent tax treatment by the two jurisdictions.

Send your written request for assistance under this procedure to:

Deputy Commissioner, International
(LB&I)
Attn: Tax Treaty Division
Internal Revenue Service
1111 Constitution Avenue, N.W.
Routing: MA3-322A
Washington, DC 20224-0002

Note. Nonresident aliens generally must present their initial request for assistance to the relevant possession tax agency.

Contents of Written Request

Your request for competent authority assistance must be in the form of a letter addressed to the Deputy Commissioner, International. The request must contain a statement that competent authority assistance is requested under the mutual agreement procedure with the possession and must include all the facts and circumstances relating to your particular case. You (or a person having authority to sign your federal return) must sign and date the request.

To avoid unnecessary delays, make sure you include all of the following information.

- A reference to the specific coordination agreement and the provision(s) under which your request is made.
- Your name, address, social security number, and possession tax identification number (if any).
- The name, address, social security number, and possession identification number (if any) of all related persons involved in the matter.
- If applicable, a description of the control and business relationships between you and all relevant related persons for the year(s) in issue, including any changes in such relationships to the date of filing the request.
- A brief description of the issues for which you request competent authority assistance, including a brief description of the relevant transactions, activities, or other circumstances involved in the issues raised and the basis for the adjustment, if any.
- The years and amounts involved with respect to the issue.
- The IRS office that has made or is proposing to make the adjustment or, if known, the IRS office with examination jurisdiction over your return.
- An explanation of the nature of the relief sought or the action requested in the United States or in the possession with respect to the issues raised.
- A statement whether the period of limitations for the years for which relief is sought has expired in the United States or in the possession.

- A statement of relevant U.S. and possession judicial or administrative proceedings that involve you and all relevant related persons.
- To the extent known by you, a statement of relevant possession judicial or public administrative proceedings that do not involve you or related persons, but involve the same issue for which competent authority assistance is requested.
- A statement whether you or a related person is entitled to any possession tax incentive or subsidy program benefits for the year or years in question.
- If bona fide residence in a possession is at issue, a statement of all facts and circumstances supporting such residence.
- A copy of any relevant correspondence received from the possession tax agency and copies of any briefs, protests, and other relevant material submitted to the possession tax agency.
- A copy of the possession tax returns for the year or years in question.
- A statement whether your federal tax return for the year or years in question was examined or is being examined. This also applies to the tax return(s) of any relevant related person.
- A statement whether a credit for a possession tax paid was claimed on your federal tax return for the tax year or years in question. If a credit was claimed, state whether the credit was claimed for all or part of the possession tax paid or accrued with respect to the particular item that is the subject of your request for assistance.
- If applicable, powers of attorney with respect to you.
- If the jurisdiction of an issue is with an Appeals office, a summary of prior discussions of the issue with that office and contact information regarding the Appeals officer handling the issue; also, if appropriate, a statement whether you are requesting the Simultaneous Appeals procedure. See section 8 of Revenue Procedure 2006-23, on page 900 of Internal Revenue Bulletin 2006-20, available at www.irs.gov/irb/2006-20_IRB/ar12.html.
- If this request is to serve as a protective claim, in a separate section include the statement and information required by Revenue Procedure 2006-23, section 9.02.
- On a separate document, a statement that you consent to the disclosure to the possession tax agency (with the name of the possession specifically stated) and that possession tax agency's staff, of any or all of the items of information set forth or enclosed in the request for U.S. competent authority assistance within the limits contained in the coordination agreement under which you are seeking relief.
- A penalties of perjury statement in the following form:

  Under penalties of perjury, I declare that I have examined this request, including accompanying documents, and, to the best of my knowledge and belief, the facts presented in support of the request for competent authority assistance are true, correct, and complete.

  The declaration must be signed by the person or persons on whose behalf the request is being made.

For additional information about requesting competent authority assistance, see Revenue Procedure 2006-23.

Credit or Refund

In addition to the tax assistance request, if you seek a credit or refund of any overpayment of U.S. tax paid on the income in question, you should file a claim on Form 1040X, Amended U.S. Individual Income Tax Return. Indicate on the form that a request for assistance under the mutual agreement procedure with the possession has been filed. Attach a copy of the request to the form.

Also, you should take whatever steps must be taken under the possession tax code to prevent the expiration of the statutory period for filing a claim for credit or refund of a possession tax.

See Revenue Procedure 2006-23, section 9, for complete information.

5. Illustrated Examples

Use the following examples to help you complete the correct attachment to your Form 1040. The completed form for each example is shown on the pages that follow.

