

Individual Tax Identification Number (ITIN)

Frequently Asked Questions

What is an ITIN?

An ITIN is a tax processing number issued by the U.S. Internal Revenue Service. Since 1996, the IRS has issued ITINs to taxpayers and their dependents who are not eligible to obtain a Social Security number. The IRS provides ITINs to people who are ineligible for an SSN so that they can comply with tax laws, regardless of their immigration status.

Who uses an ITIN?

ITIN filers include undocumented immigrants and their dependents as well as some people who are lawfully present in the U.S., such as certain survivors of domestic violence, Cuban and Haitian entrants, student visa-holders, and certain spouses and children of individuals with employment visas. Once a person who has been issued an ITIN is eligible to apply for an SSN, the person may no longer use the ITIN.

How many ITIN filers are there in New Jersey? How much do undocumented immigrants contribute?

There are 139,751 ITIN filers in the state. In total undocumented immigrants in New Jersey contribute about \$1.1B in federal taxes and \$600 million in state and local taxes each year.

Are ITIN filers entitled to any state or federal benefits?

ITIN filers are not able to collect social security, despite paying into it. In New Jersey, they are not able to collect any unemployment insurance or public benefits despite their contributions.

Why do undocumented immigrants obtain ITINs?

Largely, it is because they aspire to become U.S. citizens. In addition to being required to pay taxes, immigrants benefit from filing income tax returns because it demonstrates that they are complying with federal tax laws. Filing federal taxes can help strengthen the applications of people who may have an opportunity to legalize their immigration status and become U.S. citizens. It is also a way for immigrants to further contribute to the economy.

How many ITIN holders would benefit from S-2480?

This bill would help up to 35,000 individuals, or 25% of ITIN holders in the state. The \$35 million allocated in the bill is just 5.8% of the \$600 million they contribute in state taxes each year.