



# **The University of Akron**

## **Payment Procedures for Short Term International Visitors**

### **Honorariums and Travel**

Contact Jim Karas in the Office of the Associate VP/Controller at x6566 if you have any questions.

Revised: March 2019

New Instructions and Form 8233 (09-2018)  
New Form Required for All Individuals W-8BEN (07-2017)  
Fill out Part I and sign W-8BEN

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## **SECTION I: GENERAL WORDS OF CAUTION**

International visitors present us with extremely complex issues which are governed by two (2) federal government agencies, the U.S. Citizenship and Immigration Services (USCIS) and the Internal Revenue Services (IRS). If we do not comply with these rules and regulations we not only risk fines and penalties for the University but could cause serious problems for the visitors when they file their tax returns here and/or in their own country.

These visitors, also at times referred to as non-resident aliens, and if they are paid an Honorarium, they will get a 1042S by March 15th of the next year showing the amount reported to IRS and reported to their country of residence if there is a tax treaty.

Therefore, it is important to understand the overall process and specific procedures in order that we maintain compliance. Many of these procedures should be performed before the visitor leaves home to come to the United States.

This document will address the rules and regulations as they apply only to short-term visitors who are invited for lectures, colloquium, etc., which generally do not last more than nine (9) days. For such engagements, the visitors are considered independent contractors as opposed to employees. Employees are considered to be rendering dependent personal services.

**KEY:** Start early. Engage the person as soon as possible and ensure that most or all of the issues discussed herein are completed before arrival. It will save time and aggravation for all involved.

Finally, it should be understood that, in most cases the visitor cannot be paid while at the University. Visitors are, typically, paid after they leave the University. It is a rare case where everything needed to make payment is available while the person is on campus.

## **SECTION II: ELIGIBILITY FOR HONORARIUMS AND PAYMENTS BASED ON VISA TYPE**

Unlike U.S. citizens or resident aliens who have met certain long-term presence criteria, payments to short-term visitors are very restrictive unless they enter the country through a long-term visa.

**KEY:** The first and foremost thing you must know is the visa category under which the visitor is entering the U.S.

When contacting potential visitors to come to the University, you should suggest they enter under a "J" visa if at all possible. The "J" visa allows payment for both an honorarium and travel. The honorarium could be subject to Treaty Exemption (See Sec. V.) depending on the home country.

Many visitors enter with either a B-1 (or WB) Business visa or a B-2 (or WT) Tourist visa. Payments under these visas are currently very restrictive. Individuals with tourist visas B-2 (or WT) are not able to be paid anything unless they are already in the United States when invited to come to our University. Caution your visitor not to declare tourist only and get B-2 or WT visa. They should declare business visa and get a B-1 (or WB) visa. Please contact Jim Karas in the Office of the Associate Vice President/Controller at x6566 if you have any questions about these visas.

## **SECTION II: ELIGIBILITY FOR HONORARIUMS AND PAYMENTS BASED ON VISA TYPE (continued)**

As we understand the application process for visas, the “J” visa takes a longer period of time to obtain and requires a fee, while the WB or WT visas are almost always issued on-the-spot, at little or no cost. Again, invite the visitors early and advise them to process their papers early to obtain the most beneficial visa type.

### **HOW TO OBTAIN A J-1 VISA**

The University of Akron is authorized to host several categories of J-1 Exchange Visitors, including Research Scholars, Professors, and Short-term Scholars. To request the immigration document necessary for your visitor to obtain a J-1 visa, contact the International Center at x6798, ideally at least three months prior to the exchange visitor’s intended start date. Complete the DS-2019 request form available at [www.uakron.edu/international/forms](http://www.uakron.edu/international/forms). Submit the request form to the International Center with the required supporting documentation from your department and the prospective visitor. The International Center will issue a Certificate of Eligibility (DS-2019) in approximately 3 weeks, although expedited processing may be available in special circumstances. Your department must mail the DS-2019, along with an information packet provided by the International Center, to the foreign visitor. The foreign visitor will apply for a J-1 visa at a U.S. embassy or consulate in his or her country. The J-1 visitor must check in at the International Center when he or she arrives on campus so the International Center can validate the visitor’s program in the SEVIS government database and provide orientation information as required by federal regulations.

### **HOW TO OBTAIN A B-1 (Visitor for Business)**

To get a B-1 (Visitor for Business) visa, the host department provides a letter of invitation giving purpose of visit, funding arrangements and length of stay. Your visitor presents the letter and proof of funding (if additional required) to the American Embassy in their country and obtains a B-1 (or B-1/B-2) visa. Your visitor then presents their passport with valid B-1 visa and letter of invitation upon entry.