Illustrated Example of Form 4563

John Black is a U.S. citizen, single, and under 65. He was a bona fide resident of American Samoa during all of 2010. John must file Form 1040 because his gross income from sources outside the possessions ($10,000 of dividends from U.S. corporations) is more than his adjusted filing requirement for single filers under 65. (See *Filing Requirement if Possession Income Is Excluded* in chapter 4.) Because he must file Form 1040 (not illustrated), he fills out Form 4563 to determine the amount of income from American Samoa he can exclude. See *Bona Fide Resident of American Samoa* in chapter 3.

Completing Form 4563. John enters his name and social security number at the top of the form.

Line 1. On Form 4563 (see page 24), John enters the date his bona fide residence began in American Samoa, June 2, 2009. Because he is still a bona fide resident, he enters "not ended" in the second blank space.

Line 2. He checks the box labeled "Rented house or apartment" to describe his type of living quarters in American Samoa.

Lines 3a and 3b. He checks "No" on line 3a because no family members lived with him. He leaves line 3b blank.

Lines 4a and 4b. He checks "No" on line 4a because he did not maintain a home outside American Samoa. He leaves line 4b blank.

Line 5. He enters the name and address of his employer, Samoa Products Co. It is a private American Samoa corporation.

Line 6. He enters the dates of his 2-week vacation to New Zealand from November 11 to November 25. That was his only trip outside American Samoa during the year.

Line 7. He enters the $24,000 in wages he received from Samoa Products Co.

Line 9. He received $220 in dividends from an American Samoa corporation, which he enters here. He also received $10,000 of dividends from a U.S. corporation, but he will enter that amount only on his Form 1040 because the U.S. dividends do not qualify for the possession exclusion.

Line 15. John totals the amounts on lines 7 and 9 to get the amount he can exclude from his gross income in 2010. He will not enter his excluded income on Form 1040. However, he will attach his completed Form 4563 to his Form 1040.

Illustrated Example of Form 5074

Tracy Grey is a U.S. citizen who is a self-employed fisheries consultant with a tax home in New York. Her only income for 2010 was net self-employment income of $80,000. Of the $80,000, $20,000 was from consulting work in Guam and the rest was earned in the United States. Thinking she would owe tax to Guam on the $20,000, Tracy made estimated tax payments of $1,409 to Guam. She was not a bona fide resident of Guam during 2010.

Tracy completes Form 1040 (not illustrated), reporting her worldwide income. Because she earned more than $50,000 and at least $5,000 of her gross income is from Guam, Tracy must file Form 5074 with her Form 1040. All amounts reported on Form 5074 are also reported on her Form 1040. See *U.S. Citizen or Resident Alien (Other Than a Bona Fide Resident of Guam)* in chapter 3.

Completing Form 5074. Tracy enters her name and social security number at the top of the form.

Part I. On Form 5074 (see page 25), Tracy enters her self-employment income from Guam ($20,000) on line 6. She has no other income from Guam, so the total on line 16 is $20,000.

Part II. Tracy's only adjustment in Part II is the deduction for one-half of the self-employment tax on her net income earned in Guam. She enters $1,413 on line 21 and line 28. Her adjusted gross income on line 29 is $18,587.

Part III. Tracy made estimated tax payments of $1,409. She enters this amount on line 30, and again on line 34 as the total payments.

Illustrated Example of Form 8689

Juan and Carla Moreno live and work in the United States. In 2010, they received $14,400 in income from the rental of a condominium they own in the U.S. Virgin Islands (USVI). The rental income was deposited in a bank in the USVI and they received $500 of interest on this income. They were not bona fide residents of the USVI during the entire tax year.

The Morenos complete Form 1040 (not illustrated), reporting their income from all sources, including their interest income and the income and expenses from their USVI rental property (reported on Schedule E (Form 1040)). The Morenos take the standard deduction for married filing jointly, both are under 65, and they have no dependents.

The Morenos also complete Form 8689 to determine how much of their U.S. tax shown on Form 1040, line 60 (with certain adjustments), must be paid to the U.S. Virgin Islands. See *U.S. Citizen or Resident Alien (Other Than a Bona Fide Resident of the USVI)* in chapter 3.

The Morenos file their Form 1040, attaching Form 8689 and all other schedules, with the Internal Revenue Service.

At the same time, they send a copy of their Form 1040 with all attachments, including Form 8689, to the Virgin Islands Bureau of Internal Revenue. This copy will be processed as their original Virgin Islands return.

Completing Form 8689. Juan and Carla enter their names and Juan's social security number at the top of the form.

Part I. The Morenos enter their income from the USVI in Part I (see page 26). The interest income is entered on line 2 and the net rental income of $6,200 ($14,400 of rental income minus $8,200 of rental expenses) is entered on line 11. The Morenos' total USVI income of $6,700 is entered on line 16.

