

# Tax Year 2007 Work Request Notification Form 1040NR

To:	Symbols:	Agreed:	Date:
1. Scanned by:	SE:W:CAR:MP:T:I :S	VB	7/2/07
2. Section Chief: Rick Baker	SE:W:CAR:MP:T:I :S	KB	6/26
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8. Initiator (Tax Law Specialist): Virginia M. Tarris	SE:W:CAR:MP:T:I :S	Completed:	7/2/07 NT

**Attached is a marked up draft that can be used to develop any necessary Work Requests for the 2008 processing year. The major changes are as follows:**

This is the third WRN for 2007 for Form 1040NR, U.S. Nonresident Alien Income Tax Return. The first WRN was sent on January 29, 2007, and the second WRN was sent on May 17, 2007. This WRN explains only those changes subsequent to the first two WRNs.

The entry visa information requested on page 5, Item D, has been removed from page 5 and will be inserted on page 1 in the box that previously contained the Disclosure information. The Disclosure information will be moved to the bottom of page 1. This change is being made at the request of SBSE.

**This Notification is for changes due to:**

Legislation or Chief Counsel guidance: PL 109-432, sec 307; PL 109-280, sec 1218

A Program change initiated by: SBSE

We do not anticipate the need for any further changes that would require a Work Request.

We may need to make further changes that would require a Work Request.

**If you have any questions, please contact the TLS shown below, or the reviewer on line 3 (above).**

From: <b>Virginia M. Tarris</b> SE:W:CAR:MP:T:I :S	Signed: <i>Virginia Tarris</i> Date: June 26, 2007	Email: virginia.m.tarris@irs.gov Room: 6140	Phone Number: (202) 622-3557 Fax Number:
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(See page 8) / Type of entry Visa

1040NR

U.S. Nonresident Alien Income Tax Return

OMB No. 1545-0074

Form Department of the Treasury Internal Revenue Service

For the year January 1-December 31, 2007, or other tax year

2007

beginning , 2007, and ending , 20

Please print or type.

Your first name and initial, Last name, Identifying number, Present home address, City, town or post office, state, and ZIP code, Country, Give address outside the United States...

For Disclosure, Privacy Act, and Paperwork Reduction Act Notice, see page 31.

Filing Status and Exemptions for Individuals (see page 8)

Table with columns for Filing status, 7a Yourself, 7b Spouse. Rows include Single resident, Other single nonresident alien, Married resident, etc.

Caution: Do not check box 7a if your parent (or someone else) can claim you as a dependent. Do not check box 7b if your spouse had any U.S. gross income.

No. of boxes checked on 7a and 7b, No. of children on 7c who: lived with you, did not live with you due to divorce or separation, Dependents on 7c not entered above.

Table for Dependents (7c) with columns: (1) First name, Last name, (2) Dependent's identifying number, (3) Dependent's relationship to you, (4) if qualifying child for child tax credit.

d Total number of exemptions claimed

Table for Income Effectively Connected With U.S. Trade/Business. Rows 8-23 include Wages, Taxable interest, Dividends, Refunds, Scholarships, Business income, Capital gain, IRA distributions, Pensions, Rental real estate, Farm income, Unemployment compensation, Other income, Total income exempt, and Total effectively connected income.

Table for Adjusted Gross Income. Rows 24-35 include Educator expenses, Health savings account deduction, Moving expenses, Self-employed SEP, SIMPLE, and qualified plans, Self-employed health insurance deduction, Penalty on early withdrawal of savings, Scholarship and fellowship grants excluded, IRA deduction, Student loan interest deduction, Domestic production activities deduction, and Adjusted gross income.

Attach Forms W-2 here. Also attach Form(s) 1099-R if tax was withheld.

Enclose, but do not attach, any payment.



