Money & Finances

Living Costs

In planning your stay in New Haven, it is important to consider all the costs, including rent and utilities, food (or room and board), health care and insurance, transportation, cell phone, school and daycare expenses for children, etc. And of course tuition, if you are a student. While each school has a slightly different figure for annual estimated expenses, and each individual's circumstances vary, you can safely assume that your off-campus living expenses will be between $2,400-$3,000/month.

Initial Expenses

While it is never a good idea to travel with large amounts of cash, you will need some U.S. currency or a credit card when you enter the U.S. for getting from the airport to New Haven.

Most people set up their bank accounts in their first days in New Haven. It normally takes a few days before funds are available so you will also need cash or a credit card for those initial expenses. It can also take several days to have money wired from your country directly into your U.S. account. If you are moving directly into a University residence, your initial expenses will be different, but if you are living off-campus, you should anticipate needing funds (minimum $1,500) for the following:

- airport-to-Yale transportation
- getting short-term housing
- meals at grocery stores or restaurants
- purchasing things you need to set up house, including discounted used goods

Note that individuals entering the U.S. with cash exceeding $10,000 must complete a Currency Report Form in addition to the Declaration Form. Failure to complete this additional form can result in civil and/or criminal penalties, including seizure of the cash.

Gross vs. Net Pay - U.S. Taxes

If you are receiving a salary, stipend or scholarship funds, you may have federal taxes withheld from your pay (14%) unless you benefit from a tax treaty. U.S. tax regulations for non-residents are complicated and will be addressed in detail during orientation, including information about applying for a U.S. Social Security Number. Additional information about U.S. tax obligations can be found here. In addition, you will find helpful information on at the website of the Yale International Tax Office.

Banking

When looking for a bank, shop around a bit since fees can vary, and be sure to select a bank that has ATMs near your residence or work. Ask your friends and colleagues for recommendations. Always inquire about no fee accounts or other special offers. Some banks will eliminate fees based on a Yale affiliation, or if you arrange direct deposit of your paycheck or stipend, while others require a minimum balance. If you will be transferring funds to and from overseas, remember to ask about the details since some banks can accommodate this better than others. Most students and scholars at Yale open both a savings and a checking account.

To open a bank account, you will need two forms of photo ID. You can use your Yale ID and passport. You will also need your immigration document (I-20 or DS-2019) and proof of your local New Haven address. You do not need a Social Security Number (SSN). You will fill out a W-8, which is a statement of foreign residence in lieu of
presenting a Social Security card.

**When handling cash**, never deposit cash in an ATM. Go into the bank to make any cash deposits, and ask for a receipt when you do. Do not keep large sums of money on your person or in your apartment.

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**Debit Cards and Credit Cards**

Most banks issue a **debit card** with the opening of a bank account. A debit card not only looks like, but functions like a credit card; the main difference being that charges are directly taken from your bank account. Paying with a debit card can help you budget your expenses since you must always be careful you have enough funds in your account to cover any charges.

You need a credit history to get a **credit card**, so initially it might be difficult to obtain one. Many students and scholars will use their debit card as an alternative before they have established a credit history. Once you have begun to establish credit, your credit card company will periodically raise your credit limit and it will not necessarily correspond to what you can actually afford. That is why, you should be very careful while spending with credit cards. U.S. credit card companies offer greatly varying arrangements - from cards that require security deposits, a membership fee, and high monthly interest rates (APR), to cards with no membership fee, and low to no interest rates at all. Once you have established some credit history by owning a card for six months or more, you may wish to shop around or call your credit card company and ask for a better arrangement such as lower interest rates or no membership fee. The **U.S. Federal Trade Commission** [11] provides consumers helpful information about choosing and using credit cards. You will need a U.S. Social Security Number to apply for a credit card.

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