Part II. The Morenos have no adjustments to their USVI income, so they enter zero (-0-) on line 28, and $6,700 on line 29. Their USVI adjusted gross income (AGI) is $6,700.

Part III. On line 30, the Morenos enter the amount from Form 1040, line 60 ($4,596). Their Form 1040 does not show any entries required on line 31, so they leave that line blank and enter $4,596 on line 32.

The Morenos enter their worldwide AGI, $54,901 (Form 1040, line 38), on line 33. Next, they find what percentage of their AGI is from USVI sources ($6,700 ÷ $54,901 = 0.122) and enter that as a decimal on line 34. They then apply that percentage to the U.S. tax entered on line 32 to find the amount of U.S. tax allocated to USVI income ($4,596 x 0.122 = $561), and enter that amount on line 35.

Part IV. Part IV is used to show payments of income tax to the USVI only. The Morenos had no tax withheld by the U.S. Virgin Islands, but made estimated tax payments to the USVI of $400, which they entered on lines 37 and 39. They include this amount ($400) in the total payments on Form 1040, line 72. On the dotted line next to the entry space for line 72, they enter "Form 8689" and show the amount. The Morenos do not complete Form 1116 because they receive credit on Form 1040, line 72, for the tax paid to the USVI. The income tax they owe to the USVI ($161) is shown on Form 8689, line 44. They also include this additional amount ($161) on the dotted line next to the entry space and in the total on Form 1040, line 72. The Morenos must pay their USVI tax at the same time they file the copy of their return with the U.S. Virgin Islands.

Form **4563**

(Rev. October 2009)

Department of the Treasury
Internal Revenue Service

Exclusion of Income for Bona Fide Residents of American Samoa

▶ Attach to Form 1040. ▶ See instructions below and on back.

OMB No. 1545-0074

Attachment Sequence No. **68**

Name(s) shown on Form 1040: John Black

Your social security number: 111-00-1111

Part I General Information

1 Date bona fide residence began ▶ 6-2-09, and ended ▶ not ended

2 Type of living quarters in American Samoa ▶ ☐ Rented room ☒ Rented house or apartment ☐ Quarters furnished by employer ☐ Purchased home

3a Did any of your family live with you in American Samoa during any part of the tax year? . . . . ☐ Yes ☒ No

b If "Yes," who and for what period? ▶

4a Did you maintain any home(s) outside American Samoa? . . . . ☐ Yes ☒ No

b If "Yes," show address of your home(s), whether it was rented, the name of each occupant, and his or her relationship to you. ▶

5 Name and address of employer (state if self-employed) ▶ Samoa Products Co., Pago Pago, American Samoa

6 Complete columns (a) through (d) below for days absent from American Samoa during the tax year.

(a) Date left	**(b)** Date returned	**(c)** Number of days absent	**(d)** Reason for absence
11-11-10	11-25-10	14	Vacation to New Zealand

Part II Figure Your Exclusion. Include **only** income that qualifies for the exclusion. See instructions.

7	Wages, salaries, tips, etc..	7	24,000
8	Taxable interest	8	
9	Ordinary dividends	9	220
10	Business income	10	
11	Capital gain	11	
12	Rental real estate, royalties, etc.	12	
13	Farm income	13	
14	Other income. List type and amount ▶	14	
15	Add lines 7 through 14. This is the amount you may exclude from your gross income this tax year ▶	15	24,220

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

Instructions

Purpose of form. Use Form 4563 to figure the amount of income from American Samoa you may exclude from your gross income.

Who qualifies. You generally qualify for the exclusion if you were a bona fide resident of American Samoa for the entire tax year and your income was:

- From sources within American Samoa, or
- Effectively connected with the conduct of a trade or business in American Samoa.

Employees of the United States. You may not exclude amounts paid to you for services you performed as an employee of the U.S. government or any of its agencies. This applies to both civilian and military employees, but does not include employees of the American Samoa government.

Where to file. File your Form 1040 (including Form 4563) with the Department of the Treasury, Internal Revenue Service Center, Austin, TX 73301-0215.

Note. If you do not qualify for the exclusion, follow the instructions for Form 1040 or 1040A. Report all your taxable income, including income from U.S., foreign, and possession sources. Send your return to the address shown in the Form 1040 instructions.

Additional information. Pub. 570, Tax Guide for Individuals With Income From U.S. Possessions, has more information and an example of how to complete Form 4563. To get Pub. 570, see *Quick and Easy Access to Tax Help and Forms* in the instructions for Form 1040.

Part II—Figure Your Exclusion

On lines 7 through 14 include **only** income that is from sources within American Samoa or effectively connected with the conduct of a trade or business in American Samoa. For details on how to determine the source of income, see *Source of income,* below.

