



ALL ABOUT FILING US TAXES FOR FULBRIGHT - 2025

Free Live Webinar

Hosted by **Tax Operations Manager, EA**
Migle Kuzmaite



Join our **FB Group** for
FREE US Expat Tax
Support



Download
MyExpatTaxes free
US Expat Tax guide
while you wait!

ABOUT THE WORKSHOP

WHAT WE WILL COVER TODAY

Fulbright Income and US Taxation

- What is taxable income?
- How to report taxable income

How, When and What to File:

- US Expat Tax 101
- FBAR and FATCA
- Q&A



Fulbright and US Taxation

The Fulbright Perspective:

“Fulbright grants are subject to US income taxes. However, neither the Institute of International Education nor the Department of State are required to issue a 1099 or W2, nor to withhold taxes from grant payments”

The IRS Perspective:

“...amounts paid to United State Citizens for lecturing or teaching abroad... are compensation for service rendered and are includible in their gross income under section 61 of the Code.”

Fulbright and US Taxation

What Does That Mean for You?

No documentation

- You will need to calculate your own gross income
- You will need to track your expenses
- May be liable to pay Estimated Taxes

Fulbright grants fall into **two categories** - which one is yours?

- **Scholarship / Fellowship income**
- **Compensation** for personal services such as wages/salary
 - Most common for teaching assistants
 - USTA: if you are an employee, then you receive a salary

Scholarship / Fellowship income

Tax- Free:

If you receive a **scholarship, a fellowship grant, or other grant**, all or part of the amounts you receive may be tax-free. Scholarships, fellowship grants, and other grants are tax-free if you meet the following conditions:

- You're a **candidate for a degree** at an educational institution that maintains a regular faculty and curriculum and normally has a regularly enrolled body of students in attendance at the place where it carries out its educational activities and
- The amounts you receive are used to pay for **tuition and fees required for enrollment** or attendance at the educational institution or for **fees, books, supplies, and equipment required for courses** at the educational institution.

Tax-Free vs Taxable

Taxable:

You must include in the gross income:

- Amounts used for incidental expenses such as **room and board, travel, and option equipment.**
- Amounts received as payments for **teaching, research, or other services required** as a condition for receiving the scholarship or fellowship grant.
- However, you do not need to include the gross income of any amounts you receive for services that are required by the **National Health Service Corps Scholarship Program, the Armed Forces Health Professions Scholarship and Financial Assistance Program, or a comprehensive student work-learning-service program** (as defined in Section 448(e) of the Higher Education Act of 1965 operated by a work college.

**MyExpatTaxes has a Scholarship section to determine what amounts are deductible and taxable*

Filing for Your First Year Abroad

- **What is Gross Income?**
 - All income earned in the US and/or local country before taxes, expenses, and other deductions. E.g. scholarship, wages, self-employment, interest, dividend.
- **For which date range?**
 - Between 1/01/2024 - 12/31/2024
- **How to report income on your US tax return?**
 - Report taxable scholarships and grants as wages **on the relevant line on Form 1040**
 - **Foreign Earned Income Exclusion (FEIE) Form 2555 Recommended:**
 - Fullbright participants tend to pay little to no income tax in local countries in their first year abroad, so the Foreign Tax Credit (FTC) may not be useful. **If you do pay a lot in local taxes, FTC can also be an option.**

FEIE Form 2555 (abroad for 1 year or more)

Breaking it down:

- 330 full days physically present outside of the US
 - Total of max 36 days spent in the US
- 12-month consecutive period beginning/ ending in the tax year
 - The possible time frame of when you moved abroad (Summer 2024) to October 15, 2024 (with filing extension)
- Went back to the states and worked during the holidays
 - US earned income, not foreign earned

Part III Taxpayers Qualifying Under Physical Presence Test (see instructions)

16	The physical presence test is based on the 12-month period from ► through ►					
17	Enter your principal country of employment during your tax year. ►					
18	If you traveled abroad during the 12-month period entered on line 16, complete columns (a)–(f) below. Exclude travel between foreign countries that didn't involve travel on or over international waters, or in or over the United States, for 24 hours or more. If you have no travel to report during the period, enter "Physically present in a foreign country or countries for the entire 12-month period." Don't include the income from column (f) below in Part IV, but report it on Form 1040 or 1040-SR.					
	(a) Name of country (including U.S.)	(b) Date arrived	(c) Date left	(d) Full days present in country	(e) Number of days in U.S. on business	(f) Income earned in U.S. on business (attach computation)

Who Needs to File?

All US Citizens or US Green Card Holders that pass the Filing Requirements

2025 Filing Thresholds

SINGLE	\$14,600
MARRIED FILING JOINTLY	\$29,200
MARRIED FILING SEPARATELY	\$5
HEAD OF HOUSEHOLD	\$21,900
QUALIFYING WIDOW/ER	\$29,200
SELF-EMPLOYED	\$400

Your worldwide income is considered when calculating gross income, not only US sourced income.

