

Pictured: Sky Lantern Festival @ Hitoyoshi City

# Kumamoto JET Unofficial U.S. Tax Guide

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1st Years

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## **Getting Started**

In this guide, we have provided explanations and sample forms to assist **first-year American JETs** with the tax-filing process. For complete details, consult **Publication 54** (*Tax Guide for U.S. Citizens and Resident Aliens Abroad*), which can be accessed by the link provided at the end of this guide or online at the IRS website ([www.irs.gov](http://www.irs.gov)) by searching for **Publication 54**.

You can choose to either **paper file** or **e-file** your taxes. Unless otherwise noted, all forms covered in this guide can be e-filed. If you are interested, please see the **E-Filing** section later in the guide.

If you choose to **paper file**, the IRS address you will mail your forms to depends on if you have to make a payment or not:

- If you are not making a payment, send all tax forms (**except Forms 8822 and 2350**, see further instructions for those forms) to the following address:  
Department of the Treasury  
Internal Revenue Service Center  
Austin, TX 73301-0215  
USA
- If you are filing a form with any payments (e.g. **Form 4868**, etc.), send them to the following address:  
Internal Revenue Service  
P.O. Box 1303  
Charlotte, NC 28201-1303  
USA

The IRS website ([www.irs.gov](http://www.irs.gov)) lists a lot of information to help citizens living abroad with the tax-filing process. Go to “File” in the upper left corner and then “International Taxpayers” on the left sidebar. You can find most of the general questions about tax law answered there and at the following address:  
<https://www.irs.gov/individuals/international-taxpayers/us-citizens-and-resident-aliens-abroad>

You can also contact the Philadelphia International Taxpayer Service Call Center by phone (1-267-941-1000, not toll-free) or fax (1-267-941-1055). They are operational M-F from 6:00am to 11:00pm Eastern Time. You can also mail questions to the IRS at the following address: Internal Revenue Service, Philadelphia, PA 19255-0725

Depending on which state you lived in before moving to Japan, there may be extra steps to take for your individual state taxes. State taxes will not be covered in this guide, as ESID (every state is different). We recommend you check with your state tax agency - make sure to do so as soon as possible, *before* April 18. Generally speaking, you should confirm the following information:

- Residency rules (if you are treated as a resident / non-resident / part-year resident etc.)
- If your state requires you to file a separate state extension form
- If your state accepts the federal Foreign Earned Income Exclusion

## Tax Documents

### IRS Tax Forms You Will Need to File

IRS Form Number	Form Name	Filing Deadline
<b>Informational / Extension Forms – File <u>separately</u> early in the year</b>		
<input type="checkbox"/> <b>Form 8822</b>	Change of Address	As soon as possible
<input type="checkbox"/> <b>Form 4868</b>	Automatic Extension of Time to File	<b>With</b> payments: by April 18 <b>Without</b> payments: by June 15
<input type="checkbox"/> <b>Form 2350</b> <sup>△</sup> <i>ONLY if you arrived in Japan after Nov. 19th</i>	Extension of Time to File	<b>With</b> payments: by April 18 <b>Without</b> payments: by June 15
<b>Income Tax Return – File the below forms all together</b>		
<input type="checkbox"/> <b>Form 1040</b>	U.S. Individual Income Tax Return	<i>(Wait to file until after 330 total days in Japan)</i> If you filed <b>Form 4868</b> : by Oct 16 If you filed <b>Form 2350</b> : by the date you entered on <b>Form 2350 Line 1</b>
<input type="checkbox"/> <b>Form 1040 – Schedule 1</b>	Additional Income and Adjustments to Income	File with <b>Form 1040</b>
<input type="checkbox"/> <b>Form 1040 – Schedule B</b>	Interests and Ordinary Dividends	File with <b>Form 1040</b>
<input type="checkbox"/> <b>Form 2555</b>	Foreign Earned Income	File with <b>Form 1040</b>

Your individual tax situation may require you to file more forms than those listed above; this is merely a list of those relevant to filing with foreign income. We have listed some potential additional situations under “Notes & Resources,” but please do your own research as needed.

### Support for Form 1040

You get these from someone else to reference for preparing **Form 1040** and send a copy to the IRS as proof. If you e-file, just keep them for your records in case the IRS asks for a copy in the future.

<b>W-2</b>	U.S. Employers Income Statement	Send with <b>Form 1040</b>
	<b>Foreign Earned Income Statement</b> 源泉徴収票 ( <i>gensen choushuu hyou</i> )	Send with <b>Form 1040</b>



## **E-Filing**

Don't want to deal with the post office? Neither does the IRS. E-filing is often more convenient, leaves less room for error, and gets your tax return processed faster.

The **Form 4868** extension can be e-filed for free using any of the below sites, regardless of how you choose to file your **Form 1040** later. If you owe money to the IRS, follow the instructions for how to pay on the e-filing site you use, and be sure to do so by April 18.

Your **Form 1040** tax return now requires a bit more legwork to find sites that will let you file the additional forms you need to include while working abroad. For example, e-filing **Form 2555** for your foreign earned income exclusion is often not supported on “free” versions of well-known tax filing sites like *T\*rboT\*x* and *HR Bl\*ck*. If you wish to use these sites, you may be charged \$50 or more just to file **Form 2555**.

The IRS itself provides two services to try to help Americans e-file for free: <https://www.irs.gov/filing/free-file-do-your-federal-taxes-for-free>

The [Free File Program](#) provides free e-filing on a **guided tax filing site** akin to those mentioned earlier, so long as you meet their age and income requirements. Input your details in their [Online Lookup Tool](#) with your home address as Japan, and you will be given a list of sites that support your situation. The results should indicate that “Same criteria apply when filing with a foreign address.” **You must create your account via the IRS official Free File site as instructed in the link, or you may end up getting charged.** The page should specifically indicate “IRS Free File Program” somewhere.

*NOTE: These services often also support state filing but are not obligated to offer it for free. If/which states are free will be stated on the site and can be checked before making an account.*

Alternatively, you can try out the [Free File Fillable Forms](#) service available to all U.S. filers regardless of age/income/etc, which is guaranteed to be free to file all included forms. These forms are filled out **the same as you would a paper form**, as explained in this guide, just submitted electronically. There are basic calculations pre-set in the forms (you must manually press the “Do the math” button located at the bottom of the screen), but there are no guided steps like on the sites mentioned earlier. See the [IRS guide](#) on restrictions for foreign filers using this service.

*NOTE: This service does not support state taxes.*

As of the publication of this guide, all forms we have listed as attachments to **Form 1040**, including **Form 2555**, appear to be supported for free if you qualify for these sites. This guide cannot attest to their continued support or support for any other aspect of your individual tax situation. Please review the guidelines on the IRS Free File site and list of supported forms on the site you choose, as they may be subject to change.

These resources were not designed with expats in mind so the experience may not be the smoothest, but we hope that you may be able to successfully use them to e-file for free. We cannot guarantee what will work for you, and **we cannot field questions regarding e-filing.**

If you were able to use any of these sites to complete your return, great! **Before you officially submit your forms,** review the tax return generated and make sure **all the forms** mentioned in this guide are included with the **appropriate lines populated**. Remember to **print/save a copy** of your return when finished – you will need it to e-file again next year.

Now, let's get into the fun part!

## Form 8822 – Change of Address

If you have not done so already, inform the IRS of your address in Japan as soon as possible. You can do this by filing **Form 8822**. Check the box on **Line 1** and enter all relevant information on **Lines 3-6**. On **Line 7**, enter your Japanese address. Make sure to enter information in the boxes accurately and clearly. Add a daytime telephone number contact if you wish and then sign the form.

<b>Part I Complete This Part To Change Your Home Mailing Address</b>		
Check <b>all</b> boxes this change affects:		
<b>1</b> <input checked="" type="checkbox"/> Individual income tax returns (Forms 1040, 1040-SR, 1040-NR, etc.) ▶ If your last return was a joint return and you are now establishing a residence separate from the spouse with whom you filed that return, check here . . . . . <input type="checkbox"/>		
<b>2</b> <input type="checkbox"/> Gift, estate, or generation-skipping transfer tax returns (Forms 706, 709, etc.) ▶ For Forms 706 and 706-NA, enter the decedent's name and social security number below.  ▶ Decedent's name <span style="border: 1px solid black; display: inline-block; width: 150px; height: 1.2em; vertical-align: middle;"></span> ▶ Social security number <span style="border: 1px solid black; display: inline-block; width: 100px; height: 1.2em; vertical-align: middle;"></span>		
<b>3a</b> Your name (first name, initial, and last name)	<b>3b</b> Your social security number	
Anya Forger	123-45-6789	
<b>4a</b> Spouse's name (first name, initial, and last name)	<b>4b</b> Spouse's social security number	
<b>5a</b> Your prior name(s). See instructions.		
<b>5b</b> Spouse's prior name(s). See instructions.		
<b>6a</b> Your old address (no., street, apt. no., city or town, state, and ZIP code). If a P.O. box, see instructions. If foreign address, also complete spaces below, see instructions.		
1 Fake Street, Phony Town, XX 12345		
Foreign country name	Foreign province/county	Foreign postal code
<b>6b</b> Spouse's old address, if different from line 6a (no., street, apt. no., city or town, state, and ZIP code). If a P.O. box, see instructions. If foreign address, also complete spaces below, see instructions.		
Foreign country name	Foreign province/county	Foreign postal code
<b>7</b> New address (no., street, apt. no., city or town, state, and ZIP code). If a P.O. box, see instructions. If foreign address, also complete spaces below, see instructions.		
Yamabiru 5, Toricho 4-31, Inakamachi		
Foreign country name	Foreign province/county	Foreign postal code
JAPAN	Kumamotoken	123-4567

**Form 8822 cannot be e-filed.** Where you send **Form 8822** depends on your former mailing address (see page 2 of **Form 8822** for instructions).

