**You May Have to File a Tax Form with the IRS**

**It depends on how many days have you spent in the U.S. in the past 3 years**

Canadians may spend up to **182 days** in the U.S. in any 12-month period. However, from a tax perspective, Canadians that have spent an average of 122 days or more in the past three calendar years in the U.S. may be deemed “resident aliens”. In order to be treated as a “non-resident alien”, you need to complete a **Substantial Presence Test**. Your result will determine if you have to file an **IRS Form 8840** (“Closer Connection Exception Statement for Aliens”) that tells the IRS that you have a “closer connection” to Canada for income tax purposes. The **Substantial Presence Test** calculation is simple: Were you in the U.S. for at least 31 days in 2018?

If NO, as far as the IRS is concerned, you do not have a closer connection and therefore you do not have to file an IRS Form 8840.

If YES, do the following calculation:

# days you were in the U.S. in 2018 = \_\_\_\_\_\_\_\_\_\_ days

# days you were in the U.S. in 2017 = \_\_\_\_\_\_\_\_\_\_ x 1/3 = \_\_\_\_\_\_\_\_\_\_ days

# days you were in the U.S. in 2016 = \_\_\_\_\_\_\_\_\_\_ x 1/6 = \_\_\_\_\_\_\_\_\_\_ days

**TOTAL DAYS (add the three numbers)** **= \_\_\_\_\_\_\_\_\_\_ TOTAL DAYS**

If your TOTAL DAYS is 183 days or more you should **file the IRS Form 8840 by June 15, 2019**. Filing such a form will not flag you for any special attention by the IRS. If your total is 183 days or more and you do not file a Form 8840, two things could happen:

1. You could get caught up in a taxation claim by the U.S. government for taxes owed for the years in which you met the **Substantial Presence Test**, but did not file the IRS Form 8840 (“Closer Connection Exception Statement for Aliens”).
2. You could get questioned at the border by a knowledgeable inspector.

You should keep track of the days you are in the U.S. because the government knows based on when you entered and left the country.

If you would like a copy of the IRS Form 8840, visit our website at **www.travelinsuranceoffice.com** and go to “View printed materials”to download a copy.

Please note, we cannot answer questions about this form. You should consult an accountant.