Hello from OISS,

Today’s topic is a tricky one: money. Living and studying in the U.S. can be pricey, so you should consider all the costs and make plans to have sufficient funds to cover your expenses. Depending on your status at Yale, some of these expenses might be covered by the university, but there will always be certain expenses that you will need to pay for yourself. Before you come to Yale, it would be a good idea to try to figure out your estimated overall monthly or annual budget, and how you will handle various payments.

We have information on our website about possible initial expenses upon your arrival, how you should plan to manage your finances during the first couple weeks, and basic information about banking in the U.S. We also have links to financial resources at Yale that you can navigate.

There is another aspect to your finances you will need to consider once you arrive at Yale: Taxes! The U.S. tax system is complicated and while we will address key elements of your responsibilities during the orientation, it is important to know for your planning that you are likely to have tax withholdings from your stipend and campus wages. Unless you are from a country with a tax treaty, these withholdings are currently 14%. Since all international students and scholars are required to file a U.S. federal tax return, even if you do not have U.S. source income, you should start familiarizing yourself with the U.S. tax system and begin to understand your obligations.

The good news is that you will not need to worry about filing your taxes until the Spring semester (mid-April every year) and we will share information and resources about tax filing in early March. However, there are two things you need to take care of at the beginning of the fall semester after your arrival to the U.S. (please note that you cannot do these yet):

1. Completing your Foreign National Information System (FNIS) entry with the International Tax Office. FNIS determines your tax filing status (nonresident vs. resident) and your eligibility for benefiting from a tax treaty. If you do not complete FNIS, the university might withhold more taxes from your stipend or paycheck than necessary.
2. Applying for a U.S. Social Security Number [4] (or ITIN [Individual Taxpayer Identification Number])

These two action items should be your priority if you want to get settled in terms of your taxes.

Money & Finances [5]

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