

Foreign Students

Foreign students who are attending college in Multnomah County, including graduate and postgraduate work, who are in the United States on a F1 student visa are considered nonresident aliens for purposes of their federal tax returns. For state tax purposes, the students should be filing a Form 40N and reporting taxable income earned during the taxable year. Furthermore, regardless of their length of stay in Oregon, the foreign students on an F1 visa are classified as nonresident students for purposes of paying tuition at state of Oregon colleges and universities.

Multnomah County imposes its personal income tax on all individuals who are residents of Multnomah County. Residency and domicile are defined in the County administrative rules as:

RESIDENT. “Resident” shall generally be defined as a taxpayer domiciled within Multnomah County for any portion of the taxable year. ORS 316.027 and OAR 150-316.027 are hereby adopted and shall control when residency questions arise.

DOMICILE. “Domicile” is that place where a person has a true, fixed and permanent home, and principal establishment, and to which whenever that person is absent, he or she has the intention of returning. Actual residence is not necessarily the domicile of a person. A person may have more than one residence but not more than one domicile. Among other factors indicating domicile may be where the person is registered to vote, receives mail, where their automobile is registered and where their children attend school.

A foreign student will be considered a resident of Multnomah County under the same criteria as a domestic student. The fact that the student files a Form 40N with the state of Oregon and is considered a nonresident for tuition purposes is pertinent to whether they are a Multnomah County resident for purposes of the County income tax. A foreign student that is not considered a resident of Oregon is not considered a resident of Multnomah County. If the foreign student establishes permanent residency status in the U.S. and intends on making Multnomah County their permanent residence after completing their education, then the student is no longer in Multnomah County for a temporary or transitory purpose.

Example 5 in the 2003 Instruction booklet states:

Linda is a full-time student attending college in Multnomah County. Her parents live in Eugene where Linda graduated from high school. Linda stays in Multnomah County throughout the year, attending summer classes and working at a part-time job in Multnomah County. She regularly visits her parents and intends to return to Eugene upon graduation. Linda is not a resident of Multnomah County as her stay in Multnomah County is for a temporary or transitory purpose. Since Linda is not a resident, no Multnomah County ITAX return is due.

In this example, Linda is not emancipated from her parents and has maintained her domicile at her parent's home. The following examples are directed specifically for foreign students, but would apply to domestic students attending from out of state as well.

Example 5A

Sharma is a full-time student attending Portland State University in Multnomah County on a F1 visa. His parents live in New Delhi, India where Sharma graduated from high school. Sharma stays in Multnomah County throughout the year, attending summer classes and working at a part-time job in Multnomah County. Sharma returns home to New Delhi at least once a year to visit and stays with his parents and intends to return to India upon graduation. He pays nonresident tuition to PSU and files an Oregon Form 40N Nonresident income tax return. Sharma is not a resident of Multnomah County as his stay in Multnomah County is for a temporary or transitory purpose. Since Sharma is not a resident, no Multnomah County income tax return is due.

Example 5B

Akiko is a full-time student attending Oregon Health & Science University on an F1 visa to get her doctorate in medicine. She is in the final year of a four year program. Her parents live in Kyoto, Japan where Akiko graduated from college. Akiko stays in Multnomah County throughout the year, attending summer classes and working at a part-time job in Multnomah County. Akiko desires to return home to Kyoto at least once a year to visit and stay with her parents. However, as a result of cost considerations her last visit was in 2002. She intends to return to Kyoto upon graduation. She pays nonresident tuition to OHSU and files a Form 40N Nonresident income tax return. Akiko is not a resident of Multnomah County as her stay in Multnomah County is for a temporary or transitory purpose. Since Akiko is not a resident, no Multnomah County income tax return is due.

Example 5C

Amy is a full-time student attending graduate school at the University of Portland in Multnomah County on an F1 visa. She is married and lives with her spouse in Portland. Prior to moving to Portland, Amy and her spouse lived in an apartment in Liverpool which she doesn't rent anymore. Amy stays in Multnomah County throughout the year, attending summer classes and working at a part-time job in Multnomah County. Amy and her spouse return home to Liverpool at least once a year to visit and stay with their friends. They intend to return to Liverpool upon graduation. Amy and her spouse file a Form 40N Nonresident income tax return. Amy and her spouse are not residents of Multnomah County. Since they intend to return to Liverpool after completing school, they are in Oregon for a temporary purpose. They have not abandoned their domicile in Liverpool. Since Amy and her spouse are nonresidents, they are not required to file a Multnomah County income tax return.

Example 5D

Nino is a full-time student attending Reed College in Multnomah County on a F1 visa. His parents live in Milan, Italy where Nino graduated from high school. Nino stays in Multnomah County throughout the year, attending summer classes and working at a part-time job in Multnomah County. Nino returns home to Milan at least once a year to visit and stays with his parents and originally intended to return to Italy upon graduation. However, in December of 2002 he applied for permanent resident status in the US. He files an Oregon Form 40 Resident income tax return. Nino is a resident of Multnomah County for 2003 as his stay in Multnomah County is no longer temporary and he is required to file a Multnomah County income tax return.

Important: If you are a foreign student and filing an Oregon Form 40 and did not file a 2003 Multnomah County income tax return, you may be contacted later this year and asked why you didn't file a 2003 County tax return. If you are contacted you should indicate that you are a foreign student and send in a copy of our visa. Do not send in a copy of your visa or call at this time.

Amended Return: If you filed a 2003 Multnomah County return and you are not a resident of Multnomah County – you will need to file an amended return and attach a copy of your visa. Your tax payment will then be refunded to you in 6-8 weeks.