

Closer Connection Exception Statement for Aliens

▶ Attach to Form 1040NR or Form 1040NR-EZ.
▶ Information about Form 8840 and its instructions is at www.irs.gov/form8840.

2014

Department of the Treasury
Internal Revenue Service

For the year January 1—December 31, 2014, or other tax year

Attachment
Sequence No. **101**

beginning _____, 2014, and ending _____, 20_____.

Your first name and initial _____	Last name _____	Your U.S. taxpayer identification number, if any _____
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Fill in your addresses only if you are filing this form by itself and not with your U.S. tax return	Address in country of residence _____	Address in the United States _____

Part I General Information

- Type of U.S. visa (for example, F, J, M, etc.) and date you entered the United States ▶ _____
- Of what country or countries were you a citizen during the tax year? _____
- What country or countries issued you a passport? _____
- Enter your passport number(s) ▶ _____
- Enter the number of days you were present in the United States during:
2014 _____ 2013 _____ 2012 _____
- During 2014, 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 change your status to that of a lawful permanent resident of the United States (see instructions)? Yes No

Part II Closer Connection to One Foreign Country

- Where was your tax home during 2014? _____
- Enter the name of the foreign country to which you had a closer connection than to the United States during 2014
▶ _____
Next, complete Part IV.

Part III Closer Connection to Two Foreign Countries

- Where was your tax home on January 1, 2014? _____
- After changing your tax home from its location on January 1, 2014, where was your tax home for the remainder of 2014?

- Did you have a closer connection to each foreign country listed on lines 9 and 10 than to the United States for the period during which you maintained a tax home in that foreign country? Yes No
If "No," attach an explanation.
- Were you subject to tax as a resident under the internal laws of **(a)** either of the countries listed on lines 9 and 10 during all of 2014 or **(b)** both of the countries listed on lines 9 and 10 for the period during which you maintained a tax home in each country? Yes No
- Have you filed or will you file tax returns for 2014 in the countries listed on lines 9 and 10? Yes No
If "Yes" to either line 12 or line 13, attach verification.
If "No" to either line 12 or line 13, please explain ▶ _____

Next, complete Part IV.

Part IV Significant Contacts With Foreign Country or Countries in 2014

14 Where was your regular or principal permanent home located during 2014 (see instructions)? _____

15 If you had more than one permanent home available to you at all times during 2014, list the location of each and explain ► _____

16 Where was your family located? _____

17 Where was your automobile(s) located? _____

18 Where was your automobile(s) registered? _____

19 Where were your personal belongings, furniture, etc., located? _____

20 Where was the bank(s) with which you conducted your routine personal banking activities located? _____

a _____ **c** _____
b _____ **d** _____

21 Did you conduct business activities in a location other than your tax home? **Yes** **No**
If "Yes," where? _____

22a Where was your driver's license issued? _____

b If you hold a second driver's license, where was it issued? _____

23 Where were you registered to vote? _____

24 When completing official documents, forms, etc., what country do you list as your residence? _____

25 Have you ever completed:
a Form W-8BEN or any other W-8 form (relating to foreign status)? **Yes** **No**
b Form W-9, Request for Taxpayer Identification Number and Certification? **Yes** **No**
c Form 1078, Certificate of Alien Claiming Residence in the United States? **Yes** **No**
d Any other U.S. official forms? If "Yes," indicate the form(s) ► _____ **Yes** **No**

26 In what country or countries did you keep your personal, financial, and legal documents? _____

27 From what country or countries did you derive the majority of your 2014 income? _____

28 Did you have any income from U.S. sources? **Yes** **No**
If "Yes," what type? _____

29 In what country or countries were your investments located (see instructions)? _____

30 Did you qualify for any type of "national" health plan sponsored by a foreign government? **Yes** **No**
If "Yes," in what country? _____
If "No," please explain ► _____

If you have any other information to substantiate your closer connection to a country other than the United States or you wish to explain in more detail any of your responses to lines 14 through 30, attach a statement to this form.

Sign here only if you are filing this form by itself and not with your U.S. tax return

Under penalties of perjury, I declare that I have examined this form and the accompanying attachments, and to the best of my knowledge and belief, they are true, correct, and complete.

► _____
Your signature

► _____
Date

Section references are to the U.S. Internal Revenue Code, unless otherwise specified.

Future Developments

For the latest information about developments related to Form 8840 and its instructions, such as legislation enacted after they were published, go to www.irs.gov/form8840.

General Instructions

Purpose of Form

Use Form 8840 to claim the closer connection to a foreign country(ies) exception to the substantial presence test. The exception is described later and in Regulations section 301.7701(b)-2.

Note. You are not eligible for the closer connection exception if any of the following apply.

- You were present in the United States 183 days or more in calendar year 2014.
- You are a lawful permanent resident of the United States (that is, you are a green card holder).
- You have applied for, or taken other affirmative steps to apply for, a green card; or have an application pending to change your status to that of a lawful permanent resident of the United States.

Even if you are not eligible for the closer connection exception, you may qualify for nonresident status by reason of a treaty. See the instructions for line 6 for more details.

Who Must File

If you are an alien individual and you meet the closer connection exception to the substantial presence test, you must file Form 8840 with the IRS to establish your claim that you are a nonresident of the United States by reason of that exception.

For more details on the substantial presence test and the closer connection exception, see Pub. 519, U.S. Tax Guide for Aliens.