This form is purely informational – you do not have to calculate any taxes or pay any money, and there are no penalties for late/not filing. The only purpose of this form is to inform the IRS of where they can now contact you.

## W-2 – Income Statement from U.S. Employers

You must file one **W-2** from each place you were employed in the U.S. during 2022. Your former employers should send these to you. If you have not received a **W-2** from past employers by January 31, 2023, then you will have to contact them directly. Also, if you have misplaced or lost your **W-2**, you can request a new one from your past employers. You will file all your **W-2**s with **Form 1040**. A **W-2** should look like the blank example below.

22222		a Employee's social security number		OMB No. 1545-0008							
b Employer identification number (EIN)			1 Wages, tips, other compensation		2 Federal income tax withheld						
c Employer's name, address, and ZIP code			3 Social security wages		4 Social security tax withheld						
			5 Medicare wages and tips		6 Medicare tax withheld						
			7 Social security tips		8 Allocated tips						
d Control number			9		10 Dependent care benefits						
e Employee's first name and initial      Last name      Suff.			11 Nonqualified plans		12a C a s e						
			13 Statutory employee      Retirement plan      Third-party sick pay <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>		12b C a s e						
			14 Other		12c C a s e						
					12d C a s e						
f Employee's address and ZIP code											
15 State      Employer's state ID number		16 State wages, tips, etc.		17 State income tax		18 Local wages, tips, etc.		19 Local income tax		20 Locality name	

Form **W-2** Wage and Tax Statement

2022

Department of the Treasury—Internal Revenue Service

*NOTE: Your U.S. employer may have issued you a **1099-NEC** or **1099-MISC** instead of a **W-2** if you were not classified as an employee for tax purposes. This makes your tax situation more complicated than what is covered in this guide regarding U.S. income, as you will most likely have to additionally file **Schedule C** and pay self-employment tax. Please be sure to do your own research in this case.*



### **Foreign Earned Income Statement**

The Japanese equivalent of the W-2 is called the 源泉徴収票 (*gensen choushuu hyou*) in Japanese, or your statement of earnings. This will act as a W-2 equivalent for the income you earned in Japan. Photocopy the form that your school or BOE gave you showing how much money you made in 2022. If you have not received it yet, ask the accountant in your school or BOE office. Indicate your name and your gross income on the photocopy and write “Foreign Earned Income Statement” across the top of the copy. You will file this copy with **Form 1040** (if e-filing, keep for your records).

*NOTE: You will use the amount in ③ later in **Form 2555**, and you will need to include another annotation at the bottom of the copy, so have this copy readily available.*

See the following page for an example with Japanese to English translations (taken from the JET Programme GIH):

*NOTE: Your Statement of Earnings should have “令和 4 年分” at the top.*

## 源泉徴収票

## Foreign Earned Income Statement

Gross  
Income

① 住所又は居所		(受給者番号)									
		(役職名)									
		氏名 (フリガナ)									
支払を受ける者		氏名 ②									
種別		支払金額		給与所得控除後の金額 (課税総額等)		所得控除の合計額		源泉徴収税額			
		円	千	円	千	円	千	円	千	円	千
③		④		⑤		⑥					
(源泉)控除対象配偶者の有無等		配偶者(特別)		控除対象扶養親族の数 (配偶者を除く。)		16歳未満扶養親族の数		障害者の数 (本人を除く。)		非居住者である親族の数	
有	無	老人	その他	特定	老人	その他		障害者	その他	非居住者	その他
有	無	有	無	有	無	有	無	有	無	有	無
社会保険料等の金額		生命保険料の控除額		地震保険料の控除額		住宅借入金等特別控除の額					
円		円		円		円					
⑦											
(摘要)											
生命保険料の金額の内訳		新生命保険料の金額		旧生命保険料の金額		介護医療保険料の金額		新個人年金保険料の金額		旧個人年金保険料の金額	
住宅借入金等特別控除の内訳		住宅借入金等特別控除可能額		住宅借入金等特別控除開始年月日 (1回目)		住宅借入金等特別控除区分(1回目)		住宅借入金等年末残高(1回目)		住宅借入金等特別控除区分(2回目)	
住宅借入金等特別控除可能額		円		年 月 日		円		円		円	
(源泉・特別)控除対象配偶者		(フリガナ) 氏名		区分		配偶者の合計所得		国民年金保険料等の金額		旧基礎控除の額	
1		(フリガナ) 氏名		区分		1		(フリガナ) 氏名		区分	
2		(フリガナ) 氏名		区分		2		(フリガナ) 氏名		区分	
3		(フリガナ) 氏名		区分		3		(フリガナ) 氏名		区分	
4		(フリガナ) 氏名		区分		4		(フリガナ) 氏名		区分	
未成年者		外国人		死亡退職金		災害補償		本人が障害者等		ひとり暮らし学生	
中途就・退職		就職		退職		年 月 日		元号		年 月 日	
支給者		住所(居所)又は所在地		氏名又は名称							

Name

- ① Address of employee 住所
- ② Name of employee 名前
- ③ Gross earnings from January to December (including tax for those who pay tax in Japan)  
1月～12月までの給与総額で、日本で課税される場合は税額分を含む
- ④ Amount remaining from ③ after deductions on income  
③から給与所得控除額を引いた額
- ⑤ Fixed deduction based on Social Insurance and other premiums paid  
社会保険料などの支払額をもとに一定額を控除するもの
- ⑥ Amount of income tax paid  
所得税の額
- ⑦ Amount of Social Insurance premiums paid (Health Insurance and Pension Insurance)  
社会保険料（健康保険料、厚生年金保険料）の支払い額

## Form 2555 – Foreign Earned Income

**Form 2555** is used to exempt you from paying U.S. income taxes on the money you earned in Japan.

*NOTE: There are limitations on certain credits and deductions you can claim when electing the Foreign Earned Income Exclusion (FEIE) through **Form 2555**. For more information on choosing exclusions before beginning this section, please check **page 2 of Instructions for Form 2555**.*

**Part I** – First, enter your name and social security number. Fill in your address and employment information; enter “N/A” for Employer’s U.S. address. Your employer is “other” – put something like “foreign local government office.” Follow the instructions until you get to the part that asks what your tax homes were during the tax year. In this blank, enter ALL cities in which you were taxed during the last year, including home, college, Japan, etc. and the dates you lived there. Make sure the whole year is covered. Month to month is enough – you do not need to specify the exact day you moved.

(For **2** Your occupation, enter either “Assistant Language Teacher” or “Coordinator for International Relations.”)