For Paperwork Reduction Act Notice, see back of form. Cat. No. 12909U Form **4563** (Rev. 10-2009)

Form **5074**

Department of the Treasury
Internal Revenue Service

Allocation of Individual Income Tax to Guam or the Commonwealth of the Northern Mariana Islands (CNMI)

▶ **Attach to Form 1040.**

OMB No. 1545-0074

2010

Attachment Sequence No. **168**

Name(s) shown on Form 1040: Tracy Grey

Your social security number: 111-00-2222

Part I **Income From Guam or the CNMI Reported on Form 1040**

			Guam		CNMI	
1	Wages, salaries, tips, etc	1				
2	Taxable interest	2				
3	Ordinary dividends	3				
4	Taxable refunds, credits, or offsets of local Guam or CNMI income taxes	4				
5	Alimony received	5				
6	Business income or (loss)	6	20,000			
7	Capital gain or (loss)	7				
8	Other gains or (losses)	8				
9	IRA distributions (taxable amount)	9				
10	Pensions and annuities (taxable amount)	10				
11	Rental real estate, royalties, partnerships, S corporations, trusts, etc.	11				
12	Farm income or (loss)	12				
13	Unemployment compensation	13				
14	Social security benefits (taxable amount)	14				
15	Other income. List type and amount ▶	15				
16	**Total income.** Add lines 1 through 15 ▶	16	20,000			

Part II **Adjusted Gross Income From Guam or the CNMI Reported on Form 1040**

			Guam		CNMI	
17	Educator expenses	17				
18	Certain business expenses of reservists, performing artists, and fee-basis government officials	18				
19	Health savings account deduction	19				
20	Moving expenses	20				
21	One-half of self-employment tax	21	1,413			
22	Self-employed SEP, SIMPLE, and qualified plans	22				
23	Self-employed health insurance deduction	23				
24	Penalty on early withdrawal of savings	24				
25	IRA deduction	25				
26	Student loan interest deduction	26				
27	Tuition and fees deduction	27				
28	Add lines 17 through 27	28	1,413			
29	**Adjusted gross income.** Subtract line 28 from line 16 ▶	29	18,587			

Part III **Payments of Income Tax to Guam or the CNMI**

			Guam		CNMI	
30	Payments on estimated tax return filed with Guam or the CNMI	30	1,409			
31	Income tax withheld from your wages while employed by the U.S. Government as a civilian in Guam or the CNMI	31				
32	Income tax withheld from your wages while employed as a member of the U.S. Armed Forces in Guam or the CNMI	32				
33	Income tax withheld from your wages earned in Guam or the CNMI other than amounts on lines 30 through 32	33				
34	**Total payments.** Add lines 30 through 33 ▶	34	1,409			

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

Instructions

Purpose of form. Form 5074 provides information to the United States so the IRS can figure the individual income tax that is due to Guam or the CNMI.

Who must file. If you were a U.S. citizen or resident alien (other than a bona fide resident of Guam or the CNMI), you may need to file Form 5074. Complete this form if all of the following apply to you (and to your spouse if filing a joint return).

- You file a U.S. income tax return.
- You report AGI of $50,000 or more.
- At least $5,000 of the gross income on your return is from either Guam or CNMI sources.

(Continued on back)

For Paperwork Reduction Act Notice, see Form 1040 instructions. Cat. No. 42243X Form **5074** (2010)

Form **8689**

Department of the Treasury
Internal Revenue Service

Allocation of Individual Income Tax to the U.S. Virgin Islands

▶ Attach to Form 1040.

OMB No. 1545-0074

2010

Attachment Sequence No. 85

Name(s) shown on Form 1040: Juan and Carla Moreno

Your social security number: 222-00-2222

Part I Income From the U.S. Virgin Islands

1	Wages, salaries, tips, etc.	1	
2	Taxable interest	2	500
3	Ordinary dividends	3	
4	Taxable refunds, credits, or offsets of local U.S. Virgin Islands income taxes	4	
5	Alimony received	5	
6	Business income or (loss)	6	
7	Capital gain or (loss)	7	
8	Other gains or (losses)	8	
9	IRA distributions (taxable amount)	9	
10	Pensions and annuities (taxable amount)	10	
11	Rental real estate, royalties, partnerships, S corporations, trusts, etc.	11	6,200
12	Farm income or (loss)	12	
13	Unemployment compensation	13	
14	Social security benefits (taxable amount)	14	
15	Other income. List type and amount ▶	15	
16	Add lines 1 through 15. This is your **total income** ▶	16	6,700