<b>Tax and Credits</b>	36	Amount from line 35 (adjusted gross income)	36	
	37	<b>Itemized deductions</b> from page 3, Schedule A, line 17	37	
	38	Subtract line 37 from line 36	38	
	39	Exemptions (see page 17)	39	
	40	<b>Taxable income.</b> Subtract line 39 from line 38. If line 39 is more than line 38, enter -0-	40	
	41	<b>Tax</b> (see page 18). Check if any tax is from: a <input type="checkbox"/> Form(s) 8814 b <input type="checkbox"/> Form 4972 c <input type="checkbox"/> Form(s) 8889	41	
	42	<b>Alternative minimum tax</b> (see page 19). Attach Form 6251	42	
	43	Add lines 41 and 42	43	
	44	Credit for child and dependent care expenses. Attach Form 2441	44	
	45	Residential energy credits. Attach Form 5695	45	
	46	Foreign tax credits. Attach Form 1116, if required	46	
	<b>Other Taxes</b>	47	Child tax credit (see page 20). Attach Form 8901, if required	47
48		Retirement savings contributions credit. Attach Form 8880	48	
49		Credits from: a <input type="checkbox"/> Form 8396 b <input type="checkbox"/> Form 8859 c <input type="checkbox"/> Form 8839	49	
50		Other credits. Check applicable box(es): a <input type="checkbox"/> Form 3800 b <input type="checkbox"/> Form 8801 c <input type="checkbox"/> Form	50	
51		Add lines 44 through 50. These are your <b>total credits</b>	51	
52		Subtract line 51 from line 43. If line 51 is more than line 43, enter -0-	52	
53		Tax on income not effectively connected with a U.S. trade or business from page 4, line 89	53	
54		Unreported social security and Medicare tax from: a <input type="checkbox"/> Form 4137 b <input type="checkbox"/> Form 8919	54	
55		Additional tax on IRAs, other qualified retirement plans, etc. Attach Form 5329 if required	55	
56		Transportation tax (see page 22)	56	
57		Household employment taxes. Attach Schedule H (Form 1040).	57	
58		Add lines 52 through 57. This is your <b>total tax</b>	58	
<b>Payments</b>	59	Federal income tax withheld from Forms W-2, 1099, 1042-S, etc.	59	
	60	2007 estimated tax payments and amount applied from 2006 return	60	
	61	Excess social security and tier 1 RRTA tax withheld (see page 23)	61	
	62	Additional child tax credit. Attach Form 8812	62	
	63	Amount paid with Form 4868 (request for extension)	63	
	64	Other payments from: a <input type="checkbox"/> Form 2439 b <input type="checkbox"/> Form 4136 c <input type="checkbox"/> Form 8885	64	
	65	Credit for amount paid with Form 1040-C	65	
	66	U.S. tax withheld at source from page 4, line 86	66	
	67	U.S. tax withheld at source by partnerships under section 1446: a From Form(s) 8805 b From Form(s) 1042-S	67a 67b	
	68	U.S. tax withheld on dispositions of U.S. real property interests: a From Form(s) 8288-A b From Form(s) 1042-S	68a 68b	
	69	Refundable credit for prior year minimum tax from Form 8801, line 27	69	
	70	Add lines 59 through 69. These are your <b>total payments</b>	70	
<b>Refund</b> Direct deposit? See page 23.	71	If line 70 is more than line 58, subtract line 58 from line 70. This is the amount you <b>overpaid</b>	71	
	72a	Amount of line 71 you want <b>refunded to you</b> . If Form 8888 is attached, check here <input type="checkbox"/> b Routing number <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> c Type: <input type="checkbox"/> Checking <input type="checkbox"/> Savings d Account number <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>	72a	
	73	Amount of line 71 you want <b>applied to your 2008 estimated tax</b>	73	
<b>Amount You Owe</b>	74	Amount you owe. Subtract line 70 from line 58. For details on how to pay, see page 24	74	
	75	Estimated tax penalty. Also include on line 74	75	
<b>Third Party Designee</b>	Do you want to allow another person to discuss this return with the IRS (see page 25)? <input type="checkbox"/> <b>Yes</b> . Complete the following. <input type="checkbox"/> <b>No</b>			
	Designee's name	Phone no.	Personal identification number (PIN)	
<b>Sign Here</b> Keep a copy of this return for your records.	Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.			
	Your signature	Date	Your occupation in the United States	
<b>Paid Preparer's Use Only</b>	Preparer's signature	Date	Check if self-employed <input type="checkbox"/>	Preparer's SSN or PTIN
	Firm's name (or yours if self-employed), address, and ZIP code	EIN	Phone no.	