<b>Form 2555</b> Department of the Treasury Internal Revenue Service	<b>Foreign Earned Income</b> Attach to Form 1040 or 1040-SR. Go to <a href="http://www.irs.gov/Form2555">www.irs.gov/Form2555</a> for instructions and the latest information.	OMB No. 1545-0074 <div style="font-size: 2em; font-weight: bold;">2022</div> Attachment Sequence No. <b>34</b>
<b>For Use by U.S. Citizens and Resident Aliens Only</b>		
Name shown on Form 1040 or 1040-SR Anya Forger		Your social security number 123-45-6789
<b>Part I General Information</b>		
<b>1</b> Your foreign address (including country) Yamabiru 5, Toricho 4-31, Inakamachi, Kumamotoken, JAPAN 123-4567		<b>2</b> Your occupation *See note above
<b>3</b> Employer's name <u>Kumamoto Prefecture (for SHS ALTs); Your City/Town/Village (for ES/JHS ALTs/CIRs)</u>		
<b>4a</b> Employer's U.S. address <u>N/A</u>		
<b>b</b> Employer's foreign address <u>Base School Address (for SHS ALTs); BOE Address (for ES/JHS ALTs); Office Address (for CIRs)</u>		
<b>5</b> Employer is (check any that apply): <div style="display: flex; justify-content: space-between;"> <div> <b>a</b> <input type="checkbox"/> A foreign entity  <b>d</b> <input type="checkbox"/> A foreign affiliate of a U.S. company         </div> <div> <b>b</b> <input type="checkbox"/> A U.S. company  <b>e</b> <input checked="" type="checkbox"/> Other (specify) <u>Foreign local government</u> </div> <div> <b>c</b> <input type="checkbox"/> Self         </div> </div>		
<b>6a</b> If you previously filed Form 2555 or Form 2555-EZ, enter the last year you filed the form.		
<b>b</b> If you didn't previously file Form 2555 or Form 2555-EZ to claim either of the exclusions, check here <input checked="" type="checkbox"/> and go to line 7.		
<b>c</b> Have you ever revoked either of the exclusions? <span style="float: right;"><input type="checkbox"/> Yes <input type="checkbox"/> No</span>		
<b>d</b> If you answered "Yes," enter the type of exclusion and the tax year for which the revocation was effective.		
<b>7</b> Of what country are you a citizen/national? <u>USA</u>		
<b>8a</b> Did you maintain a separate foreign residence for your family because of adverse living conditions at your tax home? See <b>Second foreign household</b> in the instructions <span style="float: right;"><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</span>		
<b>b</b> If "Yes," enter city and country of the separate foreign residence. Also, enter the number of days during your tax year that you maintained a second household at that address.		
<b>9</b> List your tax home(s) during your tax year and date(s) established. <u>List all cities you lived in 2022 and the dates when you lived there (e.g. Phony Town, XX, USA from Jan. 2022 to Aug. 2022; Inakamachi, Kumamotoken, JAPAN from Aug. 2022 to present)</u>		

Almost everyone will fail the Bona Fide Residence Test, so skip **Part II** by entering “N/A” in **Lines 10**.

**Part III\*** – To meet the requirements of the Physical Presence Test, you must be present in a foreign country for at least 330 full days during any 12-month period that begins or ends in 2022. You must pass this test to allow your foreign earned income to be excludable on **Form 1040**.

The dates you enter on **Line 16** will depend on when you arrived in Japan and whether you returned to the U.S. in 2022. Below is an example arrival date for some of the 2022 new JET participants. The dates you

enter for your 12-month period on **Line 16** can be from your first full day in Japan and one year from that date, which may still be in the future.

For example:

Japan arrival date: August 7, 2022 → Enter: August 8, 2022 through August 7, 2023

- This will be what is referred to as your “*qualifying period*”. Your qualifying period has no impact on your deadlines; it is only stating a 12-month period during which you expect to meet the 330-day test for the purposes of **Form 2555**. You are still a “calendar year taxpayer”, and your “*2022 tax year*” is still January 1, 2022 to December 31, 2022.

**CAUTION:** You may run into issues if you attempt to e-file before your end date on **Line 16**.

Form 2555 (2022)						Page <b>2</b>
<b>Part III Taxpayers Qualifying Under Physical Presence Test</b>						
<b>Note:</b> U.S. citizens and all resident aliens can use this test. See instructions.						
<b>16</b>	The physical presence test is based on the 12-month period from <u>August 8, 2022</u> through <u>August 7, 2023</u>					
<b>17</b>	Enter your principal country of employment during your tax year. <u>JAPAN</u>					
<b>18</b>	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.” <b>Don’t</b> 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)
	Physically present in a foreign country or countries for the entire 12-month period.					

**NOTE:** If you returned to the U.S. after arriving in Japan, please check the annotations at the end of this section.

**Part IV** – Calculate your 2022 Foreign Earned Income by converting the amount ③ listed on your **Foreign Earned Income Statement** to USD and enter that figure on **Line 19**. The Internal Revenue Service has no official exchange rate and will accept “any posted exchange rate that is used consistently”. You can see the Notes & Resources section for a list of sources. This guide will use the Federal Reserve Bank’s 2022 average Yen/USD exchange rate of **\$1 = ¥131.46**.

For example:

$$¥1,100,000 \div ¥131.46 = \$8,367.56$$

<b>Part IV All Taxpayers</b>		
<b>Note:</b> Enter on lines 19 through 23 all income, including noncash income, you earned and actually or constructively received during your 2022 tax year for services you performed in a foreign country. If any of the foreign earned income received this tax year was earned in a prior tax year, or will be earned in a later tax year (such as a bonus), see the instructions. <b>Don’t</b> include income from line 14, column (d), or line 18, column (f). Report amounts in U.S. dollars, using the exchange rates in effect when you actually or constructively received the income.		
<b>If you are a cash basis taxpayer, report on Form 1040 or 1040-SR all income you received in 2022, no matter when you performed the service.</b>		
<b>2022 Foreign Earned Income</b>		<b>Amount (in U.S. dollars)</b>
<b>19</b>	Total wages, salaries, bonuses, commissions, etc.	<b>19</b> 8,368



<b>20</b>	Allowable share of income for personal services performed (see instructions):		
<b>a</b>	In a business (including farming) or profession . . . . .	<b>20a</b>	<b>0</b>
<b>b</b>	In a partnership. List partnership's name and address and type of income. _____	<b>20b</b>	<b>0</b>
<b>21</b>	Noncash income (market value of property or facilities furnished by employer—attach statement showing how it was determined):		
<b>a</b>	Home (lodging) . . . . .	<b>21a</b>	<b>0</b>
<b>b</b>	Meals . . . . .	<b>21b</b>	<b>0</b>
<b>c</b>	Car . . . . .	<b>21c</b>	<b>0</b>
<b>d</b>	Other property or facilities. List type and amount. _____	<b>21d</b>	<b>0</b>
<b>22</b>	Allowances, reimbursements, or expenses paid on your behalf for services you performed:		
<b>a</b>	Cost of living and overseas differential . . . . .	<b>22a</b>	<b>0</b>
<b>b</b>	Family . . . . .	<b>22b</b>	<b>0</b>
<b>c</b>	Education . . . . .	<b>22c</b>	<b>0</b>
<b>d</b>	Home leave . . . . .	<b>22d</b>	<b>0</b>
<b>e</b>	Quarters . . . . .	<b>22e</b>	<b>0</b>
<b>f</b>	For any other purpose. List type and amount. _____	<b>22f</b>	<b>0</b>
<b>g</b>	Add lines 22a through 22f . . . . .	<b>22g</b>	<b>0</b>
<b>23</b>	Other foreign earned income. List type and amount. _____	<b>23</b>	<b>0</b>
<b>24</b>	Add lines 19 through 21d, line 22g, and line 23 . . . . .	<b>24</b>	<b>8,368</b>
<b>25</b>	Total amount of meals and lodging included on line 24 that is excludable (see instructions) . . . . .	<b>25</b>	<b>0</b>
<b>26</b>	Subtract line 25 from line 24. Enter the result here and on line 27 on page 3. This is your <b>2022 foreign earned income</b> . . . . .	<b>26</b>	<b>8,368</b>

Form **2555** (2022)

*NOTE: These are made-up numbers! Yours will be different. Check **Instructions for Form 2555** for more info.*

If you are paper filing your tax return, you can draw an asterisk and write, "See foreign earned income statement" at the bottom of page 2. Then, write a statement along the lines of "I used the 2022 average Yen/USD exchange rate as reported by [whatever source you used, e.g. the Federal Reserve Bank] to calculate the amount reported on **Line 19**. That rate was \$1 = ¥131.46." on the foreign earned income statement at the bottom of the page. Sign your name by the note.

Part V – Since JET salaries are substantially below the maximum foreign earned income exclusion (\$112,000), there is no need to claim the housing exclusion or housing deduction. Check "**No.**" and go to Part VII.

Form 2555 (2022)		Page <b>3</b>	
<b>Part V All Taxpayers</b>			
<b>27</b>	Enter the amount from line 26 . . . . .	<b>27</b>	<b>8,368</b>
Are you claiming the housing exclusion or housing deduction?			
<input type="checkbox"/> <b>Yes.</b> Complete Part VI.			
<input checked="" type="checkbox"/> <b>No.</b> Go to Part VII.			

*NOTE: These are made-up numbers! Yours will be different.*

**Part VII** – Calculate your Foreign Earned Income Exclusion. Use the 12-month period from **Part III, Line 16** to calculate the number of days in your *qualifying period* that fall within calendar year 2022 and enter the number on **Line 38**. Count full days (24-hour period) spent in a foreign country/foreign countries.

