

Difference Between ITIN and SSN

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Key Difference - ITIN vs SSN

ITIN (Individual Tax Identification Number) and SSN (Social Security Number) are two country-specific forms of identifications in the United States that are used for tax collecting purposes by the government. Knowledge regarding both ITIN and SSN makes it easier to distinguish between the two, especially for foreign nationals who are immigrants to the United States. The key difference between ITIN and SSN is that **ITIN is a unique nine digit identifier assigned to foreign nationals and individuals who are not qualified for a Social Security Number** whereas **SSN (Social Security number) is a nine digit number in the United States issued for U.S. citizens, permanent residents, and temporary working residents for tax collection purposes.**

What is ITIN?

ITIN (Individual Tax Identification Number) is a unique identifier assigned to foreign nationals and individuals who are not qualified for a Social Security Number (SSN), in order to collect taxes from them. ITIN was established by the Internal Revenue Service (IRS) in 1996 as a result of the increasing arrival of [immigrants](#) from other countries to the United States. ITIN is mandatory and foreign investors, undocumented workers, foreign students and immigrants on a temporary visa are required to apply for ITIN and pay taxes.

ITIN is not a substitution to SSN and is not an official form of identification. It is merely designated for tax collecting purposes. Correspondence to the taxpayers of ITIN is done by issuing letters by the IRS instead of a card, especially to avoid confusion with the SSN. Individuals with ITIN are not entitled to receive the same benefits as the holders of SSN such as Earned Income Tax Credit (EITC). Neither does ITIN allow foreign nationals to obtain legal status or the right to work in the U.S.

In lieu of a passport, foreign nationals have to submit a combination of two documents from the below list to obtain an ITIN.

- National Identification Card
- Civil birth certificate

- Foreign driver's license
- US state identification card
- Foreign military identification card
- Visa

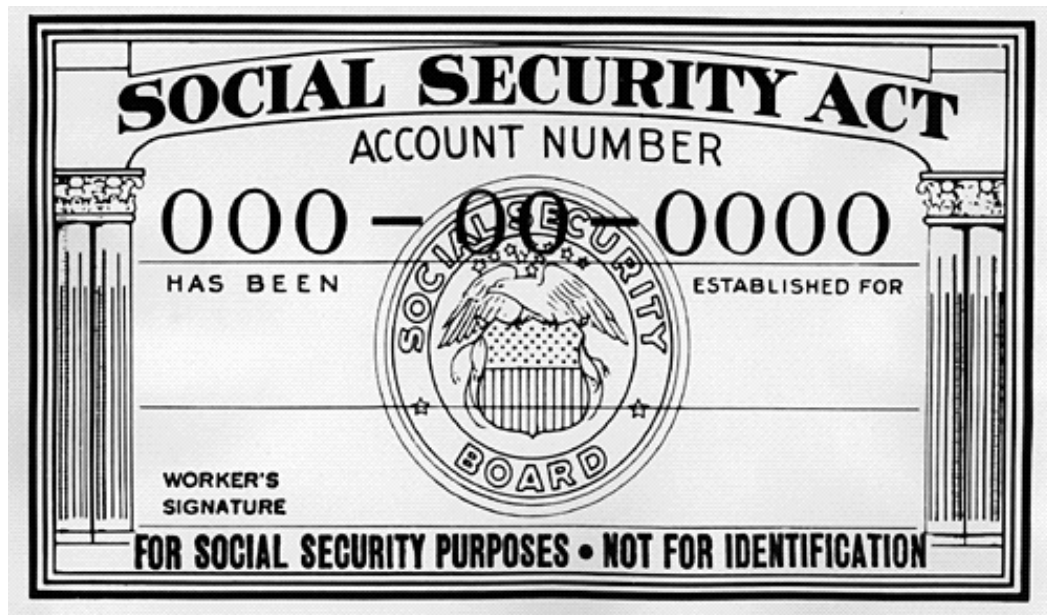


Figure 01: Social Security Card Format

What is SSN?

SSN (Social Security number) is a nine digit number in the United States issued for U.S. citizens, permanent residents, and temporary working residents under section 205(c)(2) of the Social Security Act. SSN is issued by the Social Security Administration (SSA), which is an independent agency of the United States government. Even though the preliminary purpose of SSN is to track individuals for security purposes, it fulfills a secondary purpose of tax collection. The SSA keeps track of lifetime earnings and the number of years employed by each individual via SSN. A Social Security number can be obtained by applying on Form SS-5, Application for a Social Security Number Card. A number of benefits are granted for SSN holders including monthly payments for employees following retirement and for their spouses (during working years of the respective employees). Social Security benefits are also available for qualifying individuals who have permanent disabilities. Such benefits are assigned by the SSA through a rigorous criterion.

Foreign nationals who are authorized to work in the United States according to the Department of Homeland Security (DHS) have the opportunity to apply for SSN.

Once received, the individuals must use SSN for tax purposes and discontinue ITIN. This can be done through notifying IRS; following this all tax records can continue to be filled under one identification number, which is the SSN.



Figure 02: Home of the Internal Revenue Service

What are the similarities between ITIN and SSN?

- Both ITIN and SSN serve tax collection purpose.
- Both ITIN and SSN are nine digit numbers.

What is the difference between ITIN and SSN?

ITIN vs SSN

ITIN is a unique nine digit identifier assigned to foreign nationals and individuals who are not qualified for a Social Security Number (SSN) to

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collect taxes from them.	
Issuing Authority	
Internal Revenue Service issues the ITIN.	SSN is issued by Social Security Administration.
Nature of Identification	
ITIN is issued when a foreign individual does not meet the criteria to apply for SSN.	SSN is the official form of identification in the United States.

Summary - ITIN vs SSN

ITIN is a substitution for SSN for tax purpose when a foreign individual does not meet the criteria to apply for SSN, and ITIN is valid exclusively under the tax system. This is the difference between ITIN and SSN. When a foreign national completes the eligibility criteria to apply for SSN, ITIN has to be canceled. Furthermore, SSN holders are entitled to a number of benefits, unlike holders of ITIN.

References:

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