**Schedule A—Itemized Deductions** (See pages 25, 26, 27, and 28.)

07

<b>State and Local Income Taxes</b>	<b>1</b>	State income taxes . . . . .	<b>1</b>			
	<b>2</b>	Local income taxes . . . . .	<b>2</b>			
	<b>3</b>	Add lines 1 and 2 . . . . .				<b>3</b>
<b>Total Gifts to U.S. Charities</b>	<b>Caution:</b> If you made a gift and received a benefit in return, see page 26.					
	<b>4</b>	Gifts by cash or check. If you made any gift of \$250 or more, see page 26 . . . . .	<b>4</b>			
	<b>5</b>	Other than by cash or check. If you made any gift of \$250 or more, see page 26. You must attach Form 8283 if "the amount of your deduction" (see definition on page 27) is more than \$500 . . . . .	<b>5</b>			
	<b>6</b>	Carryover from prior year . . . . .	<b>6</b>			
	<b>7</b>	Add lines 4 through 6 . . . . .				<b>7</b>
<b>Casualty and Theft Losses</b>	<b>8</b>	Casualty or theft loss(es). Attach Form 4684. See page 27 . . . . .				<b>8</b>
<b>Job Expenses and Certain Miscellaneous Deductions</b>	<b>9</b>	Unreimbursed employee expenses—job travel, union dues, job education, etc. You <b>must</b> attach Form 2106 or Form 2106-EZ if required. See page 27 ▶ . . . . .	<b>9</b>			
	<b>10</b>	Tax preparation fees. . . . .	<b>10</b>			
	<b>11</b>	Other expenses. See page 28 for expenses to deduct here. List type and amount ▶ . . . . . ..... ..... .....	<b>11</b>			
	<b>12</b>	Add lines 9 through 11 . . . . .	<b>12</b>			
	<b>13</b>	Enter the amount from Form 1040NR, line 36 . . . . .	<b>13</b>			
	<b>14</b>	Multiply line 13 by 2% (.02) . . . . .	<b>14</b>			
	<b>15</b>	Subtract line 14 from line 12. If line 14 is more than line 12, enter -0- . . . . .				<b>15</b>
<b>Other Miscellaneous Deductions</b>	<b>16</b>	Other—see page 28 for expenses to deduct here. List type and amount ▶ . . . . . ..... ..... ..... .....				<b>16</b>
<b>Total Itemized Deductions</b>	<b>17</b>	Is Form 1040NR, line 36, over \$156,400 (over \$78,200 if you checked filing status box 3, 4, or 5 on page 1 of Form 1040NR)?				
		<input type="checkbox"/> <b>No.</b> Your deduction is not limited. Add the amounts in the far right column for lines 3 through 16. Also enter this amount on Form 1040NR, line 37. } <input type="checkbox"/> <b>Yes.</b> Your deduction may be limited. See page 28 for the amount to enter here and on Form 1040NR, line 37. } ▶				<b>17</b>



**Tax on Income Not Effectively Connected With a U.S. Trade or Business**

Attach Forms 1042-S, SSA-1042S, RFB-1042S, or similar form.

Nature of income	Enter amount of income under the appropriate rate of tax (see page 28)				
	(a) U.S. tax withheld at source	(b) 10%	(c) 15%	(d) 30%	(e) Other (specify) _____ %
<b>76</b> Dividends paid by:					
<b>a</b> U.S. corporations . . . . .	76a				
<b>b</b> Foreign corporations . . . . .	76b				
<b>77</b> Interest:					
<b>a</b> Mortgage . . . . .	77a				
<b>b</b> Paid by foreign corporations . . . . .	77b				
<b>c</b> Other . . . . .	77c				
<b>78</b> Industrial royalties (patents, trademarks, etc.) . . . . .	78				
<b>79</b> Motion picture or T.V. copyright royalties . . . . .	79				
<b>80</b> Other royalties (copyrights, recording, publishing, etc.) . . . . .	80				
<b>81</b> Real property income and natural resources royalties . . . . .	81				
<b>82</b> Pensions and annuities . . . . .	82				
<b>83</b> Social security benefits . . . . .	83				
<b>84</b> Gains (include capital gain from line 92 below) . . . . .	84				
<b>85</b> Other (specify) _____	85				
<b>86</b> Total U.S. tax withheld at source. Add column (a) of lines 76a through 85. Enter the total here and on Form 1040NR, line 66	86				
<b>87</b> Add lines 76a through 85 in columns (b)-(e)	87				
<b>88</b> Multiply line 87 by rate of tax at top of each column	88				
<b>89</b> Tax on income not effectively connected with a U.S. trade or business. Add columns (b)-(e) of line 88. Enter the total here and on Form 1040NR, line 53	89				

