

OPT Factsheet for Employers

Wichita State University understands that many employers are unsure about hiring international students due to the general complexity of federal immigration laws. This document is designed 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.

Post-Completion Optional Practical Training (OPT) — Upon completion of an undergraduate or graduate degree, an F-1 student may apply to U.S. Citizenship and Immigration Services (USCIS) 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 – Toward the end of post-completion OPT, some students may qualify for a 24 month extension of OPT (for a total of 36 months of OPT) if:

- 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
- 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 Services 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 Services 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 Services Publication 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 post-completion Optional Practical Training 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 of them 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 Optional Practical Training, F-1 students receive from USCIS an Employment Authorization Document (EAD), a small photo identity card that indicates the dates for which they are permitted to work.

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 www.uscis.gov/e-verify.

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.

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For your reference:

The Code of Federal Regulations (CFR) Title 8 and Title 22 citation numbers for regulations governing practical training are as follows:

• F-1 students: 8CFR 214.2 (f)(9)&(10) & 8 CFR 214.16 CFR Title 8 citations governing IRCA requirements are:

• F-1 students: 8CFR 274a.12(b)(6)(iii) and 8CFR 274a.12(c)(3)(i)

Additional Resources

- For STEM OPT: https://studvinthestates.dhs.gov/stem-opt-hub
- STEM OPT Reporting Requirements for Students, Employers, and DSO: https://studvinthestates.dhs.gov/assets/stemopt_reportingrequirements_grevscale.pdf