



Classification of taxpayers for U.S. tax purposes

U.S. law treats U.S. persons and foreign persons differently for tax purposes. Therefore, it is important to be able to distinguish between these two types of taxpayers.

United States persons

The term "United States person" means:

- A citizen or [resident](#) of the United States
- A domestic partnership
- A domestic corporation
- Any estate other than a foreign estate
- Any trust if:
 - A court within the United States is able to exercise primary supervision over the administration of the trust, and
 - One or more United States persons have the authority to control all substantial decisions of the trust
- Any other person that is not a foreign person.

Foreign students and scholars

A foreign person includes:

- [Nonresident alien](#) individual
- Foreign corporation
- Foreign partnership
- Foreign trust
- A foreign estate
- Any other person that is not a U.S. person


Generally, the U.S. branch of a foreign corporation or partnership is treated as a foreign person. Refer to Internal Revenue Code section 7701(a)(31) for the definition of a foreign estate and a foreign trust.

Check-the-box Entities (See [Form 8832 and Instructions](#))

For Federal tax purposes, certain business entities automatically are classified as corporations. Other business entities may choose how they are classified for Federal tax purposes. Except for a business entity automatically classified as a corporation, a business entity with at least two members can choose to be classified as either an association taxable as a corporation or a partnership, and a business entity with a single member can choose to be classified as either an association taxable as a corporation or disregarded as an entity separate from its owner.

Related

- [Foreign Persons](#)
- [Foreign Governments and Certain Other Foreign Organizations](#)

Note: This page contains one or more references to the Internal Revenue Code (IRC), Treasury Regulations, court cases, or other official tax guidance. References to these legal authorities are included for the convenience of those who would like to read the technical reference material. To access the applicable IRC sections, Treasury Regulations, or other official tax guidance, visit the [Tax Code, Regulations, and Official Guidance](#) page. To access any Tax Court case opinions issued after September 24, 1995, visit the [Opinions Search](#)  page of the United States Tax Court.

Page Last Reviewed or Updated: 03-Apr-2025