<b>Part VII Taxpayers Claiming the Foreign Earned Income Exclusion</b>			
<b>37</b>	Maximum foreign earned income exclusion. Enter \$112,000 . . . . .	<b>37</b>	112,000
<b>38</b>	<ul style="list-style-type: none"> <li>If you completed Part VI, enter the number from line 31.</li> <li>All others, enter the number of days in your qualifying period that fall within your 2022 tax year. See the instructions for line 31.</li> </ul>	<b>38</b>	146 days
<b>39</b>	<ul style="list-style-type: none"> <li>If line 38 and the number of days in your 2022 tax year (usually 365) are the same, enter "1.000."</li> <li>Otherwise, divide line 38 by the number of days in your 2022 tax year and enter the result as a decimal (rounded to at least three places).</li> </ul>	<b>39</b>	0.4
<b>40</b>	Multiply line 37 by line 39 . . . . .	<b>40</b>	44,800
<b>41</b>	Subtract line 36 from line 27 . . . . .	<b>41</b>	8,368
<b>42</b>	<b>Foreign earned income exclusion.</b> Enter the <b>smaller</b> of line 40 or line 41. Also, complete Part VIII . . . .	<b>42</b>	8,368

*NOTE: These are made-up numbers! Yours will be different.*

**Part VIII** – Enter the total you calculated for **Line 42** on **Line 43**. For **Line 44**, read the **Instructions for Form 2555 (page 5)** and **Publication 54 (page 22)** to determine if you have any deductions that are allocable to the excluded income. For many JETs, this will be "0."

<b>Part VIII Taxpayers Claiming the Housing Exclusion, Foreign Earned Income Exclusion, or Both</b>			
<b>43</b>	Add lines 36 and 42 . . . . .	<b>43</b>	8,368
<b>44</b>	Deductions allowed in figuring your adjusted gross income (Form 1040 or 1040-SR, line 11) that are allocable to the excluded income. See instructions and attach computation . . . . .	<b>44</b>	0
<b>45</b>	Subtract line 44 from line 43. Enter the result here and on Schedule 1 (Form 1040), line 8d. Complete the Foreign Earned Income Tax Worksheet in the Instructions for Form 1040 if you enter an amount on this line . . . . .	<b>45</b>	8,368

*NOTE: These are made-up numbers! Yours will be different.*

Since you will not be claiming the housing exclusion or housing deduction, skip **Part IX**.

Congratulations! You have completed filling out **Form 2555**! Save it and keep it open for future reference for **Form 1040**. You will file **Form 2555** with **Form 1040**.

*ANNOTATION: If you returned to the U.S. any time during the period you stated on **Part III, Line 16**, you must state those dates on **Part III, Line 18**. See the example below.*

<b>Part III Taxpayers Qualifying Under Physical Presence Test</b>						
<b>Note:</b> U.S. citizens and all resident aliens can use this test. See instructions.						
<b>16</b>	The physical presence test is based on the 12-month period from August 8, 2022 through August 7, 2023					
<b>17</b>	Enter your principal country of employment during your tax year. JAPAN					
<b>18</b>	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." <b>Don't</b> 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)
	U.S.	Dec. 24, 2022	Jan. 3, 2023	11	0	0

*NOTE: These are made-up dates! Yours will be different.*

*NOTE: If you were in the U.S. for more than 35 days total, you must also adjust the 12-month period on **Part III, Line 16** accordingly to ensure the period includes 330 days outside of the U.S.*



## Form 1040 – U.S. Individual Income Tax Return

**Form 1040** is used to report how much total money you earned in 2022. You will figure out if you get a refund, or if you owe even more money to Uncle Sam. When in doubt, consult a certified tax preparer and/or the official IRS instructions (online) to be sure you do not miss anything. You can also call the IRS.

Depending on your situation, you may need to submit additional tax forms with **Form 1040**. What is explained in this guide focuses on the specific parts related to living and working overseas, which requires **Schedule B** and **Schedule 1**. Be sure to take a look at the **Instructions for Form 1040**, then start at the top and work your way through, line by line, completing and attaching any relevant **Schedules** as necessary. Some more common schedules are **Schedule A** for itemized deductions (if you expect the items listed to total more than the standard deduction: \$12,950 for 2022), **Schedule C** for self-employment income, and **Schedule D** for capital gains/losses (e.g. sales of stocks/crypto). See this [IRS list](#) for more **Schedules** not covered here that you may potentially need to file.

### Schedule B – Interests and Ordinary Dividends

**Schedule B** is used to report any money that you may have received from a brokerage firm, in which case you would have received a **1099-INT**, **1099-OID**, **1099-DIV**, or a substitute statement from the firm. If you received taxable interest of \$10 or more, your bank or financial institution will send you a **1099-INT** or **1099-OID** that states the amount of taxable interest you will need to report to the IRS in **Part I**. Likewise, if you received taxable dividends, you will have received a **Form 1099-DIV** to report in **Part II**. Enter any interest or dividends you have received, otherwise enter “0”s for **Schedule B Lines 1-6**.

*NOTE: Even if you did not receive a **1099-INT**, you are still required to report any interest earned and credited to your account during the tax year.*

The main purpose of including this form in the tax guide is **Part III Foreign Accounts and Trusts**. As a JET participant, you must have a bank account in Japan to receive your salary. Your Japanese bank account is a foreign account, so you will answer “yes” to **Part III 7a**. To finish **Part III**, check yes, no, no as shown.

<b>Part III</b>		You must complete this part if you (a) had over \$1,500 of taxable interest or ordinary dividends; (b) had a foreign account; or (c) received a distribution from, or were a grantor of, or a transferor to, a foreign trust.	
<b>Foreign Accounts and Trusts</b>		Yes	No
<b>Caution:</b> If required, failure to file FinCEN Form 114 may result in substantial penalties. Additionally, you may be required to file Form 8938, Statement of Specified Foreign Financial Assets. See instructions.	<b>7a</b> At any time during 2022, did you have a financial interest in or signature authority over a financial account (such as a bank account, securities account, or brokerage account) located in a foreign country? See instructions . . . . .	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	If “Yes,” are you required to file FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR), to report that financial interest or signature authority? See FinCEN Form 114 and its instructions for filing requirements and exceptions to those requirements . . . . .	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	<b>b</b> If you are required to file FinCEN Form 114, list the name(s) of the foreign country(-ies) where the financial account(s) are located: _____		
	<b>8</b> During 2022, did you receive a distribution from, or were you the grantor of, or transferor to, a foreign trust? If “Yes,” you may have to file Form 3520. See instructions . . . . .	<input type="checkbox"/>	<input checked="" type="checkbox"/>

*NOTE for **Part III 7b**: Though unlikely for first year JETs, if your foreign bank account(s) exceeded \$10,000 at any time during 2022, you are required to file **FinCEN 114** (the **FBAR**), which will change your answer. A more detailed guide to the **FBAR** can be found in the tax guide for 2<sup>nd</sup>-5<sup>th</sup> year JETs.*

Save **Schedule B** and file it together with **Form 1040**.

## Schedule 1 – Additional Income and Adjustments to Income

**Schedule 1** is used to report your foreign earned income exclusion that you calculated in **Form 2555** and any other additional income you may have received during the 2022 tax year. Whereas most of the items listed in **Schedule 1 Part I** add to your total income, your foreign earned income will be deducted from your total income.

For **Schedule 1 Line 8d**, enter your 2022 foreign earned income total from **Form 2555 Line 26**. The reason for **Schedule 1 Line 8d** being in parentheses is to indicate to the IRS that this value is going to be deducted in **Form 1040**. As for the other lines in **Schedule 1 Part I**, enter any values applicable to you.