Part II Adjusted Gross Income From the U.S. Virgin Islands

17	Educator expenses	17			
18	Certain business expenses of reservists, performing artists, and fee-basis government officials	18			
19	Health savings account deduction	19			
20	Moving expenses	20			
21	One-half of self-employment tax	21			
22	Self-employed SEP, SIMPLE, and qualified plans	22			
23	Self-employed health insurance deduction	23			
24	Penalty on early withdrawal of savings	24			
25	IRA deduction	25			
26	Student loan interest deduction	26			
27	Tuition and fees deduction	27			
28	Add lines 17 through 27			28	-0-
29	Subtract line 28 from line 16. This is your **adjusted gross income** ▶			29	6,700

Part III Allocation of Tax to the U.S. Virgin Islands

30	Enter amount from Form 1040, line 60			30	4,596
31	Enter the total of the amounts from Form 1040, lines 56, 57, 59 (box b), 63, 64a, 65, 66, 67, and 71 (boxes b, c, and d). Include any uncollected social security and Medicare or tier 1 RRTA tax, tax on excess golden parachute payments, or excise tax on insider stock compensation reported on line 60. Also include any amount from Form 5329, Parts III, IV, V, VI, VII, or VIII reported on line 58			31	
32	Subtract line 31 from line 30			32	4,596
33	Enter amount from Form 1040, line 38	33	54,901		
34	Divide line 29 above by line 33. Enter the result as a decimal (rounded to at least 3 places). Do not enter more than 1.000			34	× .122
35	Multiply line 32 by line 34. This is your **tax allocated to the U.S. Virgin Islands**			35	561

Part IV Payments of Income Tax to the U.S. Virgin Islands

36	Income tax withheld by the U.S. Virgin Islands	36			
37	2010 estimated tax payments and amount applied from 2009 return	37	400		
38	Amount paid with Form 4868 (extension request)	38			
39	Add lines 36 through 38. These are your **total payments** ▶			39	400
40	Enter the smaller of line 35 or line 39. Also, include this amount in the total on Form 1040, line 72. On the dotted line next to line 72, enter "Form 8689" and show this amount			40	400
41	**Overpayment** to the U.S. Virgin Islands. If line 39 is more than line 35, subtract line 35 from line 39.			41	
42	Amount of line 41 you want **refunded to you** ▶			42	
43	Amount of line 41 you want **applied to your 2011 estimated tax**	43			
44	**Amount you owe** to the U.S. Virgin Islands. Subtract line 39 from line 35. Enter the amount that you are paying here and on Form 1040, line 72. Next to line 72, enter "Form 8689" and the amount paid ▶			44	161

For Paperwork Reduction Act Notice, see Form 1040 instructions. Cat. No. 64603D Form **8689** (2010)

6.

How To Get Tax Help

You can get help with unresolved tax issues, order free publications and forms, ask tax questions, and get information from the IRS in several ways. By selecting the method that is best for you, you will have quick and easy access to tax help.

Contacting your Taxpayer Advocate. The Taxpayer Advocate Service (TAS) is an independent organization within the IRS. We help taxpayers who are experiencing economic harm, such as not being able to provide necessities like housing, transportation, or food; taxpayers who are seeking help in resolving tax problems with the IRS; and those who believe that an IRS system or procedure is not working as it should. Here are seven things every taxpayer should know about TAS:

- The Taxpayer Advocate Service is your voice at the IRS.
- Our service is free, confidential, and tailored to meet your needs.
- You may be eligible for our help if you have tried to resolve your tax problem through normal IRS channels and have gotten nowhere, or you believe an IRS procedure just isn't working as it should.
- We help taxpayers whose problems are causing financial difficulty or significant cost, including the cost of professional representation. This includes businesses as well as individuals.
- Our employees know the IRS and how to navigate it. If you qualify for our help, we'll assign your case to an advocate who will listen to your problem, help you understand what needs to be done to resolve it, and stay with you every step of the way until your problem is resolved.
- We have at least one local taxpayer advocate in every state, the District of Columbia, and Puerto Rico. You can call your local advocate, whose number is in your phone book, in Pub. 1546, Taxpayer Advocate Service—Your Voice at the IRS, and on our website at www.irs.gov/advocate. You can also call our toll-free line at 1-877-777-4778 or TTY/TDD 1-800-829-4059.
- You can learn about your rights and responsibilities as a taxpayer by visiting our online tax toolkit at www.taxtoolkit.irs.gov. You can get updates on hot tax topics by visiting our YouTube channel at www.youtube.com/tasnta and our Facebook page at www.facebook.com/YourVoiceAtIRS, or by following our tweets at www.twitter.com/YourVoiceAtIRS.