### **HOW TO OBTAIN A WB (VISA WAIVER FOR BUSINESS)**

Your visitor needs a round-trip ticket and the letter of invitation giving purpose of visit, funding arrangements, and length of stay. Visitors from eligible countries present their passport and letter upon entry to U.S.

**SECTION II: ELIGIBILITY FOR HONORARIUMS AND PAYMENTS BASED ON VISA TYPE (continued)**

**VISA WAIVER PROGRAM (VMP) COUNTRIES**

Currently, as of 9/18/2017, 38 countries participate in the Visa Waiver Program as shown below. If they are coming in under the Visa Waiver Program the waiver visa WB is equivalent to a B-1 visa.

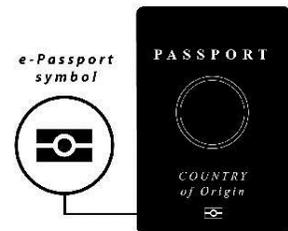
Andorra	Denmark	Iceland	Luxembourg	San Marino	Switzerland
Australia	Estonia	Ireland	Malta	Singapore	Taiwan
Austria	Finland	Italy	Monaco	Slovakia	United Kingdom
Belgium	France	Japan	the Netherlands	Slovenia	
Brunei	Germany	Latvia	New Zealand	South Korea	
Chile	Greece	Liechtenstein	Norway	Spain	
Czech Republic	Hungary	Lithuania	Portugal	Sweden	

**Each Traveler Must Have Authorization Under ESTA**

In order to travel without a visa on the VWP, you must have authorization through the Electronic System for Travel Authorization (ESTA) prior to boarding a U.S. bound air or sea carrier. ESTA is the Department of Homeland Security (DHS). Customs and Border Protection’s (CBP) automated web-based system to determine eligibility to travel without a visa to the United States for tourism or business. Visit the ESTA webpage on the CBP website for more information.

ESTA is an automated system that determines the eligibility of visitors to travel to the United States under the Visa Waiver Program (VWP) (/travel/international-visitors/visa-waiver-program). Authorization via ESTA does not determine whether a traveler is admissible to the United States. U.S. Customs and Border Protection officers determine admissibility upon travelers’ arrival. The ESTA application collects biographic information and answers to VWP eligibility questions. ESTA applications may be submitted at any time prior to travel, though it is recommended that travelers apply as soon as they begin preparing travel plans or prior to purchasing airline tickets.

**NOTICE:** As of April, 1, 2016, you must have an e-passport to use the VWP. An e-Passport (<https://www.dhs.gov/e-passports>) is an enhanced secure passport with an embedded electronic chip. You can readily identify an e-Passport, because it has a unique international symbol on the cover. Apply for an ESTA (<https://esta.cbp.dhs.gov/esta/esta.html>)



## **SECTION II: ELIGIBILITY FOR HONORARIUMS AND PAYMENTS BASED ON VISA TYPE (continued)**

### **HONORARIUMS**

Honorariums for international visitors are paid from the Honorarium and Expense Authorization form for non-University personnel International Visitors. All the appropriate people, including the international visitor, should sign the form. All honorarium contracts or letters of invitation should require the payee to supply a Social Security Number (SSN) or Individual Taxpayer Identification Number (ITIN) for payment. If they do not have a social security number or individual taxpayer identification number, 30% tax will have to be withheld from the honorarium or the honorarium will have to be grossed up if the department wants to pay the taxes. Please see section VI: Grossing-Up payments to cover U.S. tax withholding. We will also need a copy of the international visitor's passport and the visa located in their passport. We will need a copy of their I-94 card for land border ports of entry if one is obtained and is inserted into their passport. Make a copy of the visa type of entry entered into their passport. For "J" visa holders, we need a copy of their DS-2019. We also need all foreign visitors to give us their foreign home address. If they are from a tax treaty country, they will need to process a form 8233 to exempt them from tax withholding. Please be aware that upon filing the 8233 with the IRS, the University must wait 10 days before we can pay the Honorarium. Please note in order to process a form 8233, the visitor must have a social security number or individual taxpayer identification number.