<b>SCHEDULE 1</b> <b>(Form 1040)</b>		<b>Additional Income and Adjustments to Income</b>		OMB No. 1545-0074	
Department of the Treasury Internal Revenue Service		Attach to Form 1040, 1040-SR, or 1040-NR. Go to <a href="https://www.irs.gov/Form1040">www.irs.gov/Form1040</a> for instructions and the latest information.		<b>2022</b> Attachment Sequence No. 01	
Name(s) shown on Form 1040, 1040-SR, or 1040-NR Anya Forger			Your social security number 123-45-6789		
<b>Part I Additional Income</b>					
<b>1</b>	Taxable refunds, credits, or offsets of state and local income taxes . . . . .	<b>1</b>			0
<b>2a</b>	Alimony received . . . . .	<b>2a</b>			0
<b>b</b>	Date of original divorce or separation agreement (see instructions): _____				
<b>3</b>	Business income or (loss). Attach Schedule C . . . . .	<b>3</b>			0
<b>4</b>	Other gains or (losses). Attach Form 4797 . . . . .	<b>4</b>			0
<b>5</b>	Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E . . . . .	<b>5</b>			0
<b>6</b>	Farm income or (loss). Attach Schedule F . . . . .	<b>6</b>			0
<b>7</b>	Unemployment compensation . . . . .	<b>7</b>			0
<b>8</b>	Other income:				
<b>a</b>	Net operating loss . . . . .	<b>8a</b>	( 0 )		
<b>b</b>	Gambling . . . . .	<b>8b</b>	0		
<b>c</b>	Cancellation of debt . . . . .	<b>8c</b>	0		
<b>d</b>	Foreign earned income exclusion from Form 2555 . . . . .	<b>8d</b>	( 8,368 )		
<b>e</b>	Income from Form 8853 . . . . .	<b>8e</b>	0		
<b>f</b>	Income from Form 8889 . . . . .	<b>8f</b>	0		
<b>g</b>	Alaska Permanent Fund dividends . . . . .	<b>8g</b>	0		
<b>h</b>	Jury duty pay . . . . .	<b>8h</b>	0		
<b>i</b>	Prizes and awards . . . . .	<b>8i</b>	0		
<b>j</b>	Activity not engaged in for profit income . . . . .	<b>8j</b>	0		
<b>k</b>	Stock options . . . . .	<b>8k</b>	0		
<b>l</b>	Income from the rental of personal property if you engaged in the rental for profit but were not in the business of renting such property . . . . .	<b>8l</b>	0		
<b>m</b>	Olympic and Paralympic medals and USOC prize money (see instructions) . . . . .	<b>8m</b>	0		
<b>n</b>	Section 951(a) inclusion (see instructions) . . . . .	<b>8n</b>	0		
<b>o</b>	Section 951A(a) inclusion (see instructions) . . . . .	<b>8o</b>	0		
<b>p</b>	Section 461(l) excess business loss adjustment . . . . .	<b>8p</b>	0		
<b>q</b>	Taxable distributions from an ABLE account (see instructions) . . . . .	<b>8q</b>	0		
<b>r</b>	Scholarship and fellowship grants not reported on Form W-2 . . . . .	<b>8r</b>	0		
<b>s</b>	Nontaxable amount of Medicaid waiver payments included on Form 1040, line 1a or 1d . . . . .	<b>8s</b>	( 0 )		
<b>t</b>	Pension or annuity from a nonqualified deferred compensation plan or a nongovernmental section 457 plan . . . . .	<b>8t</b>	0		
<b>u</b>	Wages earned while incarcerated . . . . .	<b>8u</b>	0		
<b>z</b>	Other income. List type and amount: _____	<b>8z</b>	0		
<b>9</b>	Total other income. Add lines 8a through 8z . . . . .	<b>9</b>			(8,368)
<b>10</b>	Combine lines 1 through 7 and 9. Enter here and on Form 1040, 1040-SR, or 1040-NR, line 8 . . . . .	<b>10</b>			(8,368)

For Paperwork Reduction Act Notice, see your tax return instructions. Cat. No. 71479F Schedule 1 (Form 1040) 2022

If you paid student loan interest in 2022, continue to **Schedule 1 - Part II**. Unless you earned more than \$70,000, you can just directly enter the amount of student loan interest you paid (up to \$2,500) on **Line 21**. Otherwise, calculate your eligible student loan interest deduction from the worksheet on **page 37 of Publication 970**. Finish following the instructions for the rest of **Schedule 1**. Everything else will be “0”s for many JETs.

*NOTE: You cannot claim this deduction if you were claimed as a dependent on your parents' taxes this year.*

Schedule 1 (Form 1040) 2022		Page <b>2</b>
<b>Part II Adjustments to Income</b>		
<b>11</b>	Educator expenses . . . . .	<b>11</b> 0
<b>12</b>	Certain business expenses of reservists, performing artists, and fee-basis government officials. Attach Form 2106 . . . . .	<b>12</b> 0
<b>13</b>	Health savings account deduction. Attach Form 8889 . . . . .	<b>13</b> 0
<b>14</b>	Moving expenses for members of the Armed Forces. Attach Form 3903 . . . . .	<b>14</b> 0
<b>15</b>	Deductible part of self-employment tax. Attach Schedule SE . . . . .	<b>15</b> 0
<b>16</b>	Self-employed SEP, SIMPLE, and qualified plans . . . . .	<b>16</b> 0
<b>17</b>	Self-employed health insurance deduction . . . . .	<b>17</b> 0
<b>18</b>	Penalty on early withdrawal of savings . . . . .	<b>18</b> 0
<b>19a</b>	Alimony paid . . . . .	<b>19a</b> 0
<b>b</b>	Recipient's SSN . . . . .	
<b>c</b>	Date of original divorce or separation agreement (see instructions): . . . . .	
<b>20</b>	IRA deduction . . . . .	<b>20</b> 0
<b>21</b>	Student loan interest deduction . . . . .	<b>21</b> 1,000
<b>22</b>	Reserved for future use . . . . .	<b>22</b>
<b>23</b>	Archer MSA deduction . . . . .	<b>23</b> 0
<b>24</b>	Other adjustments:	
<b>a</b>	Jury duty pay (see instructions) . . . . . <b>24a</b>	0
<b>b</b>	Deductible expenses related to income reported on line 8i from the rental of personal property engaged in for profit . . . . . <b>24b</b>	0
<b>c</b>	Nontaxable amount of the value of Olympic and Paralympic medals and USOC prize money reported on line 8m . . . . . <b>24c</b>	0
<b>d</b>	Reforestation amortization and expenses . . . . . <b>24d</b>	0
<b>e</b>	Repayment of supplemental unemployment benefits under the Trade Act of 1974 . . . . . <b>24e</b>	0
<b>f</b>	Contributions to section 501(c)(18)(D) pension plans . . . . . <b>24f</b>	0
<b>g</b>	Contributions by certain chaplains to section 403(b) plans . . . . . <b>24g</b>	0
<b>h</b>	Attorney fees and court costs for actions involving certain unlawful discrimination claims (see instructions) . . . . . <b>24h</b>	0
<b>i</b>	Attorney fees and court costs you paid in connection with an award from the IRS for information you provided that helped the IRS detect tax law violations . . . . . <b>24i</b>	0
<b>j</b>	Housing deduction from Form 2555 . . . . . <b>24j</b>	0
<b>k</b>	Excess deductions of section 67(e) expenses from Schedule K-1 (Form 1041) . . . . . <b>24k</b>	0
<b>z</b>	Other adjustments. List type and amount: . . . . . <b>24z</b>	0
<b>25</b>	Total other adjustments. Add lines 24a through 24z . . . . .	<b>25</b> 0
<b>26</b>	Add lines 11 through 23 and 25. These are your <b>adjustments to income</b> . Enter here and on Form 1040 or 1040-SR, line 10, or Form 1040-NR, line 10a . . . . .	<b>26</b> 1,000

*NOTE: These are made up numbers! Yours will be different.*

Many student loan institutions report how much student loan interest you have paid by sending you (either by mail or electronically) **Form 1098-E**. If you make payments online, check there first to see if the student loan interest has already been calculated for you through an electronic file of **Form 1098-E**.

Save **Schedule 1** and keep it open to reference for **Form 1040**.

## Form 1040 – U.S. Individual Income Tax Return

Finally, we can start on **Form 1040** without interruptions. Enter your name and social security number, and check the box for your filing status. For the purposes of this basic guide, our example is filing single with no dependents, but this will vary according to your personal situation (e.g. if you have a spouse and/or children.) Then, fill out your Japanese address information. If you dealt with digital assets (e.g. cryptocurrency, NFTs) in the 2022 tax year, or wish to contribute to the Presidential Election Campaign, then check the appropriate boxes.

Form <b>1040</b> Department of the Treasury—Internal Revenue Service		<b>2022</b>		OMB No. 1545-0074		IRS Use Only—Do not write or staple in this space.	
<b>Filing Status</b> <input checked="" type="checkbox"/> Single <input type="checkbox"/> Married filing jointly <input type="checkbox"/> Married filing separately (MFS) <input type="checkbox"/> Head of household (HOH) <input type="checkbox"/> Qualifying surviving spouse (QSS) Check only one box. If you checked the MFS box, enter the name of your spouse. If you checked the HOH or QSS box, enter the child's name if the qualifying person is a child but not your dependent:							
Your first name and middle initial <b>ANYA</b>		Last name <b>FORGER</b>		Your social security number <b>1 2 3 4 5 6 7 8 9</b>			
If joint return, spouse's first name and middle initial		Last name		Spouse's social security number			
Home address (number and street). If you have a P.O. box, see instructions. <b>YAMABIRU 5, TORICHO 4-31</b>				Apt. no.		<b>Presidential Election Campaign</b> Check here if you, or your spouse if filing jointly, want \$3 to go to this fund. Checking a box below will not change your tax or refund. <input type="checkbox"/> You <input type="checkbox"/> Spouse	
City, town, or post office. If you have a foreign address, also complete spaces below. <b>INAKAMACHI</b>		State		ZIP code			
Foreign country name <b>JAPAN</b>		Foreign province/state/county <b>KUMAMOTOKEN</b>		Foreign postal code <b>123-4567</b>			
<b>Digital Assets</b>		At any time during 2022, did you: (a) receive (as a reward, award, or payment for property or services); or (b) sell, exchange, gift, or otherwise dispose of a digital asset (or a financial interest in a digital asset)? (See instructions.) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No					
<b>Standard Deduction</b>		Someone can claim: <input type="checkbox"/> You as a dependent <input type="checkbox"/> Your spouse as a dependent <input type="checkbox"/> Spouse itemizes on a separate return or you were a dual-status alien					
<b>Age/Blindness</b>		You: <input type="checkbox"/> Were born before January 2, 1958 <input type="checkbox"/> Are blind Spouse: <input type="checkbox"/> Was born before January 2, 1958 <input type="checkbox"/> Is blind					
<b>Dependents</b> (see instructions):		(2) Social security number		(3) Relationship to you		(4) Check the box if qualifies for (see instructions):	
(1) First name Last name						Child tax credit Credit for other dependents	
If more than four dependents, see instructions and check here <input type="checkbox"/>						<input type="checkbox"/> <input type="checkbox"/>	
						<input type="checkbox"/> <input type="checkbox"/>	
						<input type="checkbox"/> <input type="checkbox"/>	
						<input type="checkbox"/> <input type="checkbox"/>	