Low Income Taxpayer Clinics (LITCs). The Low Income Taxpayer Clinic program serves individuals who have a problem with the IRS and whose income is below a certain level. LITCs are independent from the IRS. Most LITCs can provide representation before the IRS or in court on audits, tax collection disputes, and other issues for free or a small fee. If an individual's native language is not English, some clinics can provide multilingual information about taxpayer rights and responsibilities. For more information, see Publication 4134, Low Income Taxpayer Clinic List. This publication is available at IRS.gov, by calling 1-800-TAX-FORM (1-800-829-3676), or at your local IRS office.

Free tax services. Publication 910, IRS Guide to Free Tax Services, is your guide to IRS services and resources. Learn about free tax information from the IRS, including publications, services, and education and assistance programs. The publication also has an index of over 100 TeleTax topics (recorded tax information) you can listen to on the telephone. The majority of the information and services listed in this publication are available to you free of charge. If there is a fee associated with a resource or service, it is listed in the publication.

Accessible versions of IRS published products are available on request in a variety of alternative formats for people with disabilities.

Free help with your return. Free help in preparing your return is available nationwide from IRS-trained volunteers. The Volunteer Income Tax Assistance (VITA) program is designed to help low-income taxpayers and the Tax Counseling for the Elderly (TCE) program is designed to assist taxpayers age 60 and older with their tax returns. Many VITA sites offer free electronic filing and all volunteers will let you know about credits and deductions you may be entitled to claim. To find the nearest VITA or TCE site, call 1-800-829-1040.

As part of the TCE program, AARP offers the Tax-Aide counseling program. To find the nearest AARP Tax-Aide site, call 1-888-227-7669 or visit AARP's website at www.aarp.org/money/taxaide.

For more information on these programs, go to IRS.gov and enter keyword "VITA" in the upper right-hand corner.

Internet. You can access the IRS website at IRS.gov 24 hours a day, 7 days a week to:

- *E-file* your return. Find out about commercial tax preparation and *e-file* services available free to eligible taxpayers.
- Check the status of your 2010 refund. Go to IRS.gov and click on *Where's My Refund*. Wait at least 72 hours after the IRS acknowledges receipt of your e-filed return, or 3 to 4 weeks after mailing a paper return. If you filed Form 8379 with your return, wait 14 weeks (11 weeks if you filed electronically). Have your 2010 tax return available so you can provide your social security number, your filing status, and the exact whole dollar amount of your refund.
- Download forms, including talking tax forms, instructions, and publications.
- Order IRS products online.
- Research your tax questions online.
- Search publications online by topic or keyword.
- Use the online Internal Revenue Code, regulations, or other official guidance.
- View Internal Revenue Bulletins (IRBs) published in the last few years.
- Figure your withholding allowances using the withholding calculator online at www.irs.gov/individuals.
- Determine if Form 6251 must be filed by using our Alternative Minimum Tax (AMT) Assistant.
- Sign up to receive local and national tax news by email.
- Get information on starting and operating a small business.

Phone. Many services are available by phone.

- *Ordering forms, instructions, and publications.* Call 1-800-TAX-FORM (1-800-829-3676) to order current-year forms, instructions, and publications, and prior-year forms and instructions. You should receive your order within 10 days.
- *Asking tax questions.* Call the IRS with your tax questions at 1-800-829-1040.
- *Solving problems.* You can get face-to-face help solving tax problems every business day in IRS Taxpayer Assistance Centers. An employee can explain IRS letters, request adjustments to your account, or help you set up a payment plan. Call your local Taxpayer Assistance Center for an appointment. To find the number, go to www.irs.gov/localcontacts or look in the phone book under *United States Government, Internal Revenue Service*.
- *TTY/TDD equipment.* If you have access to TTY/TDD equipment, call 1-800-829-4059 to ask tax questions or to order forms and publications.
- *TeleTax topics.* Call 1-800-829-4477 to listen to pre-recorded messages covering various tax topics.
- *Refund information.* To check the status of your 2010 refund, call 1-800-829-1954 or 1-800-829-4477 (automated refund information 24 hours a day, 7 days a week). Wait at least 72 hours after the IRS acknowledges receipt of your e-filed return, or 3 to 4 weeks after mailing a paper return. If you filed Form 8379 with your return, wait 14 weeks (11 weeks if you filed electronically). Have your 2010 tax return available so you can provide your social security number, your filing status, and the exact whole dollar amount of your refund. If you check the status of your refund and are not given the date it will be issued, please wait until the next week before checking back.

- *Other refund information.* To check the status of a prior-year refund or amended return refund, call 1-800-829-1040.

