

## Entrepreneurship & Starting a Business

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It is important to think about immigration implications if you are in the U.S. as an international student and you want to start or run your own business. The U.S. federal government considers most entrepreneurship to be “work” even if you are not yet personally earning money from the venture. That means that appropriate U.S. employment authorization is needed for most of the entrepreneurship activity you do while you are physically present in the U.S., including starting any type of U.S. business. In addition, you would need a U.S. employment authorization to work remotely for your non-U.S. business. You need employment authorization even if you do all your work from an on-campus location or through an on-campus entrepreneurship class or project.

The U.S. federal government takes employment authorization very seriously. Working without appropriate authorization can have long-term negative consequences. If you are not sure about whether your business development and entrepreneurial activities might need U.S. employment authorization, please consult an experienced immigration attorney.

If your work is related to your field of study, then employment authorization options for F-1 student visa holders include [Curricular Practical Training \(CPT\)](#) and [Optional Practical Training \(OPT\)](#). Both of these types of employment authorizations are of limited duration and may be restricted to less than 20 hours per week while you are completing your degree. The International Office can advise on both of these employment authorization options.

### Additional Resources

[Study in the States – F-1 students and Entrepreneurship](#)

[U.S. Alliance for International Entrepreneurs](#)

[U.S. Immigration and Customs Enforcement – Student Employment](#)

## Frequently Asked Questions

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**Q: I'm in F-1 status. Can I work in the U.S.**

A: Yes, you are eligible to work part-time for Illinois Wesleyan University while school is in session and full-time (for IWU) during vacation periods.

**Q: Can I work off campus?**

A: To work off campus or for an employer other than IWU, you must have prior 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 is your business.

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

A: Maybe – regarding immigration regulations, 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 maintain F-1 status. U.S. federal 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. The IWU International Office does not recommend that F-1 students “volunteer” for professional positions as the employer may be obligated to provide compensation for the services rendered; meaning they would pay the student for the “volunteer” work. If an F-1 student does not have employment authorization and the employer pays them for “volunteer” work, the student may be in a situation where they are not compliant with their F-1 visa status. The U.S. Department 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 student should have had employment authorization.

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Students (and employers) must be careful about “volunteer” experiences to make sure there are no violations of any applicable regulations. *All international students should consult with the International Office before engaging in any volunteer opportunities.*

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

A: For students in F-1 status, the U.S. Department 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.” ([Study in the States](#))

Information about other immigration options may be found at: [USCIS’ Entrepreneur Visa Guide](#).

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

A: Yes – You can engage in discussions or conduct on-campus 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 participate in an entrepreneurial contest or competition, for example, the [Titan New Venture Challenge](#), or other IWU competitions?**

A: Maybe – if you are presenting a model or idea for a competition for prize money, you are allowed to compete. However, depending on the contest stipulations, you may not be able to proceed with your idea without prior employment authorization if you are required to create a business or “work” after you win and are awarded. *In all cases, international students should consult with the International Office before proceeding with any business venture.*

**Q: Can I use OPT during my program?**

A: Yes – pre-completion OPT can be used part-time while school is in session or full-time during vacation periods; post-completion OPT can be used full-time after all requirements for the degree have been met,

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meaning after a student has graduated. Almost all undergraduate students at IWU who choose to pursue OPT do so after they have graduated.

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

A: If you pursue a higher level of study, such as graduate school, 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, are in a designated STEM field, and your sponsoring employer fully participates in E-Verify, then you are eligible to apply for a 24-month STEM OPT extension. If you do not qualify for the STEM OPT extension, you would need to change to another immigration status.

**NOTE:** SEVP guidance is that “F-1 students cannot qualify for STEM OPT extensions unless they will be bona fide employees of the employer signed 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: For other employment authorization options, you should consult with the International Office and/or an experienced immigration attorney.

**NOTE:** U.S. federal immigration regulations, policies, and procedures are subject to change. As you make your plans, pay attention to the current regulatory and policy environments.