- Even if you don't meet the filing requirements, you need to file in order to claim any refunds
- Age is not a major factor in determining if you need to file
- Self-Employed individuals need to file a return if they have more than \$400 in net self-employment profit

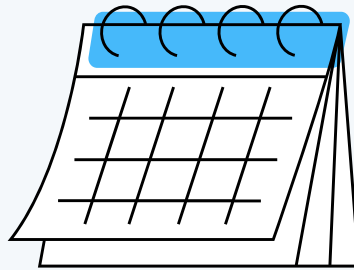
* For your 2024 Tax Return

Expatriate Tax Benefits

	Foreign Earned Income Exclusion (FEIE)	Foreign Tax Credit (FTC)	Tax Treaty
What is it?	Excludes \$120K+ of foreign earned income from U.S. Taxation	Uses income taxes paid abroad to offset U.S. Taxes Owed	Reduces or exempts income from U.S. Taxation
Level of Difficulty to Claim	Easy	Difficult	Difficult
Pros	<ul style="list-style-type: none"> • Straightforward for those living abroad for more than 1 year • Great for low tax countries 	<ul style="list-style-type: none"> • Can claim Additional Child Tax Credit • Provides taxable compensation for IRA contribution eligibility 	<ul style="list-style-type: none"> • Prevents taxation on non-taxed income abroad
Cons	<ul style="list-style-type: none"> • Cannot claim Additional Child Tax Credit • Can limit IRA contributions • Strict rules to revoke 	<ul style="list-style-type: none"> • Calculations can get very complex • Requires additional AMT calculations • Not ideal for low tax countries 	<ul style="list-style-type: none"> • Requires understanding of legal language used in Tax Treaties

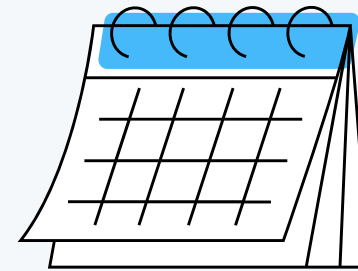
MyExpatTaxes will determine the optimal benefit(s) for your unique case and apply them automatically!

Federal Tax Filing Deadlines for Americans Abroad



FILING AND PAYMENT DUE (AUTOMATIC):

April 15, 2025 for payments
June 16, 2025 for filing



FILING EXTENSION (WITH FORM 4868):

October 15, 2025

FILING EXTENSION (WITH SIGNED LETTER)

December 15, 2025



BACK TAXES:

ASAP to avoid penalties if tax
due

**June 16, 2025 is the final deadline to file a 2021 return to claim round 3 of the Stimulus Payments*

FATCA, FBAR, Form 8938

FATCA = The Foreign Account Tax Compliance Act (US Federal Law)

Double Reporting Requirement:

- Requires foreign financial institutions to report US related clients' assets to the U.S. Department of the Treasury
- Requires US taxpayers to report their foreign financial assets via FBAR and possibly also Form 8938

What form is required and when?

- If your combined max balance of all your foreign financial accounts is over...

\$10,000 → FBAR (114)

\$200,000 → Form 8938



*on the last day of the tax year or \$300,000 at any time during the year. Amounts doubled if MFJ

Awarded Best US Expat Tax Software By The Balance

“The leading, and most affordable, tax filing platform for American expats.”
- Yahoo! Finance



Do-it-Yourself or Get it Done-For-You

- File in as little as 15 minutes
- Easily work with a tax professional if you need help
- Never miss out on a refund or tax treaty benefits
- For Simple or Complex Cases
- Includes FBAR and FATCA forms automatically
- The only US Expat Tax Software that can instantly e-File 99% of federal returns

Plan Prices

Base \$149

- ✓ Maximized Refunds
- ✓ Includes Form 2555: Foreign Earned Income Exclusion (FEIE)
- ✓ Includes Form 1116: Foreign Tax Credit
- ✓ Includes Child Tax Credits
- ✓ Includes FBAR and FATCA (Form 8938)
- ✓ User support from our team of real people, not AI-generated responses

Reviewed \$269

- ✓ Includes All **Base** Plan Features
- + Pre-Filing Tax Professional Review and Approval
- + Free Current-Year Tax Amendment
- + Year-Round Coverage

Premium \$490

- ✓ Includes All **Reviewed** Plan Features
- + Comprehensive Tax Professional Support & Guidance
- + Securely Upload Tax Documents For Analysis
- + Includes Corporate Forms (Form 5471 & Form 8865)**

Optional 30 minutes
video call for just \$99

Streamlining \$749

- ✓ Includes Form 14653: Streamlined Certification Letter
- ✓ Comprehensive Tax Professional Support & Guidance
- ✓ Pre-Filing Tax Professional Review and Approval

Thank you for coming!

my
expattaxes



Download
MyExpatTaxes free
US Expat Tax guide
while you wait!

Join our **FB Group**
for **FREE** US Expat
Tax Support



Get 10% Off!
FULLBRIGHT10

* for new clients only

Q&A time with

my
expattaxes