Evaluating the quality of our telephone services. To ensure IRS representatives give accurate, courteous, and professional answers, we use several methods to evaluate the quality of our telephone services. One method is for a second IRS representative to listen in on or record random telephone calls. Another is to ask some callers to complete a short survey at the end of the call.

Walk-in. Many products and services are available on a walk-in basis.

- *Products.* You can walk in to many post offices, libraries, and IRS offices to pick up certain forms, instructions, and publications. Some IRS offices, libraries, grocery stores, copy centers, city and county government offices, credit unions, and office supply stores have a collection of products available to print from a CD or photocopy from reproducible proofs. Also, some IRS offices and libraries have the Internal Revenue Code, regulations, Internal Revenue Bulletins, and Cumulative Bulletins available for research purposes.
- *Services.* You can walk in to your local Taxpayer Assistance Center every business day for personal, face-to-face tax help. An employee can explain IRS letters, request adjustments to your tax account, or help you set up a payment plan. If you need to resolve a tax problem, have questions about how the tax law applies to your individual tax return, or you are more comfortable talking with someone in person, visit your local Taxpayer Assistance Center where you can spread out your records and talk with an IRS representative face-to-face. No appointment is necessary—just walk in. If you prefer, you can call your local Center and leave a message requesting an appointment to resolve a tax account issue. A representative will call you back within 2 business days to schedule an in-person appointment at your convenience. If you have an ongoing, complex tax account problem or a special need, such as a disability, an appointment can be requested. All other issues will be handled without an appointment. To find the number of your local office, go to www.irs.gov/localcontacts or look in the phone book under *United States Government, Internal Revenue Service.*

Mail. You can send your order for forms, instructions, and publications to the address below. You should receive a response within 10 days after your request is received.

Internal Revenue Service
1201 N. Mitsubishi Motorway
Bloomington, IL 61705-6613

DVD for tax products. You can order Publication 1796, IRS Tax Products DVD, and obtain:

- Current-year forms, instructions, and publications.
- Prior-year forms, instructions, and publications.
- Tax Map: an electronic research tool and finding aid.
- Tax law frequently asked questions.
- Tax Topics from the IRS telephone response system.
- Internal Revenue Code—Title 26 of the U.S. Code.
- Fill-in, print, and save features for most tax forms.
- Internal Revenue Bulletins.
- Toll-free and email technical support.
- Two releases during the year.
  – The first release will ship the beginning of January 2011.
  – The final release will ship the beginning of March 2011.

Purchase the DVD from National Technical Information Service (NTIS) at www.irs.gov/cdorders for $30 (no handling fee) or call 1-877-233-6767 toll free to buy the DVD for $30 (plus a $6 handling fee).

To help us develop a more useful index, please let us know if you have ideas for index entries. See "Comments and Suggestions" in the "Introduction" for the ways you can reach us.

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Tax Publications for individual Taxpayers

See *How To Get Tax Help* for a variety of ways to get publications, including by computer, phone, and mail.

General Guides

1 Your Rights as a Taxpayer
17 Your Federal Income Tax For Individuals
334 Tax Guide for Small Business (For Individuals Who Use Schedule C or C-EZ)
509 Tax Calendars for 2011
910 IRS Guide to Free Tax Services

