

### What is Curricular Practical Training (CPT )?

Federal regulations state that a student may participate in a "curricular practical training program" that is "an integral part of an established curriculum" and "directly related to the student's major area of study." They define curricular practical training as "alternate work/study, internship, cooperative education, or any other type of required internship or practicum which is offered by sponsoring employers through cooperative agreements with the school."

### Who is Eligible?

- x F-1 students who are legally maintaining their status; and
- x Who have been enrolled full-time for at least 8 months;
- x Must be registered full time during the academic year (fall and spring terms) to participate in CPT. Exceptions will be considered on a case-by-case basis only if the student has been approved for Reduced Course Load.
- x Must be enrolled in at least 1 course which directly relates to their employment to be eligible for CPT during the summer term.
- x F-1 students must have a job offer on letterhead.

### When should you apply for CPT?

Students are required to schedule a meeting with an international advisor before applying for CPT. Please schedule this meeting 1-2 weeks in advance. Allow 5-7 business days for processing after you have submitted your completed CPT forms to Admissions. You are required to have CPT authorization on your I-20 prior to beginning employment. Admissions

new CPT offer letter only. Remember to allow 5-7 days before your current end date to avoid a break in employment.

- x If you are undertaking an internship or training experience that is not required for your program but you will be receiving credit, you must attach proof of enrollment in the internship or independent study course.

#### How to Apply for CPT

1. Meet with your academic or international advisor to determine if CPT is a required part of your program of study.  
stud



# Excerpts from Alien Liability for Social Security and Medicare Taxes

The full text can be found at <http://www.irs.gov/businesses/small/international/article/0,,id=129427,00.html>

In general aliens performing services in the United States as employees are liable for U.S. social security and Medicare taxes. However, certain classes of alien employees are exempt from U.S. social security and Medicare taxes as follows.

Nonresident aliens in general, are also liable for Social Security/Medicare Taxes on wages paid to them for services performed by them in the United States, with certain exceptions based on their nonimmigrant status. The following

FODVVHV RI QRQLPPLJUDQW TV DQG US Social Security and Medicare taxes: DUH H[HP SW I

F-visas, J-visas, M-visas, Q-visas. Nonresident Alien students, scholars, professors, teachers, trainees, researchers, physicians, au pairs, summer camp workers, and other aliens temporarily present in the United States, in M-1, or Q-1/Q-2 nonimmigrant status are exempt on wages paid to them for services performed within the United States as long as such services are allowed by USCIS for these nonimmigrant statuses, and such services are performed to carry out the purposes for which such visas were issued to them.

### Exempt Employment includes:

- x On-campus student employment up to 20 hours a week (40 hrs. during summer vacations)
- x Off-campus student employment allowed by USCIS
- x Practical Training student employment on or off campus.
- x Employment as professor, teacher or researcher.
- x Employment as a physician, au pair, or summer camp worker

### Limitations on exemption:

- x The exemption does not apply to spouses and children in F-2, J-2, M-2, or Q-3 nonimmigrant status.
- x The exemption does not apply to employment not allowed by USCIS or to employment not closely connected to the purpose for which the visa was issued.
- x The exemption does not apply to F-1, J-1, M-1, or Q-1/Q-2 R QL P PL JUD Q W TV ZKR F K D C J H WR D Q which is not exempt or to a special protected status.
- x The exemption does not apply to F-1, J-1, M-1, or Q-1/Q-2 R QL P PL JUD Q W TV ZKR E H F R P H U H V L G

The IRS has published regulations which stipulate that aliens who arrive in the United States on F, J, M, or Q visas will be assumed to be "NONRESIDENT ALIENS" but only to the extent that the assumption is consistent with the residency rules of section 7701(b) of the Code. Since the social security/Medicare tax exemption for foreign students, scholars, teachers, researchers, and trainees under the Code requires that the payee be a "NONRESIDENT ALIEN", then the social security/Medicare tax exemption ceases to exist at the point the payee becomes a "RESIDENT ALIEN" under the residency rules of section 7701(b) of the Code.

Thus, to summarize, both the Internal Revenue Code and the Social Security Act allow an exemption from social security/Medicare taxes to alien students, scholars, teachers, researchers, trainees, physicians, au pairs, summer camp workers, and other nonimmigrants who have entered the United States on F-1, J-1, M-1, Q-1, or Q-2 visas and who are still classified as NONRESIDENT ALIENS under the residency rules of the Internal Revenue Code. As discussed above, means that foreign students in F-1, J-1, M-1, Q-1 or Q-2 nonimmigrant status who have been in the United States less than 5 calendar years are still NONRESIDENT ALIENS and are still exempt from social security/Medicare taxes. This exemption also applies to any period in which the foreign student is in "practical training" allowed by USCIS, as long as the foreign student is still a NONRESIDENT ALIEN under the Code. Foreign students in F-1, J-1, M-1, Q-1 or Q-2 nonimmigrant status who have been in the United States more than 5 calendar years are RESIDENT ALIENS and are liable for social security/Medicare taxes (unless they are exempt from FICA under the "student FICA exemption" ).

For more info see <http://www.irs.gov/businesses/small/international/article/0,,id=129427,00.html>

Sample Job Offer Letter

ABC Company

1234 CPT Street  
Traverse City, MI 49686  
P: (231) 123-4567

February 20, 2013

To: Northwestern Michiga Tf -252.2-6.998 (4o(i)5 (ga 1u4>>\*th)-8.002 (w8N98 (eg-21.958 ( , -21.958 (Ath)-8.00dm)4.06.998 (s

Student Section

7 R G D \ | V ' D W H B B B B B B B B B B B B B B B B B B B

Name \_\_\_\_\_  
Surname/Family Name                      First/Given Name(s)                      Middle Name(s)

SEVIS #: \_\_\_\_\_ NMC Student ID: \_\_\_\_\_

Phone Number: \_\_\_\_\_ Emergency Contact & Phone: \_\_\_\_\_

Current Address: \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_