"B" visa holders must sign the certificate for Academic Honorarium for Visiting "B" Nonimmigrant Aliens. It states the following:

Section 431 of the American Competitiveness and Workforce Improvement Act (as revised October 1998) specifies that any alien admitted under 101(a)(15)(B) of the Immigration and Nationality Act may accept honorarium payment and associated incidental expenses for "usual academic activity" lasting no more than nine (9) days at any single institution, if the payment is offered by the institution for services conducted for the benefit of the institution. The foreign national may accept such payment only if he or she has not accepted such payment or expenses from more than five (5) institutions during the previous six (6) months. The visitor will have to sign a certificate to this effect.

**KEY:** The visa type and number are contained on a Form I-94 land border ports of entry which is inside the visitor's passport. When the visitor departs the U.S. the Form I-94 must be surrendered. Please be sure to get a copy of the I-94 before the visitor leaves. If there is no I-94 form, please make sure that you make a copy of the passport visa stamp that has the date of entry and visa type.

### **CANADIAN VISITORS**

Canadian visitors may receive their B-1 visas at the border. The host department provides a letter of invitation giving purpose of visit, funding arrangements and length of stay. The Canadian visitor presents their letter at the border and obtains an I-94 with the B-1 visa designation on it. Canadians may also be reimbursed for travel expenses if this was included in their original funding arrangement.

The Canadian visitor will need to sign the B certificate to be paid an Honorarium and travel expense. To be paid an Honorarium they will also need an U.S. social security number (SSN) or individual taxpayer identification number (ITIN). We would like a copy of the visitor's letter of invitation to accompany their reimbursement.

### SECTION III: TRAVEL REIMBURSEMENT

**NOTE:** The IRS will allow the University to not tax travel reimbursement payments (by using the IRS accountable plan method) if an honorarium is going to be paid along with the travel reimbursements.

The expenses would be submitted on the Honorarium and Expense Authorization Form for non- University personnel. All appropriate people, including the international visitor, should sign this form. Original receipts must be attached for reimbursement. We will allow a photocopy of an airline ticket if the foreign visitor needs it to return home. We need a copy of the foreign visitors' passport and visa. We need a copy of their I-94 card, if entered by land border ports of entry, which may be in their passport.

Foreign visitors to the U.S. arriving via air or sea no longer need to complete paper Customs and Border Protection Form I-94 Arrival/Departure Record (/document/forms/form-i-94-arrivaldeparture-record) or Form I-94W Nonimmigrant Visa Waiver Arrival/Departure Record (/document/forms/form-i-94w-visa/waiver-arrivaldeparture-record). Those who need to prove their legal-visitor status – to employers, schools/universities or government agencies – can access their CBP arrival/departure record information online. CBP now gathers travelers' arrival/departure information automatically from their electronic travel records. Because advance information is only transmitted for air and sea travelers, CBP will still issue a paper form I-94 at land border ports of entry.

If travelers need the information from their Form I-94 admission record to verify immigration status or employment authorization, the record number and other admission information they are encouraged to get their I-94 Number (<https://i94.cbp.dhs.gov/i94/#/home>.)

Upon arrival, a CBP officer stamps the travel document of each arriving non-immigrant traveler with the admission date, the class of admission, and the date that the traveler is admitted until. If a traveler would like a paper Form I-94, one can be requested during the inspection process. All requests will be accommodated in a secondary setting.

Upon exiting the U.S., travelers previously issued a paper Form I-94 should surrender it to the commercial carrier or to CBP upon departure. Otherwise, CBP will record the departure electronically via manifest information provided by the carrier or by CBP.

Again, if there is no I-94, please make sure that you make a copy of the passport visa stamp that has the date of entry and visa type. For "J" visa holders, we need a copy of their DS-2019. If they entered on a "B" visa or waiver, they will also have to sign a certificate stating that they did not receive payment or expense reimbursement from more than five (5) institutions during the previous six (6) months. If they are receiving expense reimbursement only, with no honorarium, they may be able to receive reimbursement for more than nine (9) days if they are on B-1, WB or "J" visa.

**KEY:** Please note that if you pay a vendor directly for hotel, airfare, meals, etc., we still need documentation from the international visitor, i.e. a copy of their passport, visa, I-94 if there is one, DS-2019 for J-1 visa and possibly a signed certificate.