Note. You can download forms and publications at IRS.gov.

Substantial Presence Test

You are considered a U.S. resident if you meet the substantial presence test for 2014. You meet this test if you were physically present in the United States for at least:

- 31 days during 2014 and
- 183 days during the period 2014, 2013, and 2012, counting all the days of physical presence in 2014 but only 1/3 the number of days of presence in 2013 and only 1/6 the number of days in 2012.

Days of presence in the United States.

Generally, you are treated as being present in the United States on any day that you are physically present in the country at any time during the day.

However, you do not count the following days of presence in the United States for purposes of the substantial presence test.

1. Days you regularly commuted to work in the United States from a residence in Canada or Mexico.
2. Days you were in the United States for less than 24 hours when you were traveling between two places outside the United States.
3. Days you were temporarily in the United States as a regular crew member of a foreign vessel engaged in transportation between the United States and a foreign country or a possession of the United States unless you otherwise engaged in trade or business on such a day.
4. Days you were unable to leave the United States because of a medical condition or medical problem that arose while you were in the United States.
5. Days you were an exempt individual.

In general, an exempt individual is a (a) foreign government-related individual (b) teacher or trainee, (c) student, or (d) professional athlete competing in a charitable sports event. For more details, see Pub. 519.

Note. If you qualify to exclude days of presence in the United States because you were an exempt individual (other than a foreign government-related individual) or because of a medical condition or medical problem (see item 4 above), you must file Form 8843, Statement for Exempt Individuals and Individuals With a Medical Condition.

Closer Connection Exception

Even though you would otherwise meet the substantial presence test, you will not be treated as a U.S. resident for 2014 if:

- You were present in the United States for fewer than 183 days during 2014,
- You establish that during 2014, you had a tax home in a foreign country, and
- You establish that during 2014, you had a closer connection to one foreign country in which you had a tax home than to the United States, unless you had a closer connection to two foreign countries.

Closer Connection to Two Foreign Countries

You may demonstrate that you have a closer connection to two foreign

countries (but not more than two) if all five of the following apply.

1. You maintained a tax home as of January 1, 2014, in one foreign country.
2. You changed your tax home during 2014 to a second foreign country.
3. You continued to maintain your tax home in the second foreign country for the rest of 2014.
4. You had a closer connection to each foreign country than to the United States for the period during which you maintained a tax home in that foreign country.
5. You are subject to tax as a resident under the tax laws of either foreign country for all of 2014 or subject to tax as a resident in both foreign countries for the period during which you maintained a tax home in each foreign country.

Tax Home

Your tax home is your main place of business, employment, or post of duty regardless of where you maintain your family home. If you do not have a regular or main place of business because of the nature of your work, then your tax home is the place where you regularly live. If you do not fit either of these categories, you are considered an itinerant and your tax home is wherever you work.

Establishing a Closer Connection

You will be considered to have a closer connection to a foreign country than to the United States if you or the IRS establishes that you have maintained more significant contacts with the foreign country than with the United States.

Your answers to the questions in Part IV will help establish the jurisdiction to which you have a closer connection.

When and Where To File

If you are filing a 2014 Form 1040NR or Form 1040NR-EZ, attach Form 8840 to it. Mail your tax return by the due date (including extensions) to the address shown in your tax return instructions.

If you do not have to file a 2014 tax return, mail Form 8840 to the Department of the Treasury, Internal Revenue Service Center, Austin, TX 73301-0215 by the due date (including extensions) for filing Form 1040NR or Form 1040NR-EZ.

Penalty for Not Filing Form 8840

If you do not timely file Form 8840, you will not be eligible to claim the closer connection exception and may be treated as a U.S. resident.

You will not be penalized if you can show by clear and convincing evidence that you took reasonable actions to become aware of the filing requirements and significant steps to comply with those requirements.

Specific Instructions

Line 1

If you had a visa on the last day of the tax year, enter your visa type and the date you entered the United States. If you do not have a visa, enter your U.S. immigration status on the last day of the tax year and the date you entered the United States. For example, if you entered under the visa waiver program, enter "VWP", the name of the Visa Waiver Program country and the date you entered the United States.

Line 6

If you checked the "Yes" box on line 6, do not file Form 8840. You are not eligible for the closer connection exception. However, you may qualify for nonresident status by reason of a treaty. See Pub. 519 for details. If so, file Form 8833, Treaty-Based Return Position Disclosure Under Section 6114 or 7701(b), with your Form 1040NR or Form 1040NR-EZ.

Line 14

A "permanent home" is a dwelling unit (whether owned or rented, and whether a house, an apartment, or a furnished room) that is available at all times, continuously and not solely for short stays.

Line 29

For stocks and bonds, indicate the country of origin of the stock company or debtor. For example, if you own shares of a U.S. publicly traded corporation, the investment is considered located in the United States, even though the shares of stock are stored in a safe deposit box in a foreign country.

Paperwork Reduction Act Notice. We ask for the information on this form to carry out the Internal Revenue laws of the United States. Section 7701(b) and its regulations require that you give us the information. We need it to determine if you meet the closer connection exception to the substantial presence test.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103.

The average time and expenses required to complete and file this form will vary depending on individual circumstances. For the estimated averages, see the instructions for your income tax return.

If you have suggestions for making this form simpler, we would be happy to hear from you. See the instructions for your income tax return.