*NOTE: Some recent college graduates are claimed as dependents by their parents. If you have confirmed that this is your case, check the box labeled "Someone can claim you as a dependent" on the standard deduction section. This is important, as it will change the deduction you claim later on **Line 12a**, and can mess up your parents' taxes if you miss it.*

On **Form 1040 Line 1a**, enter any **2022 U.S. W-2** income. On **Line 1h**, enter your income from Japan (**Form 2555 Line 26**). Add together **Lines 1a-1i** and enter the total on **Line 1z**.

If you had any interest or dividends to report from **Schedule B**, then enter them into the respective **Form 1040 Line 2a-b** and **Form 1040 Line 3a-b**. For many people, everything else is zeroes until you get to **Line 8**. For this, you will need to go to **Schedule 1**.

Enter the number you got from **Schedule 1 Line 10** on **Form 1040 Line 8**. Make sure to put parentheses around the number again so that the IRS understands you are subtracting this number. Then, add together **Form 1040 Lines 1z-8**. Enter this new number on **Line 9**. This total is your *Total Income* for 2022.

Next, if you continued to **Part II Line 26** on **Schedule 1**, enter the number from that line on **Form 1040 Line 10** and subtract **Form 1040 Line 10** from **Form 1040 Line 9**. Enter the result on **Form 1040 Line 11**.



(If negative, use parentheses.) This is your *Adjusted Gross Income* (AGI) for 2022.

Afterwards, enter either your standard deduction or itemized deduction on **Form 1040 Line 12** (most people will claim the standard deduction: \$12,950 for 2022). If you checked that someone can claim you as a dependent in the Standard Deduction section, check the instructions for this year's limit.

**Line 13** deals mostly with self-employment deductions, which for many JETs will be "0." Add **Lines 12 and 13** and enter the result on **Line 14**. Finally, subtract **Line 14** from **Line 11** and then enter the result on **Line 15** (If negative, enter "0".) This is your *Taxable Income* for 2022.

At this point, your **Form 1040** should look something like this:

Income									
<b>Attach Form(s) W-2 here. Also attach Forms W-2G and 1099-R if tax was withheld.</b> If you did not get a Form W-2, see instructions.	<b>1a</b>	Total amount from Form(s) W-2, box 1 (see instructions)				<b>1a</b>	14,450		
	<b>b</b>	Household employee wages not reported on Form(s) W-2				<b>1b</b>	0		
	<b>c</b>	Tip income not reported on line 1a (see instructions)				<b>1c</b>	0		
	<b>d</b>	Medicaid waiver payments not reported on Form(s) W-2 (see instructions)				<b>1d</b>	0		
	<b>e</b>	Taxable dependent care benefits from Form 2441, line 26				<b>1e</b>	0		
	<b>f</b>	Employer-provided adoption benefits from Form 8839, line 29				<b>1f</b>	0		
	<b>g</b>	Wages from Form 8919, line 6				<b>1g</b>	0		
	<b>h</b>	Other earned income (see instructions)				<b>1h</b>	8,368		
	<b>i</b>	Nontaxable combat pay election (see instructions)				<b>1i</b>	0		
	<b>z</b>	Add lines 1a through 1h				<b>1z</b>	22,818		
<b>Attach Sch. B if required.</b>	<b>2a</b>	Tax-exempt interest		<b>2a</b>	0	<b>b</b>	Taxable interest	<b>2b</b>	0
	<b>3a</b>	Qualified dividends		<b>3a</b>	0	<b>b</b>	Ordinary dividends	<b>3b</b>	0
	<b>4a</b>	IRA distributions		<b>4a</b>	0	<b>b</b>	Taxable amount	<b>4b</b>	0
	<b>5a</b>	Pensions and annuities		<b>5a</b>	0	<b>b</b>	Taxable amount	<b>5b</b>	0
	<b>6a</b>	Social security benefits		<b>6a</b>	0	<b>b</b>	Taxable amount	<b>6b</b>	0
	<b>c</b>	If you elect to use the lump-sum election method, check here (see instructions)						<input type="checkbox"/>	
	<b>7</b>	Capital gain or (loss). Attach Schedule D if required. If not required, check here						<input type="checkbox"/>	
	<b>8</b>	Other income from Schedule 1, line 10						<b>8</b>	(8,368)
	<b>9</b>	Add lines 1z, 2b, 3b, 4b, 5b, 6b, 7, and 8. This is your <b>total income</b>						<b>9</b>	14,450
	<b>10</b>	Adjustments to income from Schedule 1, line 26						<b>10</b>	1,000
<b>Standard Deduction for—</b> • Single or Married filing separately, \$12,950 • Married filing jointly or Qualifying surviving spouse, \$25,900 • Head of household, \$19,400 • If you checked any box under <i>Standard Deduction</i> , see instructions.	<b>11</b>	Subtract line 10 from line 9. This is your <b>adjusted gross income</b>						<b>11</b>	13,450
	<b>12</b>	<b>Standard deduction or itemized deductions</b> (from Schedule A)						<b>12</b>	12,950
	<b>13</b>	Qualified business income deduction from Form 8995 or Form 8995-A						<b>13</b>	0
	<b>14</b>	Add lines 12 and 13						<b>14</b>	12,950
	<b>15</b>	Subtract line 14 from line 11. If zero or less, enter -0-. This is your <b>taxable income</b>						<b>15</b>	500

*NOTE: These are made up numbers! Yours will be different.*

By the time you get here, you will have dealt with most of the foreign income related stuff and weeded it out. Everything from here should be straightforward (tedious, but straightforward).

If **Line 15** is zero, **Line 16** will also be zero. That was easy!

But if **Line 15** is not zero, you have a little more math to do. Calculate your *Tax* for **Line 16** using the **Foreign Earned Income Tax Worksheet** as shown on the next page (from **page 35** of the **Instructions for Form 1040**). For worksheet **Lines 4 and 5**, you will have to consult the 2022 Tax Table (**page 63** of the **Instructions for Form 1040**). Make sure to enter the number from worksheet **Line 6** on **Form 1040, Line 16**, and then calculate **Line 24** for your *Total Tax*. Your *Total Tax* is the amount you owe to the IRS and must pay by April 18 or else interest will accrue from the following day.

# Foreign Earned Income Tax Worksheet—Line 16

Keep for Your Records



If Form 1040 or 1040-SR, line 15, is zero, don't complete this worksheet.

1. Enter the amount from Form 1040 or 1040-SR, line 15 ..... 1.
- 2a. Enter the amount from your (and your spouse's, if filing jointly) Form 2555, lines 45 and 50 ..... 2a.
- b. Enter the total amount of any itemized deductions or exclusions you couldn't claim because they are related to excluded income ..... b.
- c. Subtract line 2b from line 2a. If zero or less, enter -0- ..... c.
3. Add lines 1 and 2c ..... 3.
4. **Figure the tax on the amount on line 3.** Use the Tax Table, Tax Computation Worksheet, Qualified Dividends and Capital Gain Tax Worksheet\*, Schedule D Tax Worksheet\*, or Form 8615, whichever applies. See the instructions for Form 1040 or 1040-SR, line 16, to see which tax computation method applies. (Don't use a second Foreign Earned Income Tax Worksheet to figure the tax on this line.) ..... 4.
5. **Figure the tax on the amount on line 2c.** If the amount on line 2c is less than \$100,000, use the Tax Table to figure this tax. If the amount on line 2c is \$100,000 or more, use the Tax Computation Worksheet ..... 5.
6. Subtract line 5 from line 4. Enter the result. If zero or less, enter -0-. Also include this amount on the entry space on Form 1040 or 1040-SR, line 16 ..... 6.