## SECTION IV: FEDERAL IDENTIFICATION NUMBER

An Honorarium payment made to a non-resident alien visitor must be reported to the IRS, and the only acceptable reporting is by one of two (2) federal identification numbers:

- **SOCIAL SECURITY NUMBER (SSN)** - Until 1-1-98, the SSN was the only means by which an employer could report payment to the IRS. The number was generally easy to obtain (3-4 weeks) and made the payment process fairly easy. Now, the Social Security Administration has restricted the SSN only to payment for dependent personal services (i.e.; wages for work) and for persons who will eventually be eligible for social security benefits. Of course, alien visitors are normally not eligible for Social Security benefits.
- **INDIVIDUAL TAXPAYER IDENTIFICATION NUMBER (ITIN)** - This number system was developed by the IRS and Social Security Administration for employers to report income and taxes for those persons not eligible for social security benefits. The ITIN is more difficult to obtain (more forms and original or certified copies from issuing agency of personal documentation and takes 8-12 weeks or more). Please be aware that currently only individuals from tax treaty countries can obtain an ITIN before they file their U.S. tax return. All others will have to obtain their ITIN when they file their U.S. tax return 1040NR form or 1040NR-EZ form.

If visitors do not already have a SSN, they must obtain an ITIN. To do so, a Form W-7 must be completed personal documents must be submitted with the form. A passport is an acceptable document. If you submit an original passport or certified copy from the issuing agency, you do not need to submit any other documentation. An ITIN can also be obtained through an Acceptance Agent. See instructions for the W-7 application for other acceptable documents. Go to <https://www.irs.gov/pub/irs-pdf/fw7.pdf> for form W-7 and <https://www.irs.gov/pub/irs-pdf/iw7.pdf> for form instructions.

## SECTION V: TAX TREATY EXEMPTION

The U.S. has executed Tax Treaties with many countries that permit payments for services under certain visa types to be exempt from U.S. taxes. See list of countries in this Section. In order for a visitor to take advantage of the Treaty Exemption, the visitor may enter the U.S. on a "J" visa, and certain other visas, and a Form 8233 must be completed. Of course, the visitor must be from a Treaty country and must have a social security number or individual taxpayer identification number. If a Treaty does not exist, the payment for services will be taxed at 30%. The Form 8233 requires the visitor's signature and that the University verifies the date presented on the form and is also signed by Jim Karas as the representative of the withholding agent. Only payments for independent personal services may be exempted from taxation, i.e., an honorarium or consultation payment. The Form 8233 must be mailed by the University to the IRS and there is then a ten-day waiting period before payment can be made.

Compensation for independent services by persons from the countries listed below is exempt from U.S. income tax by virtue of a tax treaty. Income code 17.

List of Countries	Exempt Wage Limit	Maximum presence in U.S.	Treaty Article
Armenia <sup>1</sup>		183 days	VI(2)
Australia		183 days	14
Austria		no limit	14
Azerbaijan <sup>1</sup>		183 days	VI(2)
Bangladesh		183 days	15
Barbados	(\$5,000 limit)	89 days	14
Belarus <sup>1</sup>		183 days	VI(2)
Belgium <sup>2</sup>			7
Bulgaria <sup>2</sup>			7
Canada <sup>2</sup>			VII
China, Peoples Republic Of		183 days	13
Cyprus		182 days	17
Czech Republic		183 days	14
Denmark		no limit	14
Egypt		89 days	15
Estonia		183 days	14
Finland		no limit	14
France		no limit	14
Georgia <sup>1</sup>		183 days	VI(2)
Germany <sup>2</sup>			7
Greece	(\$10,000 limit)	183 days	X
Hungary		183 days	13
Iceland <sup>2</sup>			7
India		89 days	15
Indonesia		119 days	15
Ireland		no limit	14
Israel		182 days	16

