

CPT/OPT Factsheet for Employers

Wichita State understands employers may be unsure about hiring international students due to the complexity of federal immigration laws and regulations. In this document, we hope to address concerns employers might have about hiring international students. Getting permission for international students to work in the U.S. is not as difficult as many employers think. Most international students are in the U.S. on F-1 student visas and are eligible to accept employment under certain conditions.

Curricular Practical Training (CPT) – CPT is an opportunity for students in F-1 status to gain practical experience in their major field of study. CPT is only available to students prior to graduation and is granted to eligible students by their school. It is not adjudicated by U. S. Citizenship and Immigration Services (CIS). Federal regulations require the school to have a "cooperative agreement" with the employer. WSU accomplishes this agreement by having the employer complete a section of the CPT application including a certification that the student is engaged in a job or internship related to their academic major. We also ask the employer to provide the job site address, position title, and requested start and end dates. To help ascertain the position is related to the student's major, the academic department may ask for a letter describing the job duties. The student submits a completed CPT application to International Education prior to beginning their job or internship and must wait for approval before beginning their CPT experience. Authorizations are granted by semester.

Post-Completion Optional Practical Training (OPT) – Upon completion of an undergraduate or graduate degree, an F-1 student may apply to CIS for up to 12 months of full-time work authorization. Employment must be at least 20 hours per week and relate to the student's major field of study. The student and the school handle all paperwork for post-completion OPT authorization, so there is no additional effort on the part of the employer.

STEM OPT Extension – Because we offer so many STEM-eligible programs, many WSU graduates will qualify for a 24-month extension of OPT (for a total of 36 months of OPT) as long as:

- Their degree was in a STEM area (Science, Technology, Engineering, or Math);
- They have a full-time (20+ hours per week) paid job or job offer from an employer who is a registered user of the E-Verify program and;
- Their employer is willing to complete the Form I-983, Training Plan for STEM OPT Students, and agree to all terms and conditions

Frequently Asked Questions

Isn't it illegal to hire international students because they do not have a green card?

No. Federal regulations permit the employment of international students on F-1 status within certain limits. This status allows students to work in jobs related to their major field of study through post-completion Optional Practical Training upon completion of their degree program.

What about Taxes?

Unless exempt due to a tax treaty, F-1 status holders earning income while working on practical training are

subject to applicable federal, state, and local income taxes. Information on tax treaties may be found in Internal Revenue Service's Publication 519, U.S. Tax Guide for Aliens, and 901, U.S. Tax Treaties.

Generally, F-1 students are exempt from Social Security and Medicare tax requirements. However, if F-1 students are considered "resident aliens" for income tax purposes, Social Security and Medicare taxes should be withheld. Chapter 1 of Internal Revenue Service's Publication 519, U.S. Tax Guide for Aliens explains how to determine the residency status of international students. More information on Social Security and Medicare taxes can be found in Chapter 8 of Internal Revenue Service's Publication 519, U.S. Tax Guide for 519, U.S. Tax Guide for Aliens 519, U.S. Tax Guide for Aliens and in Section 940 of Social Security Administration Publication No. 65-008, Social Security Handbook.

Even if it's legal to hire international students, won't it cost a lot of money and involve a lot of paperwork?

No. The only cost to the employer hiring international students is the time and effort to interview and select the best candidate for the job. The student and institution handle all paperwork involved in securing postcompletion OPT authorization and most of the paperwork for the STEM OPT Extension. In fact, a company may save money by hiring international students because the majority are exempt from Social Security (FICA) and Medicare tax requirements.

Don't international students need work authorization before I can hire them?

No. International students must have the work authorization before they begin actual employment, but not before they are offered employment. Many F-1 students will be in the process of obtaining work authorization while they are interviewing for employment. Students can give employers a reasonable estimate of when they expect to receive work authorization.

What does the work authorization look like?

For OPT and STEM OPT, F-1 students receive from CIS an Employment Authorization Document (EAD), a small photo identity card that indicates the dates for which they are permitted to work. For CPT, the student is issued a Form I-20 with authorization details on page 2.

What is the cost of the E-Verify program and how can I enroll in it?

There is no cost to register in E-Verify program. Information on E-Verify and the enrollment procedure can be found at the USCIS website at <u>www.uscis.gov/e-verify</u>.

What if I want to continue to employ international students after their work authorization expires?

With a bit of planning ahead, an employer can potentially hire international students to continue to work for them in the H-1B visa category for a total of six years (authorization is granted in two, three-year periods). The H-1B is a temporary working visa for workers in a "specialty occupation." The application procedure to the USCIS is straightforward. The job must meet two basic requirements:

- 1) The salary must meet the prevailing wage as defined by the Department of Labor
- 2) A bachelor's degree is a minimum normal requirement for the position.

Additional Resources

- For STEM OPT: <u>https://studyinthestates.dhs.gov/stem-opt-hub</u>
- STEM OPT Reporting Requirements for Students, Employers, and DSO: <u>https://studyinthestates.dhs.gov/assets/stemopt_reportingrequirements_greyscale.pdf</u>