<b>Tax and Credits</b>	<b>16</b>	<b>Tax</b> (see instructions). Check if any from Form(s): 1 <input type="checkbox"/> 8814 2 <input type="checkbox"/> 4972 3 <input type="checkbox"/> ..... <b>16</b>	<b>50</b>
	<b>17</b>	Amount from Schedule 2, line 3 ..... <b>17</b>	<b>0</b>
	<b>18</b>	Add lines 16 and 17 ..... <b>18</b>	<b>50</b>
	<b>19</b>	Child tax credit or credit for other dependents from Schedule 8812 ..... <b>19</b>	<b>0</b>
	<b>20</b>	Amount from Schedule 3, line 8 ..... <b>20</b>	<b>0</b>
	<b>21</b>	Add lines 19 and 20 ..... <b>21</b>	<b>0</b>
	<b>22</b>	Subtract line 21 from line 18. If zero or less, enter -0- ..... <b>22</b>	<b>0</b>
	<b>23</b>	Other taxes, including self-employment tax, from Schedule 2, line 21 ..... <b>23</b>	<b>0</b>
	<b>24</b>	Add lines 22 and 23. This is your <b>total tax</b> ..... <b>24</b>	<b>50</b>

In the **Payments** section, enter any withholding reported on your U.S. tax forms on **Lines 25a-d**, and any payments you made with your **Form 4868** or **Form 2350** extension on **Line 26**.

<b>Payments</b>	<b>25</b>	Federal income tax withheld from:		
	<b>a</b>	Form(s) W-2 ..... <b>25a</b>	<b>500</b>	
	<b>b</b>	Form(s) 1099 ..... <b>25b</b>	<b>0</b>	
	<b>c</b>	Other forms (see instructions) ..... <b>25c</b>	<b>0</b>	
	<b>d</b>	Add lines 25a through 25c ..... <b>25d</b>		
	<b>26</b>	2022 estimated tax payments and amount applied from 2021 return ..... <b>26</b>	<b>0</b>	
	<b>27</b>	Earned income credit (EIC) ..... <b>27</b>	<b>0</b>	
	<b>28</b>	Additional child tax credit from Schedule 8812 ..... <b>28</b>	<b>0</b>	
	<b>29</b>	American opportunity credit from Form 8863, line 8 ..... <b>29</b>	<b>0</b>	
	<b>30</b>	Reserved for future use ..... <b>30</b>		
<b>Refund</b>	<b>31</b>	Amount from Schedule 3, line 15 ..... <b>31</b>	<b>0</b>	
	<b>32</b>	Add lines 27, 28, 29, and 31. These are your <b>total other payments and refundable credits</b> ..... <b>32</b>	<b>0</b>	
	<b>33</b>	Add lines 25d, 26, and 32. These are your <b>total payments</b> ..... <b>33</b>	<b>500</b>	
	<b>34</b>	If line 33 is more than line 24, subtract line 24 from line 33. This is the amount you <b>overpaid</b> ..... <b>34</b>	<b>450</b>	
	<b>35a</b>	Amount of line 34 you want <b>refunded to you</b> . If Form 8888 is attached, check here <input type="checkbox"/> ..... <b>35a</b>	<b>450</b>	

If you have filled in your personal information from **Lines 25-32** and found that you have an amount on **Line 34** that is not "0," congratulations! This number is the refund due to you from the IRS. Fill in **Lines 34-35** for a direct deposit into your American bank account. If you have to pay taxes, refer to the **Instructions for Form 1040** on payment methods and where to send your payment.

After all that (or if neither situation above is the case), remember to sign and date in the box. Save a copy of all your tax forms and set a reminder for your 330 days when you can send your taxes to the IRS. Be sure to confirm that you are sending each form to the appropriate IRS address! (｡・̀)-) ✨ おつかれ !



*NOTE: You do not need to designate a third-party to discuss the return. Also, if the amount on **Line 34** is less than \$1, then you must explicitly request it to be refunded to you or they will not send it to you.*

If you are living abroad when the official deadline to file taxes is due, you are automatically granted a two-month extension from April 18 until June 15. However, you must still properly apply for an extension to file your taxes since you will not be eligible for the Foreign Earned Income Exclusion until after June 15. To do so, you must file **Form 4868** or **Form 2350** by June 15. See the next pages to see which one is most appropriate for you and instructions on how to file them.

Once you have been in Japan for 330 days, you can then file your return. **Sign and date** the forms and mail them all to the IRS office in Austin, TX. Your tax return will include *at least* **Form 1040, Schedule 1, Schedule B, Form 2555**, and the **Foreign Earned Income Statement**. It will also include **W-2s** if you were employed in 2022 before coming to Japan.

## Form 4868 – Automatic Extension of Time to File

Do not file **Form 4868** with your other tax forms. Instead, file **Form 4868** by April 18 if payment is due, or by June 15 if no payment is due. **Form 4868** does not extend the deadline to make payments to the IRS.

U.S. taxpayers living abroad have an automatic 2-month extension to file their tax return by June 15, but filing **Form 4868** gives you an additional 4-month extension until October 16. This extension is necessary for most first year JETs because the income you earn in Japan is exempt from U.S. taxes only after you have been outside the U.S. for one whole fiscal year (Bona Fide Residence Test) or 330 days (Physical Presence Test). JET participants able to file their taxes before the October 16 deadline are the ones who arrived in Japan on November 19, 2022, or earlier. Anyone who arrived in Japan after November 20, 2022, should see the next section regarding **Form 2350**. (See **Form 2555** explanation)

*NOTE: If you have calculated 330 days from your first full day in Japan and found the date will be before June 15, you do not need to file **Form 4868**, and you can file your entire tax return before that deadline.*

Use your Japanese address starting from building name and apartment number. On **Line 6**, you are asked to estimate how much tax you owe. This will be relevant to anyone who has income from the U.S. prior to coming to Japan in 2022. To calculate this figure, you will need to have filled out **Form 1040** and all necessary **Schedules** (but do not officially file **Form 1040** and the **Schedules** until later!) Be sure to check the box on **Line 8** to indicate that you are a citizen living “out of the country.”

<b>Form 4868</b> Department of the Treasury Internal Revenue Service	<b>Application for Automatic Extension of Time To File U.S. Individual Income Tax Return</b> For calendar year 2022, or other tax year beginning _____, 2022, and ending _____, 20____.	OMB No. 1545-0074  <div style="font-size: 2em; font-weight: bold;">2022</div>
<b>Part I Identification</b>		
<b>1</b> Your name(s) (see instructions) Anya Forger		
Address (see instructions) Yamabiru 5, Toricho 4-31		
City, town, or post office Inakamachi, Kumamotoken, JAPAN	State	ZIP code 123-4567
<b>2</b> Your social security number 123-45-6789		
<b>3</b> Spouse's social security number		
<b>Part II Individual Income Tax</b>		
<b>4</b> Estimate of total tax liability for 2022 . . . . . \$ <span style="float: right;">50</span>		
<b>5</b> Total 2022 payments . . . . . <span style="float: right;">500</span>		
<b>6 Balance due.</b> Subtract line 5 from line 4. See instructions . . . . . <span style="float: right;">0</span>		
<b>7</b> Amount you're paying (see instructions) . . . . . <span style="float: right;">0</span>		
<b>8</b> Check here if you're "out of the country" and a U.S. citizen or resident. See instructions . . . . . <input checked="" type="checkbox"/>		
<b>9</b> Check here if you file Form 1040-NR and didn't receive wages as an employee subject to U.S. income tax withholding . . . . . <input type="checkbox"/>		

**Form 4868 Line 4 = Form 1040 Line 24**

**Form 4868 Line 5 = Form 1040 Line 33**

*NOTE: If the value in **Line 5** is more than **Line 4**, then enter “0” on **Line 6**.*

If you owe taxes, you must pay at least an estimated amount that you state on **Line 7** when you file **Form 4868**. Interest will begin to accrue on April 19 in almost all cases, so you should turn in **Form 4868** (along with a payment of your choice) by April 18 if you owe any money to the IRS.

**Form 4868** can be e-filed for free. Please see the **E-filing** section in this guide. If you wish to paper file, send **Form 4868** and any applicable payment to the appropriate address listed on the **Getting Started** page.

If you arrived in Japan after November 20, 2022, you may qualify for a discretionary extension until December 15 to file your taxes. For more information, check page 4 of Publication 54 under “Additional extension of time for taxpayers out of the country.”

## Form 2350 – Extension of Time to File

**Form 2350** is *only* necessary if you arrived in Japan after November 20, 2022. It should be filed by April 18 if any payment is due or June 15 if not. This extension, just like the one from **Form 4868**, is necessary in your first year because the income you earn in Japan is exempt from U.S. taxes only after you have been outside of the U.S. for 330 days. However, **Form 4868** will only extend the time to file taxes until October 16, so **Form 2350** is an alternate extension to file taxes form for people who will only pass the 330 day test after October 16.

