FICA/MEDICARE Refunds for Nonresident Aliens (NRAs)

FICA (Federal Insurance Contributions Act) refers to Social Security (OASDI) and Medicare federal withholding taxes imposed on employees. California State University, Fullerton strictly follows IRS substantial authority in determining a student’s exemption from FICA/Medicare withholding. Under IRC § 3121(b)(19), NRA student/scholars F-1 & J-1 Visa holders are exempt from the withholding of FICA/Medicare taxes upon:

- Obtaining and being hired for On-campus employment
- Being authorized for student specific practical training – Optional (OPT) or Curricular (CPT)
- Being authorized and approved for economic hardship employment.

Under U.S. tax laws, international students and scholars in F-1 or J-1 visa status who have been in the U.S. more than 5 calendar years are Resident Aliens (RA) for tax purposes and not exempt from FICA/Medicare taxes when school is not officially in session (i.e. time period between academic semesters - summer).

If you meet the above and FICA/Medicare taxes were withheld on your recent pay warrant:

Request a refund directly from your employer or payroll office as soon as possible.

1) If your employer refunds the FICA/Medicare taxes, no IRS forms need to be completed by you.
2) If your employer does not want to or cannot refund the FICA/Medicare taxes, follow the “IRS FICA/Medicare Refund Request” checklist below.

IRS FICA/Medicare Refund Request Checklist:

[ ] 1. Request a written statement from your employer explaining their reason for not refunding the FICA/Medicare taxes. If the employer does not provide a written statement, you should prepare a written explanation of the situation and actions you took to obtain a refund.
   - Note: The IRS requires taxpayers provide evidence of their attempts to obtain the refund through their employer first before filing the below forms.

[ ] 2. Obtain, prepare, and sign the following U.S. Tax Forms: (forms available at http://www.irs.gov)
   - IRS Form 843, Claim for Refund and Request for Abatement
   - IRS Form 8316, Information Regarding Request for Refund of Social Security Tax Erroneously Withheld on Wages Received by a Nonresident Alien on a F, J, or M Type Visa

Note: Taxpayers need to use separate forms for each specific tax year they are requesting a refund.

[ ] 3. Attach copies of the following documents to above IRS tax forms:
   - Form W-2 and appropriate federal tax returns
   - U.S. Visa page(s)
   - Form I-94, Arrival/Departure Card or website printout
   - U.S. DHS Work authorization (EAD Card or Economic Hardship), if applicable
   - Form I-20 (F-1 Visa holders) or DS-2019 (J-1 Visa holders)
   - The employer’s or your individual written explanation of the denial for refund.

[ ] 4. Mail all documents (forms, explanations, documents, etc.) to the following address:

   Internal Revenue Service Center
   Austin, TX 73301-0215

   - Note: There are no deadline dates for submitting the refund request. However, the above forms should not be included with any tax return packets or inquiries sent to the IRS.

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