**Capital Gains and Losses From Sales or Exchanges of Property**

90 (a) Kind of property and description (if necessary, attach statement of descriptive details not shown below)	(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)	(d) Sales price	(e) Cost or other basis	(f) LOSS if (e) is more than (d), subtract (d) from (e)	(g) GAIN if (d) is more than (e), subtract (e) from (d)
<b>91</b> Add columns (f) and (g) of line 90				91 (		)
<b>92</b> Capital gain. Combine columns (f) and (g) of line 91. Enter the net gain here and on line 84 above (if a loss, enter -0-)						92



Other Information (If an item does not apply to you, enter "N/A.")

A What country issued your passport? .....

B Were you ever a U.S. citizen? . . . .  Yes  No

C Give the purpose of your visit to the United States ▶ .....

6 caps

D Type of entry visa ▶ ..... and current nonimmigrant status and date of change (see page 29) ▶ .....

E Date you entered the United States (see page 29) ▶ .....

F Did you give up your permanent residence as an immigrant in the United States this year? . . . .  Yes  No

G Dates you entered and left the United States during the year. Residents of Canada or Mexico entering and leaving the United States at frequent intervals, give name of country only. ▶ .....

H Give number of days (including vacation and nonworkdays) you were present in the United States during: 2005 ....., 2006 ....., and 2007 .....

I If you are a resident of Canada, Mexico, or the Republic of Korea (South Korea), or a U.S. national, did your spouse contribute to the support of any child claimed on Form 1040NR, line 7c? . . . .  Yes  No If "Yes," enter amount ▶ \$ .....

If you were a resident of the Republic of Korea (South Korea) for any part of the tax year, enter in the space below your total foreign source income not effectively connected with a U.S. trade or business. This information is needed so that the exemption for your spouse and dependents residing in the United States (if applicable) may be allowed in accordance with Article 4 of the income tax treaty between the United States and the Republic of Korea (South Korea).

Total foreign source income not effectively connected with a U.S. trade or business ▶ \$ .....

J Did you file a U.S. income tax return for any year before 2007? . . . .  Yes  No If "Yes," give the latest year and form number ▶ .....

K To which Internal Revenue office did you pay any amounts claimed on Form 1040NR, lines 60, 63, and 65? .....

L Have you excluded any gross income other than foreign source income not effectively connected with a U.S. trade or business? .  Yes  No

If "Yes," show the amount, nature, and source of the excluded income. Also, give the reason it was excluded. (Do not include amounts shown in item M.) ▶ .....

M If you are claiming the benefits of a U.S. income tax treaty with a foreign country, give the following information. See page 29 for additional information.

• Country ▶ .....

• Type and amount of effectively connected income exempt from tax. Also, identify the applicable tax treaty article. Do not enter exempt income on lines 8, 9a, 10a, 11-15, 16b, or 17b-21 of Form 1040NR.

For 2007 (also, include this exempt income on line 22 of Form 1040NR) ▶ .....

For 2006 ▶ .....

• Type and amount of income not effectively connected that is exempt from or subject to a reduced rate of tax. Also, identify the applicable tax treaty article.

For 2007 ▶ .....

For 2006 ▶ .....

• Were you subject to tax in that country on any of the income you claim is entitled to the treaty benefits? . . . .  Yes  No

• Did you have a permanent establishment or fixed base (as defined by the tax treaty) in the United States at any time during 2007?  Yes  No

N If you file this return to report community income, give your spouse's name, address, and identifying number. ....

O If you file this return for a trust, does the trust have a U.S. business? . . . .  Yes  No If "Yes," give name and address ▶ .....

P Is this an "expatriation return" (see page 30)? . . . .  Yes  No

If "Yes," you must attach an annual information statement.

Q During 2007, did you apply for, or take other affirmative steps to apply for, lawful permanent resident status in the United States or have an application pending to adjust your status to that of a lawful permanent resident of the United States?  Yes  No If "Yes," explain ▶ .....

R Check this box if you have received compensation income of \$250,000 or more and you are using an alternative basis to determine the source of this compensation income (see page 30)▶