Volunteer Income Tax Assistance (VITA) Session
2014 Tax Year - GA Form 500

Controller’s Office
Disclosure

The Volunteer Income Tax Assistance (VITA) Program is administered by the US Internal Revenue Service (IRS). The Emory VITA volunteers have received certification from the IRS regarding tax matters relating to foreign nationals who are classified as nonresident aliens under US tax law.

Every effort has been made to ensure US and Georgia State tax technical accuracy of the presentation material. Please note, however, that both Emory University and the VITA volunteers bear no responsibility or liability for technical mistakes or omissions regarding the presentation, materials & handouts provided, or the preparation and filing of individual US federal and/or Georgia income tax returns.

US and Georgia State tax law can be complicated and the consequences of the law will depend upon individual facts and circumstances. The advice of a knowledgeable tax professional should be obtained if any matters create uncertainty regarding the preparation and filing of US federal and/or Georgia income tax returns.
Preparation of GA Form 500
Topics Covered

1. Focus & Prerequisite relating to these Guidance Notes
2. Brief tax law overview
3. IRS Form 8843 (Statement for Exempt Individuals)
4. VITA Site Number
5. Overview of Georgia Income Tax Rules
6. Introduction of case study
7. Guidance Notes – Preparation Example – Georgia Form 500
Introduction

PLEASE NOTE - These Preparation Guidelines Are For:

- Nonresident aliens of the US
- Students and scholars who are filing **US Federal Form 1040NR-EZ**, and have prepared their Form 1040NR-EZ using Foreign National Tax Resource (FNTR)

These Preparation Guidelines **ARE NOT FOR**:

- Individuals who are filing US Federal Form 1040NR, or
- Individuals who have not yet prepared their federal tax return

**Resident aliens who file a resident alien federal tax return (Form 1040)**

** Guidance for completion of the Georgia Form 500 for individuals who prepare and file US Federal Form 1040NR will be sent upon supplying an e-mail address**
Overview:

- US tax law requires *ALL* nonresidents file US federal and state income tax returns if they have any U.S. source income.

- The US Citizenship and Immigration Services (USCIS) will consult the US Internal Revenue Service (IRS) for permanent residence status filings: “Did this nonimmigrant always file his/her tax return/report?”

- The terms of students’ and scholars’ visas require them to be in compliance with *ALL* laws of the US including income tax filing!

- Any tax treaty benefits are not officially claimed until the federal and state tax returns are filed!
IRS Form 8843

- Mandatory filing for all F and J nonresidents in exempt status –
  - Even if you have no income!
  - All others DO NOT have to complete
  - Establishes you and/or your dependents (F-2 or J-2) are nonresident aliens who are exempt from counting days towards tax residency
  - FNTR software will prepare the form for you and your dependents
Introduction
VITA Site Number

Please enter the Emory University VITA site number on the Preparer’s signature line at the bottom of your US Federal income tax return (for information purposes only):

- Form 1040NR bottom of page 2 (preparer’s signature line)
- Form 1040NR-EZ bottom of page 1 (preparer’s signature line)

S34011415
**Introduction**

**GA Form 500**

**Tax year 2014**

**IMPORTANT GENERAL POINTS TO REMEMBER:**

- If you file a Federal nonresident income tax return (either Form 1040NR-EZ or 1040NR) — **you must file a Georgia Form 500 and NOT Georgia 500EZ!**

- If filing a nonresident federal income tax return, then you must file as a nonresident of Georgia

- If preparing the Georgia Form 500 manually, use black or blue ink to complete the tax return

- Do not enter cents; use whole dollar amounts
## Case Study

**John Smith**

- Student, F-1 Visa
- Arrived in US on August 1, 2013
- Wife – Jane Smith, F-2 Visa; has no US income
- 2014 Income:
  - Form W-2 Compensation - $6,000
  - Form 1042-S Compensation - $5,000 (Income Code 19)
  - Form 1042-S Scholarship - $4,000 (Income Code 15)
- 2014 Deductions - $190 of Georgia State Income Tax Paid
GA Form 500

Tax year 2014

GA 500 Page 1

Line 1

- Enter your name and social security number
- Enter spouse’s name and social security number (if married) –
- Leave SS# blank if your spouse does not have a number.

GA 500 Page 1, Lines 2 and 3:

- Enter current address information.

GA 500 Page 1, Line 4:

- Residency Code is “3”

GA 500 Page 1, Line 5:

- Either “A” if single or “C” if married
GA Form 500

GA 500 Page 1, Line 6:
• Place an “X” in 6a and enter “1” in 6c.

GA 500 Page 1, Line 7: Skip

Go to GA 500 Page 2

Enter SS# at the top of page

GA 500 Page 2, Line 7a: blank

GA 500 Page 2, Line 7b:
• Enter “01” for one exemption. Nonresidents cannot claim additional exemptions except in rare situations.

GA 500 Page 2, Line 8:
• equals Line 10, Form 1040NR-EZ – Adjusted Gross Income
GA Form 500

Tax year 2014

• GA 500 Page 2, continued
• **Lines 9 – 14c:** Skip these lines

We will come back to page 2 later.

