



Project Olympus CONNECTS

Starting a Business While in F-1 Student Status

Most Frequent Asked Questions

Prepared by CMU's Office of International Education

Q. I'm in F-1 status. Can I work in the US?

A. Yes, you are eligible to work part-time for Carnegie Mellon University while school is in session and full-time (for Carnegie Mellon) during your vacation periods.

Q. Can I work off campus?

A. To work off campus or for an employer other than Carnegie Mellon, you must have some type of employment authorization. The most common types of off campus employment authorization for F-1 students are Curricular Practical Training (CPT) and Optional Practical Training (OPT).

Q. Can I invest in the market or in a business?

A. Yes, but profits will be taxable and there may be immigration implications if it's your business.

Q. Can I start a business while I'm in F-1 status?

A. Maybe—in terms of immigration rules, guidance from the Student and Exchange Visitor Program (SEVP) has been that starting a business is likely to constitute employment and an F-1 student would therefore need to have employment authorization in order to maintain F-1 status. Government guidance is that OPT would be the appropriate employment authorization for starting a business.

Q. What if I volunteer—is that legal for F-1 students?

A. While Immigration regulations allow F-1 students to volunteer, labor regulations do not allow employers to have “volunteers” performing work they would normally hire someone to perform. We do not recommend that F-1 students “volunteer” for professional positions as the employer may be obligated to provide compensation for the services rendered and pay the student for the “volunteer” work. If an F-1 student doesn't have employment authorization and the employer pays them for the “volunteer” work, the student may end up working without authorization. The US Dept. of Labor is increasingly interested in monitoring employers who may be improperly using volunteers.

Additionally, students often like to note “volunteer” opportunities on resumes which may give the impression that the experience was “employment” for which the individual should have had employment authorization.

Students, and employers, need to be careful about “volunteer” experiences to make sure there are no violations of any applicable regulations.

Q. If starting a business is likely to constitute employment, what employment authorization should I have?

A. For students in F-1 status, the US Dept. of Homeland Security indicates: “The U.S. government considers starting your own business in the United States, also known as [entrepreneurship](#), as work. Therefore, if you are an F-1 student who plans to start your own business in the United States, you must qualify and apply for OPT. Employment on OPT must be directly related to your major field of study.

Information about other immigration options may be found at: <https://www.uscis.gov/eir/visa-guide/entrepreneur-visa-guide#Nonimmigrant>

Q: Is there anything that I can do toward starting my business while still on an F-1 visa that doesn't violate my student status or specifically require employment authorization?

A: Yes. You can engage in discussions or conduct research such as performing customer discovery, engaging in competitive Analysis, exploring potential company formation options and equity arrangements with co-founders, building a test model to explore the technical feasibility of a product, drafting potential marketing materials, etc.

Q. Can I use OPT during my program?

A. Yes, OPT can be used part-time while school is in session or full-time during vacation periods or full-time after all requirements for the degree, excluding the thesis or dissertation, are complete.

Q. OPT is only for 12 months per level of study. What do I do after that?

A. If you pursue a higher level of study, you would be eligible for another 12-month period of OPT (which could be used part-time while school is in session). Alternatively, if you are in your post-completion period of OPT, if you were in a designated STEM field **and** if your company fully participates in E-Verify, you are eligible to apply for a 24- month STEM OPT extension. If you don't qualify for the STEM OPT extension, you would need to change to another immigration status. One possible option is to have your employer/company file for H-1B status on your behalf. NOTE: SEVP guidance is that “F-1 students cannot qualify for STEM OPT extensions unless they will be bona fide employees of the employer signing the Form I-983 because F-1 students may not provide employer attestations on their own behalf.” The STEM OPT cannot, therefore, be used if you are the sole proprietor of the company as you cannot be your own employer.

Q. Are there other options for employment authorization besides OPT?

A. If the company is financially viable, it may be able to sponsor you for H-1B status. Alternatively, the [International Entrepreneur Rule](#) that will become effective July 17, 2017. This rule provides employment authorization for eligible entrepreneurs who have established a start-up and who meets the specified criteria.

NOTE: US immigration regulations, policies and procedures are subject to change. As you make your plans, pay attention to the current regulatory/policy environment.