

- ¹ Refers to income code numbers described in this publication and to be reported on Forms 1042-S. Personal services must be performed by a nonresident alien individual who is a resident of the specified treaty country.
- ² Applies only if training or experience is received from a person other than the alien's employer.
- ³ Fees paid to a resident of Ukraine for services as a director of a U.S. corporation are subject to U.S. tax, unless the services are rendered in Ukraine.
- ⁴ Does not apply to income for research work primarily for private benefit.
- ⁵ Grant must be from a nonprofit organization. In many cases, the exemption applies to amounts from either the U.S. or foreign government. In the case of Indonesia and the Netherlands, the exemption also applies if the amount is awarded under a technical assistance program entered into by the United States or foreign government, or its political subdivisions or local authorities.
- ⁶ Reimbursed expenses are not taken into account in figuring any maximum compensation to which the exemption applies. For Japan and Trinidad and Tobago, only reimbursed travel expenses are disregarded in figuring maximum compensation.
- ⁷ Exemption does not apply to the extent income is attributable to the recipient's fixed U.S. base. For residents of Japan, this fixed base must be maintained in the U.S. for more than 183 days during the tax year for the exemption not to apply; for residents of Belgium, Iceland, Korea, and Norway, the fixed base must be maintained for more than 182 days; for residents of Morocco, the fixed base must be maintained for more than 89 days.
- ⁸ Does not apply to fees of a foreign director of a U.S. corporation.
- ⁹ Does not apply to compensation for research work for other than the U.S. educational institution involved.
- ¹⁰ Applies to any additional period that a full-time student needs to complete the educational requirements as a candidate for a postgraduate or professional degree from a recognized educational institution.
- ¹¹ Applies only to full-time student or trainee.
- ¹² Fees paid to a resident of the treaty country for services performed in the United States as a director of a U.S. corporation are subject to U.S. tax.
- ¹³ Does not apply to compensation paid to public entertainers (actors, artists, musicians, athletes, etc.). For Canadian and U.K. resident public entertainers, the exemption does not apply if the gross receipts (including reimbursements) are more than \$15,000 in any year.
- ¹⁴ Does not apply to compensation paid to public entertainers in excess of \$100 a day.
- ¹⁵ Does not apply to payments from the National Institutes of Health under its Visiting Associate Program and Visiting Scientist Program.
- ¹⁶ Exemption applies only if the compensation is subject to tax in the country of residence.
- ¹⁷ The exemption does not apply if the employee's compensation is borne by a permanent establishment or in some cases a fixed base that the employer has in the United States.
- ¹⁸ The exemption applies if the employer is a permanent establishment in the treaty country but is not a resident of the treaty country.
- ¹⁹ This exemption does not apply in certain cases if the employee is a substantial owner of that employer and the employer is engaged in certain defined activities.
- ²⁰ The exemption is also extended to journalists and correspondents who are temporarily in the U.S. for periods not exceeding 2 years and who receive compensation from abroad.
- ²¹ Also exempt are amounts of up to \$10,000 received from U.S. sources to provide ordinary living expenses. For students, the amount will be less than \$10,000, determined on a case-by-case basis.
- ²² Withholding at 30% may be required because the factors on which the treaty exemption is based may not be determinable until after the close of the tax year. However, see *Withholding agreements*, and *Final payment exemption*, under *Pay for independent personal services*, and *Central withholding agreements*, under *Artists and Athletes*, discussed in this publication.
- ²³ A student or trainee may choose to be treated as a U.S. resident for tax purposes. If the choice is made, it may not be revoked without the consent of the U.S. competent authority.
- ²⁴ Does not apply to amounts received in excess of reasonable fees payable to all directors of the company for attending meetings in the United States.
- ²⁵ Exemption does not apply if gross receipts (including reimbursements) exceed this amount during the year (or during any 12-month period for Sweden).
- ²⁶ Exemption does not apply if net income exceeds this amount.
- ²⁷ Exemption does not apply to payments borne by a permanent establishment in the United States or paid by a U.S. citizen or resident or the federal, state, or local government.
- ²⁸ Exemption does not apply if compensation exceeds this amount.
- ²⁹ The exemption applies only to income from activities performed under special cultural exchange programs agreed to by the U.S. and Chinese governments.
- ³⁰ Exemption does not apply if gross receipts (or compensation for Portugal) including reimbursements, exceed this amount during the year. Income is fully exempt if visit to the United States is substantially supported by public funds of the treaty country or its political subdivisions or local authorities.
- ³¹ The 5-year limit pertains only to training or research.
- ³² Compensation from employment directly connected with a place of business that is not a permanent establishment is exempt if the alien is present in the United States for a period not exceeding 12 consecutive months. Compensation for technical services directly connected with the application of a right or property giving rise to a royalty is exempt if the services are provided as part of a contract granting the use of the right or property.
- ³³ Exemption does not apply if, during the immediately preceding period, the individual claimed the benefits of Article 21.
- ³⁴ Exemption does not apply if, during the immediately preceding period, the individual claimed the benefits of Article 22.
- ³⁵ Exemption does not apply if the individual either (a) claimed the benefit of Article 21(5) previously, or (b) during the immediately preceding period, claimed the benefit of Article 21(1), (2), or (3).
- ³⁶ Exemption applies only to compensation for personal services performed in connection with, or incidental to, the individual's study, research, or training.
- ³⁷ If the compensation exceeds \$400 per day, the entertainer may be taxed on the full amount. If the individual receives a fixed amount for more than one performance, the amount is prorated over the number of days the individual performs the services (including rehearsals).
- ³⁸ Exemption does not apply if during the immediately preceding period, the individual derived any benefits of Article 22(1).
- ³⁹ Exemption does not apply if during the immediately preceding period, the individual derived any benefits of Article 24(1).
- ⁴⁰ The combined period of benefits for teaching cannot exceed 5 tax years.
- ⁴¹ Applies to grants, allowances, and other similar payments received for studying or doing research.
- ⁴² Exemption does not apply if the individual either (a) previously claimed the benefit of this Article, or (b) during the immediately preceding period, claimed the benefit of Article 23. The benefits under Articles 22 and 23 cannot be claimed at the same time.
- ⁴³ The combined period of benefits under Articles 20 and 21(1) cannot exceed 5 years.
- ⁴⁴ The exemption does not apply if the individual previously claimed the benefit of this Article.
- ⁴⁵ The time limit pertains only to an apprentice or business trainee.
- ⁴⁶ Exemption does not apply if gross receipts exceed this amount.
- ⁴⁷ Fees paid to a resident of Thailand for services as a director of a U.S. corporation are subject to U.S. tax, unless the services are performed in Thailand.
- ⁴⁸ Exemption does not apply if gross receipts exceed this amount. Income is fully exempt if visit to the United States is substantially supported by public funds of the treaty country or its political subdivisions or local authorities.
- ⁴⁹ A \$10,000 limit applies if the expense is borne by a permanent establishment or a fixed base in the United States.
- ⁵⁰ This provision does not apply if these activities are substantially supported by a nonprofit organization of the treaty country or by public funds of the treaty country or its political subdivisions or local authorities.
- ⁵¹ The exemption does not apply to income received for performing services in the United States as an entertainer or a sportsman. However, this income is exempt from U.S. income tax if the visit is (a) substantially supported by public funds of Ukraine, its political subdivisions, or local authorities, or (b) made under a specific arrangement agreed to by the governments of the treaty countries.