Specialized Publications

3 Armed Forces' Tax Guide
54 Tax Guide for U.S. Citizens and Resident Aliens Abroad
225 Farmer's Tax Guide
463 Travel, Entertainment, Gift, and Car Expenses
501 Exemptions, Standard Deduction, and Filing Information
502 Medical and Dental Expenses (Including the Health Coverage Tax Credit)
503 Child and Dependent Care Expenses
504 Divorced or Separated Individuals
505 Tax Withholding and Estimated Tax
514 Foreign Tax Credit for Individuals
516 U.S. Government Civilian Employees Stationed Abroad
517 Social Security and Other Information for Members of the Clergy and Religious Workers
519 U.S. Tax Guide for Aliens
521 Moving Expenses
523 Selling Your Home
524 Credit for the Elderly or the Disabled
525 Taxable and Nontaxable Income
526 Charitable Contributions
527 Residential Rental Property (Including Rental of Vacation Homes)
529 Miscellaneous Deductions
530 Tax Information for Homeowners
531 Reporting Tip Income
535 Business Expenses
536 Net Operating Losses (NOLs) for Individuals, Estates, and Trusts
537 Installment Sales
541 Partnerships
544 Sales and Other Dispositions of Assets
547 Casualties, Disasters, and Thefts
550 Investment Income and Expenses (Including Capital Gains and Losses)
551 Basis of Assets
552 Recordkeeping for Individuals
554 Tax Guide for Seniors
555 Community Property
556 Examination of Returns, Appeal Rights, and Claims for Refund
559 Survivors, Executors, and Administrators
561 Determining the Value of Donated Property
570 Tax Guide for Individuals With Income From U.S. Possessions
571 Tax-Sheltered Annuity Plans (403(b) Plans) For Employees of Public Schools and Certain Tax-Exempt Organizations
575 Pension and Annuity Income
584 Casualty, Disaster, and Theft Loss Workbook (Personal-Use Property)
587 Business Use of Your Home (Including Use by Daycare Providers)
590 Individual Retirement Arrangements (IRAs)
593 Tax Highlights for U.S. Citizens and Residents Going Abroad
594 The IRS Collection Process
596 Earned Income Credit (EIC)
721 Tax Guide to U.S. Civil Service Retirement Benefits
901 U.S. Tax Treaties
907 Tax Highlights for Persons with Disabilities
908 Bankruptcy Tax Guide
915 Social Security and Equivalent Railroad Retirement Benefits
919 How Do I Adjust My Tax Withholding?
925 Passive Activity and At-Risk Rules
926 Household Employer's Tax Guide For Wages Paid in 2011
929 Tax Rules for Children and Dependents
936 Home Mortgage Interest Deduction
946 How To Depreciate Property
947 Practice Before the IRS and Power of Attorney
950 Introduction to Estate and Gift Taxes
967 The IRS Will Figure Your Tax
969 Health Savings Accounts and Other Tax-Favored Health Plans
970 Tax Benefits for Education
971 Innocent Spouse Relief
972 Child Tax Credit
1542 Per Diem Rates (For Travel Within the Continental United States)
1544 Reporting Cash Payments of Over $10,000 (Received in a Trade or Business)
1546 Taxpayer Advocate Service – Your Voice at the IRS

Spanish Language Publications

1SP Derechos del Contribuyente
17SP El Impuesto Federal sobre los Ingresos Para Personas Fisicas
547SP Hechos Fortuitos Desastres y Robos
584SP Registro de Pérdidas por Hechos Fortuitos (Imprevistos), Desastres y Robos (Propiedad de Uso Personal)
594SP El Proceso de Cobro del IRS
596SP Crédito por Ingreso del Trabajo
850EN/SP English-Spanish Glossary of Words and Phrases Used in Publications Issued by the Internal Revenue Service
1544SP Informe de Pagos en Efectivo en Exceso de $10,000 (Recibidos en una Ocupación o Negocio)

Commonly Used Tax Forms

See *How To Get Tax Help* for a variety of ways to get forms, including by computer, phone, and mail.

Form Number and Title

1040 U.S. Individual Income Tax Return
- **Sch A** Itemized Deductions
- **Sch B** Interest and Ordinary Dividends
- **Sch C** Profit or Loss From Business
- **Sch C-EZ** Net Profit From Business
- **Sch D** Capital Gains and Losses
- **Sch D-1** Continuation Sheet for Schedule D
- **Sch E** Supplemental Income and Loss
- **Sch EIC** Earned Income Credit
- **Sch F** Profit or Loss From Farming
- **Sch H** Household Employment Taxes
- **Sch J** Income Averaging for Farmers and Fishermen
- **Sch L** Standard Deduction for Certain Filers
- **Sch M** Making Work Pay
- **Sch R** Credit for the Elderly or the Disabled
- **Sch SE** Self-Employment Tax

1040A U.S. Individual Income Tax Return
1040EZ Income Tax Return for Single and Joint Filers With No Dependents
1040-ES Estimated Tax for Individuals
1040X Amended U.S. Individual Income Tax Return
2106 Employee Business Expenses
2106-EZ Unreimbursed Employee Business Expenses
2210 Underpayment of Estimated Tax by Individuals, Estates, and Trusts
2441 Child and Dependent Care Expenses
2848 Power of Attorney and Declaration of Representative
2848SP Poder Legal y Declaración del Representante
3903 Moving Expenses
4562 Depreciation and Amortization
4868 Application for Automatic Extension of Time To File U.S. Individual Income Tax Return
4868SP Solicitud de Prórroga Automática para Presentar la Declaración del Impuesto sobre el Ingreso Personal de los Estados Unidos
4952 Investment Interest Expense Deduction
5329 Additional Taxes on Qualified Plans (Including IRAs) and Other Tax-Favored Accounts
6251 Alternative Minimum Tax — Individuals
8283 Noncash Charitable Contributions
8582 Passive Activity Loss Limitations
8606 Nondeductible IRAs
8812 Additional Child Tax Credit
8822 Change of Address
8829 Expenses for Business Use of Your Home
8863 Education Credits (American Opportunity, and Lifetime Learning Credits)
9465 Installment Agreement Request
9465SP Solicitud para un Plan de Pagos a Plazos