

## VITA/TCE Volunteer Tax Alert

### VTA 2024-02, Publication 4011 Update

#### Purpose

The purpose of this alert is to provide updated information to volunteers with Foreign Student and Scholar certification. A necessary change to the Countries with Treaty Benefits for Scholarship or Fellowship Grants chart in the Publication 4011, VITA/TCE Foreign Student and Scholar Volunteer Resource Guide, was identified. This information will also be included in Publication 4491-X, VITA/TCE Training Supplement. These changes should be made to your training, either as pen and ink changes or by printing and inserting the attached page.

#### Changes to Publication 4011:

Page Number	Change
13	In the row for Bangladesh, add a reference to footnote 1 in the Maximum Years in U.S. column.
13	In the row for Commonwealth of Independent States change the asterisk to a reference to footnote 2.
13	At the bottom of the page, change the asterisk at the beginning of the existing footnote to a 2.
13	At the bottom of the page, above the existing footnote, insert a new footnote 1: 2-year limit applies to business or technical apprentices.

**Thank you for volunteering and for your dedication to top QUALITY service!**

## Countries with Treaty Benefits for Scholarship or Fellowship Grants (Income Code 16)

If a nonresident alien receives a grant that is **not** from U.S. sources, it is **not** subject to U.S. tax.

Scholarship or fellowship grants that cover tuition and fees (and books and supplies if required of all students) are **not** subject to U.S. tax. (Financial aid that is dependent on the performance of services, such as a teaching assistant, is treated as wages and subject to the code income 18, 19, or 20 provisions.)

**Scholarship or fellowship grants that cover room, board and other personal expenses are subject to U.S. tax unless a treaty benefit (as summarized below) exists.**

Country	Maximum Years in U.S.	Maximum Dollar Amounts	Treaty Article
Bangladesh	2 <sup>1</sup>	No Limit	21(2)
China, People's Republic of	No Limit	No Limit	20(b)
Commonwealth of Independent States <sup>2</sup>	5	Limited	VI(1)
Cyprus	5	No Limit	21(1)
Czech Republic	5	No Limit	21(1)
Egypt	5	No Limit	23(1)
Estonia	5	No Limit	20(1)
France	5	No Limit	21(1)
Germany	No Limit	No Limit	20(3)
Iceland	5	No Limit	19(1)
Indonesia	5	No Limit	19(1)
Israel	5	No Limit	24(1)
Kazakhstan	5	No Limit	19
Korea, South	5	No Limit	21(1)
Latvia	5	No Limit	20(1)
Lithuania	5	No Limit	20(1)
Morocco	5	No Limit	18
Netherlands	3	No Limit	22(2)
Norway	5	No Limit	16(1)
Philippines	5	No Limit	22(1)
Poland	5	No Limit	18(1)
Portugal	5	No Limit	23(1)
Romania	5	No Limit	20(1)
Russia	5	No Limit	18
Slovak Republic	5	No Limit	21(1)
Slovenia	5	No Limit	20(1)
Spain	5	No Limit	22(1)
Thailand	5	No Limit	22(1)
Trinidad and Tobago	5	No Limit	19(1)
Tunisia	5	No Limit	20
Ukraine	5	No Limit	20
Venezuela	5	No Limit	21(1)

<sup>1</sup> 2-year limit applies to business or technical apprentices.

<sup>2</sup> Commonwealth of Independent States (Armenia, Azerbaijan, Belarus, Georgia, Kyrgyzstan, Moldova, Tajikistan, Turkmenistan and Uzbekistan.) Generally, limited to \$10,000 p.a. of scholarship/fellowship income to provide ordinary living expenses