*NOTE: If you file **Form 2350**, you do not need to file **Form 4868**.*

Form <b>2350</b>  Department of the Treasury Internal Revenue Service	<b>Application for Extension of Time To File U.S. Income Tax Return</b> For U.S. Citizens and Resident Aliens Abroad Who Expect To Qualify for Special Tax Treatment See instructions later. Go to <a href="http://www.irs.gov/Form2350">www.irs.gov/Form2350</a> for the latest information.	OMB No. 1545-0074  <div style="font-size: 2em; font-weight: bold;">2022</div>													
Please print or type.   File by the due date for filing your return.	<table style="width: 100%;"> <tr> <td style="width: 40%;">Your first name and middle initial(s) <b>Anya</b></td> <td style="width: 20%;">Last name <b>Forger</b></td> <td style="width: 40%;">Your social security number <b>123-45-6789</b></td> </tr> <tr> <td>If a joint return, spouse's first name and middle initial(s)</td> <td>Last name</td> <td>Spouse's social security number</td> </tr> <tr> <td colspan="2">Home address (number and street). If you have a P.O. box, see instructions. <b>Yamabiru 5, Toricho 4-31</b></td> <td rowspan="2" style="background-color: #cccccc;"></td> </tr> <tr> <td colspan="2">City, town or post office, state, and ZIP code. If you have a foreign address, enter only the city name on this line; then complete the spaces below. See instructions. <b>Inakamachi</b></td> </tr> <tr> <td>Foreign country name <b>JAPAN</b></td> <td>Foreign province/county <b>Kumamotoken</b></td> <td>Foreign postal code <b>123-4567</b></td> </tr> </table>	Your first name and middle initial(s) <b>Anya</b>	Last name <b>Forger</b>	Your social security number <b>123-45-6789</b>	If a joint return, spouse's first name and middle initial(s)	Last name	Spouse's social security number	Home address (number and street). If you have a P.O. box, see instructions. <b>Yamabiru 5, Toricho 4-31</b>			City, town or post office, state, and ZIP code. If you have a foreign address, enter only the city name on this line; then complete the spaces below. See instructions. <b>Inakamachi</b>		Foreign country name <b>JAPAN</b>	Foreign province/county <b>Kumamotoken</b>	Foreign postal code <b>123-4567</b>
Your first name and middle initial(s) <b>Anya</b>	Last name <b>Forger</b>	Your social security number <b>123-45-6789</b>													
If a joint return, spouse's first name and middle initial(s)	Last name	Spouse's social security number													
Home address (number and street). If you have a P.O. box, see instructions. <b>Yamabiru 5, Toricho 4-31</b>															
City, town or post office, state, and ZIP code. If you have a foreign address, enter only the city name on this line; then complete the spaces below. See instructions. <b>Inakamachi</b>															
Foreign country name <b>JAPAN</b>	Foreign province/county <b>Kumamotoken</b>	Foreign postal code <b>123-4567</b>													

**Please fill in the Return Label at the bottom of this page.**

1	I request an extension of time until <u>December 28, 2023</u> to file my income tax return for the calendar year 2022, or other tax year ending _____, because my tax home is in a foreign country and <b>I expect to qualify for special tax treatment by meeting the "bona fide residence test" or the "physical presence test."</b> (See instructions.)
2	Were you previously granted an extension of time to file for this tax year? . . . . . <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
3	Will you need additional time to allocate moving expenses? . . . . . <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
4a	Date you first arrived in the foreign country <u>November 27, 2022</u>
b	Date qualifying period begins <u>November 28, 2022</u> ; ends <u>November 27, 2023</u>
c	Your foreign home address <u>Yamabiru 5, Toricho 4-31, Inakamachi, Kumamotoken, JAPAN 123-4567</u>
d	Date you expect to return to the United States _____

**Note:** This is not an extension of time to pay tax. Full payment is required to avoid interest and late payment charges.

5 Enter the amount of income tax paid with this form . . . . .	<b>5</b>	<b>0</b>
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For **Line 1**, enter the date which is one year and 30 days from your first full day in Japan.

For **Line 4b**, your *qualifying period* starts on your first full day in Japan and ends 12 months after. However, if you traveled to the U.S. for more than 35 days total after arriving in Japan, you will need to adjust these dates so your new *qualifying period* shows that you have been outside of the U.S. for at least 330 days.

Leave **Line 4d** blank if you do not expect to or have no plans to return to the U.S. yet.

If you owe any money to the IRS, you must pay at least an estimated amount that you state on **Line 5**. File **Form 2350** (along with a payment) by April 18.

**Form 2350 is generally not included in free e-file services.** Once you have completed filling out **Form 2350**, save it and then print it out to sign and date. Send it to the following address:

Department of the Treasury  
Internal Revenue Service  
Austin, TX 73301-0045  
USA

*NOTE: This address is not the same as the one for **Form 4868**.*

## **Links to Forms + Instructions**

### **Form 2555** Foreign Earned Income

<https://www.irs.gov/pub/irs-pdf/f2555.pdf> (Form)

<https://www.irs.gov/pub/irs-pdf/i2555.pdf> (Instructions)

### **Form 1040** U.S. Individual Income Tax Return

<https://www.irs.gov/pub/irs-pdf/f1040.pdf> (Form)

<https://www.irs.gov/pub/irs-pdf/i1040gi.pdf> (Instructions, including for all Schedules)

### **Form 1040 - Schedule 1** Additional Income and Adjustments to Income

<https://www.irs.gov/pub/irs-pdf/f1040s1.pdf> (Form)

### **Form 1040 - Schedule B** Interest and Ordinary Dividends

<https://www.irs.gov/pub/irs-pdf/f1040sb.pdf> (Form)

<https://www.irs.gov/instructions/i1040sb> (Instructions)

### **Form 8822** Change of Address

<https://www.irs.gov/pub/irs-pdf/f8822.pdf> (Form and instructions)

### **Form 4868** Application for Automatic Extension of Time to File U.S. Taxes

<https://www.irs.gov/pub/irs-pdf/f4868.pdf> (Form and instructions)

### **Form 2350** Application for Extension of Time to File U.S. Taxes

<https://www.irs.gov/pub/irs-pdf/f2350.pdf> (Form and instructions)

### **Publication 54** Tax Guide for U.S. Citizens and Resident Aliens Abroad (very detailed instructions)

<https://www.irs.gov/pub/irs-pdf/p54.pdf>

### **Publication 970** Tax Benefits for Education

<http://www.irs.gov/pub/irs-pdf/p970.pdf>

## Notes and Resources

### ✧ Other Resources:

- The U.S. Embassy in Japan's Tax Page
- <https://jp.usembassy.gov/u-s-citizen-services/internal-revenue-service-u-s-taxes/>

### ✧ IRS info for U.S. Citizens Living Abroad

- <https://www.irs.gov/individuals/international-taxpayers/taxpayers-living-abroad>

### ✧ Concerning COVID-19

- There are no COVID-19 related credits or extensions for the 2022 tax year.

### ✧ Individual cases and circumstances will vary. Additional procedures will be necessary if one of the following statements is applicable to you:

- You are married and/or have dependents of your own
- Someone else will claim you as a dependent for the 2022 tax year
- You earn income from stocks, bonds, real estate or other investments
- You had over \$10,000 in foreign bank accounts at any time during 2022. For more information see the 2<sup>nd</sup>-5<sup>th</sup> year JET guide and the [IRS guide](#).
- The total value of your specified foreign assets is more than \$200,000 on the last day of the tax year or more than \$300,000 at any time during the year (check out **Form 8938**)
- Any number of other circumstances

### ✧ [Per the IRS](#): “**The Internal Revenue Service has no official exchange rate.** Generally, it accepts any posted exchange rate that is used consistently.” A list of sites that post such exchange rates is available in the IRS link here: <https://www.irs.gov/individuals/international-taxpayers/foreign-currency-and-currency-exchange-rates> Make sure you are using the annual average rate.

This guide uses the Federal Reserve Bank average annual exchange rate figure of \$1 = ¥131.46, which can be found at <http://www.federalreserve.gov/Releases/g5a/Current/>

### ✧ This guide is in no way affiliated with the IRS or the U.S. Government.

- The IRS - *not this document* - is the final authority on tax-related matters. This is just a rough, unofficial guide. Be sure to check with instructions from the IRS to file your documents as correctly as possible. It is your responsibility to file your taxes correctly.

### ✧ This packet is intended to familiarize first year American JETs with the overseas tax-filing process. The process will be slightly different for second through fifth year American JETs.

### ✧ It is your responsibility to be aware of the tax filing deadlines and to submit the forms on time. We will not remind you of the deadlines as they come.



- ✧ Please remember that if you owe taxes, you must make sure to pay **by the federal deadline of April 18**. The extensions mentioned in this guide are only for filing taxes. It is your responsibility to pay any and all taxes on time.
- ✧ We have compiled a list of frequently asked questions (and answers!) regarding the tax-filing process. These can be viewed on the Kumamoto JET website here:  
<https://kumamotojet.com/reiwa/u-s-tax-guide/>