

# W-9 and W-8

## **Form W-9 - Request for Taxpayer Identification Number and Certification**

IRS Form W-9 is used to certify to your Tax Identification Number is correct, if you are an exempt payee or exempt from federal backup withholding, and that you are a U.S. citizen or U.S. resident. The FATCA exemption code on the most recent version of Form W-9 applies to “persons submitting Form W-9 for accounts maintained outside of the United States.” For accounts maintained within the United States, you can leave the FATCA exemption code box blank when submitting a completed Form W-9.

**Note: If you are not a U.S. citizen or U.S. resident, you should instead complete Form W-8. If you are unsure if you are a U.S. resident or which form to complete, you should consult a U.S. tax advisor to discuss your situation.**

Income earned from U.S. sources, including U.S. mutual fund distributions and U.S. retirement plan distributions, is subject to U.S. tax. Income of this U.S. source paid to a foreign person is taxed at a rate of 30%, in general. If you, the foreign recipient of the income, are a resident of a country that the U.S. has a tax treaty with then you may be eligible for a reduced rate of tax withholding. You may also be eligible for a reduced rate of withholding based on your status as a tax-exempt organization or foreign government. To certify any reduced rate of, or exemption from, tax withholding you must complete and return a signed Form W-8 as described below.

There are 5 different kinds of Form W-8. All Form W-8s certify your status as foreign, rather than as a U.S. citizen or U.S. resident.

**Note: If you are a U.S. citizen or U.S. resident you should complete Form W-9 instead. If you are unsure if you are a U.S. resident or which form to complete, you should consult a U.S. tax advisor to discuss your situation.**

In addition to establishing your foreign status, Form W-8 can also be used to certify a reduced rate of tax withholding on payments you receive. Each type of Form W-8 is used to establish different qualifications; you should consult a tax advisor to discuss the situation that applies to you.

**Form W-8BEN** – this is for individuals claiming a reduced rate, or exemption from withholding tax as a resident of a foreign country which the U.S. has an income tax treaty and is eligible for such treaty benefits. This form requests personal identification details, country of residence to claim treaty benefits, and signature.

**Form W-8BEN-E** – this is for entities (non-individuals) claiming a reduced rate, or exemption from withholding tax under a tax treaty with the U.S.

**Form W-8ECI** – this is for individuals and entities (non-individuals) claiming a tax withholding rate of 0% as the income is effectively connected with a U.S. trade or business. A U.S. taxpayer identification number is always required to complete this form.

**Form W-8EXP** – this is for specified recipients such as foreign governments, foreign tax exempt organizations, and foreign banks claiming a reduced rate, or exemption from, tax withholding.

**Form W-8IMY** – this is for foreign intermediaries to identify themselves and the responsibilities of certain parties for withholding and reporting. Withholding rates can vary depending on the type of intermediary identified.

Reminders on how to submit Form W-8 (Note: these procedures and requests will vary from each withholding agent – banks or financial institutions, etc.)

- Complete all applicable parts of the form, sign and date the form.
- If you are electing/certifying a reduced rate of tax withholding based on a tax treaty via Form W-8BEN or W-8BEN-E, make sure to enter the full unabbreviated name of the country that you are claiming tax treaty benefit under.
- If your account is registered in more than one name, each investor should complete a separate Form W-8.
- Do not use a Post Office Box or Care Of Address in the Permanent Address fields.
- Review the form to make sure you are using the most recent version of the Form W-8 released by the IRS.
- If you maintain a U.S. mailing address, then should include the following with your Form W-8:

a legible copy of documentary evidence that is less than three years old confirming your permanent foreign residence, foreign citizenship, or foreign country of organization or incorporation. This includes the following:

- Certificate of residence issued by an appropriate tax official of the country of residence indicating that you have filed your most recent tax return as a resident of that country, or;
- Valid individual government identification issued by an official authorized governmental body (including a photo), or;
- Valid entity (non-individual) documentation that includes the name of the entity and the address of its principal office in the country of residence and is an official document issued by an authorized governmental body.

**And;**

- a brief written explanation of the reason you are using a U.S. mailing address. This explanation should include a certification that the individual or entity is treated as a resident of a country other than the U.S. and is not treated as a U.S. resident or U.S. citizen for purposes of that income tax treaty.

**If you are a U.S. citizen or U.S. resident you should not complete Form W-8. You should complete Form W-9 instead. If you are unsure if you are a U.S. resident then you should contact a tax advisor to discuss your situation.**