Go to GA Form 500 Page 6, Schedule 3
GA Form 500

GA FORM 500, page 6, Schedule 3: Enter SS# at top

Column C = Column A (except if income from more than one state)

GA 500 Page 6, Schedule 3, Line 1 = Wages, Salaries, Tips, etc.

Must add the following amounts:

- Form 1042s, income code 19, box 2 (students) +
- Form 1042S, income code 18, box 2 (J-1 scholars) +
- Form 1042S income code 17, box 2 +
- Form W-2 box 1
GA Form 500, Page 6, Schedule 3 (Continued)

Lines 2 and 3: skip

Line 4 Equals:
- Federal Form 1040NR-EZ, Line 4 (State Tax Refunds) + Scholarship Income (Form 1042-S, Income Code 15, Box 2)

Line 5 Equals:
- Total of Lines 1 through 4
GA Form 500, Page 6, Schedule 3 (Continued)

Line 6 Equals:
- Federal Form 1040NR-EZ, Line 6 (Treaty Exempt Income) +
- Federal Form 1040NR-EZ, Line 8 (Scholarships/Fellowships)

Line 7: Skip

Line 8 Equals:
- Line 5 less Line 6
- **NOTE:** Line 8 Must Equal Federal Form 1040NR-EZ Line 10 (Adjusted Gross Income)
GA Form 500, Page 6 (Continued)

Line 9: Ratio = 100% (except if you have income from other states)

Line 10 Equals:
- Federal Form 1040NR-EZ, Line 11 (Itemized Deductions)
- **NOTE:** India Students should enter
  - $2,300 if Single
  - $1,500 if Married (and check Standard Deduction Box)

Line 11a Equals: $2,700 for box A or D, page 2 or $3700 for box B or C, page 2
Line 11b: **Skip**
Line 11c Equals: Line 11a + Line 11b
Line 12 Equals: Line 10 + Line 11c
Line 13 Equals: Line 12 (except if you have income from other states)
Line 14 Equals: Line 8, Column C, minus Line 13 (if less than zero, enter zero)

GO BACK TO GA FORM 500, PAGE 2
Line 15 Equals: Page 6, Line 14 Amount

Line 16:
• Figure tax from Georgia tax tables
• See GA Form IT-511, Pages 20-22, for tables
• Tax Tables are also available on the ISSS web site

Line 17: Skip

Line 18 Equals: Line 16

Line 19:
• Enter amount from Federal Form W-2 Box 17 (state tax withholding)

Line 20: Skip

GO TO GA FORM 500, PAGE 3
GA Form 500

Line 21: **Skip**

Line 22: **Equals:** Line 19 (from Page 2)

Line 23: If Line 18 (from Page 2) exceeds Line 22 enter the difference here – there is a tax balance due, or

Line 24: If Line 22 exceeds Line 18 (from Page 2) enter the difference here; there is a tax refund due

Lines 25 – 34: **Skip**

Line 35: **If tax balance due**, enter amount from Line 23 – Enclose Form 525 – TV with tax return

Line 36: **If tax refund due**, enter amount from Line 24
GA Form 500

Tax year 2014

Sign and date return!!

PAYMENTS or zero tax due (green label)
Payments Processing Center
Georgia Department of Revenue
PO Box 740399
Atlanta, GA 30374-0399
Check payable to: Georgia Department of Revenue

REFUNDS (blue label)
Refunds Processing Center
Georgia Department of Revenue
P.O. Box 740380
Atlanta, GA 30374-0380
GA Form 500

Tax year 2014

- Do not use staples or paper clips on your check, W-2’s, 1042S’s or tax return!

- Enclose with return in correct envelope.

- Make copies of all forms!

- Enclose all items in the correct envelope!
Include the Following Forms with Your Return

- **GA Form 500**
  - Include Form W-2, Copy 2
  - Include Form 1042-S, Copy D

- **Forms 1040NR-EZ or 1040NR**
  - Include Form W-2, Copy B
  - Include Form 1042-S, Copy C

*Keep Form W-2, Copy C and 1042-S, Copy B for your records!**
All US federal tax forms and publications can be found on the IRS website at:  www.irs.gov

Click on Left Tab  Forms & Pubs
Select All Forms and Publications (PDF)

Download Forms and Publications by:

- All Forms and Publications (PDF)
The Georgia Form 500 can be found on the Georgia Department of Revenue website at: dor.georgia.gov/popular forms

Click on Top Tab Forms

From the right navigation menus, click on Tab Individual Income Tax

Select 2014 IT-511 Individual Income Tax Booklet
Special Topics – US Tax Residency

- Marriage to a US Tax Resident
  Pub 519, page 10

- Dual Status Alien
  Pub 519, page 32

- Resident alien with treaty benefits
  Pub 519, page 47 - 48
Special US Tax Topics
Claiming Dependents

- Canada
- Mexico
- South Korea
- India students

See Pub. 519, page 27