

IS YOUR WORK COVERED BY SOCIAL SECURITY ?

INFORMATION FOR EMPLOYEES OF:

FOREIGN GOVERNMENTS

INSTRUMENTALITIES OF FOREIGN GOVERNMENTS

Prepared by the Social Security Administration's
Office of International Programs

Your work in the United States for a **foreign government or an instrumentality of a foreign government may or may not** be covered by the United States Social Security System. Your coverage depends on whether you are a United States citizen and on certain additional conditions if you are employed by an instrumentality of a foreign government. Coverage may also be affected by provisions of bilateral Social Security agreements between the United States and certain foreign countries. If your work is covered, you must pay Social Security taxes on your earnings. If your work is not covered, you may not pay voluntary contributions. Please read the following information carefully to determine if your earnings are covered by Social Security. If you still have questions, you should refer to the last section for more information.

FOREIGN GOVERNMENTS

Work for a **foreign government** includes the services performed by diplomats and consular officers, as well as other employees and nondiplomatic representatives at foreign embassies and consulates in the United States.

If you are a United States citizen working in the United States for a foreign government, you are not covered as an employee under Social Security. Therefore, your employer would not pay Social Security taxes and you would not pay Social Security taxes as an employee. However, you would be covered as a self-employed individual and must pay Social Security (self-employment) taxes on your earnings as though your salary was self-employment income.

If you are not a United States citizen, your work for a foreign government is not covered by Social Security and no Social Security taxes would be due on your earnings.

A person with dual U.S.-foreign citizenship is generally considered to be a U.S. citizen for Social Security purposes. However, if you are a U.S. citizen and also a citizen of a country with which the United States has a bilateral Social Security agreement, other than Canada or Italy, your work for the government of that foreign country is always exempt from U.S. Social Security taxes. Dual U.S.-Canadian citizens working in the United States for the Canadian Government are exempt unless they were hired in the United States. In that case, they are covered under and pay taxes to U.S. Social Security. Dual U.S.-Italian citizens working in the United States for the Italian government may elect to be covered under and pay taxes to either U.S. or Italian Social Security.

INSTRUMENTALITIES OF FOREIGN GOVERNMENTS

An instrumentality of a foreign government is a noncommercial organization that functions on behalf of that government. An example is the Irish Tourist Board. An organization that wishes to claim a tax exemption as an instrumentality of a foreign government must obtain a certification of its status from the Department of State.

If you are a United States citizen working in the United States for an instrumentality of a foreign government, you are not covered as an employee under Social Security if all three of the conditions shown below apply. However, you would be covered as a self-employed individual and you must pay Social Security taxes on your earnings as though your salary was self-employment income. If only one or two of the following three conditions apply, you would be covered as an employee (and you and your employer would pay Social Security taxes on that basis). These three conditions are:

1. The organization for which you work is completely owned by a foreign government, and
2. Your work is similar to work performed in foreign countries by employees of the United States Government or a United States instrumentality, and
3. The Secretary of State certifies to the Secretary of the Treasury that the foreign government grants an equivalent exemption for similar work in the foreign country by employees of the United States Government and its instrumentalities.

If you are not a United States citizen, your work for an instrumentality of a foreign government is not covered by Social Security if all three of the above conditions apply. If only one or two of the conditions apply, you would be covered by Social Security and you and your employer would pay Social Security taxes.

A person with dual U.S.-foreign citizenship is generally considered to be a U.S. citizen for Social Security purposes. However, if you are a U.S. citizen and also a citizen of a country with which the United States has a bilateral Social Security agreement, your work for an instrumentality may be exempt from U.S. Social Security taxes. You can check on your status by writing to the address at the end of this notice.

IF WE SAID YOU ARE COVERED AS SELF-EMPLOYED

If you are not filing a schedule SE with your tax return and paying Social Security taxes, you should contact the Internal Revenue Service to obtain information about filing self-employment tax returns and making quarterly tax payments on your net earnings from self-employment, if appropriate. Their number can be found in your local telephone directory under "U.S. Government".

IF YOU HAVE QUESTIONS

For more information, please write to: Social Security Administration, Office of International Programs, P.O. Box 17741, Baltimore, MD 21235-7741.