Continued on next page

**SECTION V: TAX TREATY EXEMPTION (continued)**

<b>List of Countries (continued)</b>	<b>Exempt Wage Limit</b>	<b>Maximum presence in U.S.</b>	<b>Treaty Article</b>
Italy		No limit	14(1)
Jamaica	(\$5,000 limit per annum)	89 days	14
Japan <sup>2</sup>			7
Kazakhstan		183 days	14
Korea, Rep. Of (South)	(\$3,000 limit per annum)	182 days	18
Kyrgyzstan <sup>1</sup>		183 days	VI(2)
Latvia		183 days	14
Lithuania		183 days	14
Luxembourg		no limit	15
Malta <sup>2</sup>			7
Mexico		182 days	14
Moldova <sup>1</sup>		183 days	VI(2)
Morocco	(\$5,000 limit)	182 days	14
Netherlands		no limit	15
New Zealand <sup>2</sup>			7
Norway		182 days	13
Pakistan		183 days	XI
Philippines	(\$10,000 limit per annum)	89 days	15
Poland		182 days	15
Portugal		182 days	15
Romania		182 days	14
Russia		183 days	13
Slovak Republic		183 days	14
Slovenia		no limit	14
South Africa		183 days	14
Spain		no limit	15
Sri Lanka		183 days	15
Sweden		no limit	14
Switzerland		no limit	14
Tajikistan <sup>1</sup>		183 days	VI(2)
Thailand	(\$10,000 limit)	89 days	15
Trinidad & Tobago	(\$3,000 limit)	183 days	17
Tunisia	(\$7,500 limit per annum)	183 days	14
Turkey		183 days	14
Turkmenistan <sup>1</sup>		183 days	VI(2)
Ukraine		no limit	14
United Kingdom <sup>2</sup>			7
Uzbekistan <sup>1</sup>		183 days	VI(2)
Venezuela		no limit	14

<sup>1</sup> Countries governed by the Commonwealth of Independent States Treaty

<sup>2</sup> Article 7 or VII is treated as business profits under Article (7)VII of the treaty.

## **SECTION V: TAX TREATY EXEMPTION (continued)**

IRS Publication 901, which is usually updated annually, is available by calling IRS toll free forms line 1-800-829-3676 or on their web site (<http://www.irs.gov>). The tax treaty tables previously contained in this publication have been updated and moved to IRS.gov. You can locate the tables on IRS.gov by entering "Tax Treaty Table" in the search box. Click on "Tax Treaty Tables." You can also access the tables by going to [www.irs.gov/Individuals/International-Taxpayers/Tax-Treaty-Tables](http://www.irs.gov/Individuals/International-Taxpayers/Tax-Treaty-Tables).

## **SECTION VI: GROSSING-UP PAYMENTS TO COVER U.S. TAX WITHHOLDING**

As described in the previous Section, 30% U.S. income tax will be withheld on honorarium payments when no U.S. Tax Treaty exists for the visitor's home country.

When an honorarium is negotiated between the University host department and the visitor, the department often feels that the visitor should receive the "full amount quoted" even though tax withholding is required.

This may be accomplished by a method known as "grossing-up" the payment to cover the tax. As an example, say you wish to pay \$1,000 but 30% tax must be withheld. At first calculation, the visitor takes home only \$700. If that is acceptable, then no further decisions are required.

However, many hosts do not want the visitor to leave with less than the amount originally quoted. In this instance, you may wish to "pay the visitor's tax" by grossing-up. The following calculation takes place:

Original Quoted Amount	\$1,000
Gross-up by Dividing by	<u>70%</u>
Gross to be Paid	\$1,428
Apply 30% Tax	- <u>428</u>
Visitor's Take Home	<u>\$1,000</u>

By this process, your account will be charged for the \$1,428 and the visitor receives what was originally negotiated.

## **SECTION VII: Forms, Instructions and Certificate Follow**



# Instructions for Form W-8BEN

(Rev. July 2017)

## Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding and Reporting (Individuals)

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Section references are to the Internal Revenue Code unless otherwise noted.

### Future Developments

For the latest information about developments related to Form W-8BEN and its instructions, such as legislation enacted after they were published, go to [IRS.gov/FormW8BEN](http://IRS.gov/FormW8BEN).

### What's New

Minor updates are made to Form W-8BEN to conform with Form W-8BEN-E. A note on reciprocal exchange is added before Part I; Part II, line 10, is updated to match Form W-8BEN-E; and the first bullet in Part III is revised for clarity. These instructions have been updated to reflect temporary and final regulations under chapters 3 and 4 published in January 2017. These instructions include additional information on when a foreign TIN and date of birth are required to be included on Form W-8BEN. In addition, these instructions include information about the use of electronic signatures.

**More information.** For more information on FATCA, go to [IRS.gov/FATCA](http://IRS.gov/FATCA).

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## General Instructions

For definitions of terms used throughout these instructions, see *Definitions*, later.

### Purpose of Form

**Establishing status for chapter 3 purposes.** Foreign persons are subject to U.S. tax at a 30% rate on income they receive from U.S. sources that consists of:

- Interest (including certain original issue discount (OID));
  - Dividends;
  - Rents;
  - Royalties;
  - Premiums;
  - Annuities;
  - Compensation for, or in expectation of, services performed;
  - Substitute payments in a securities lending transaction;
- or
- Other fixed or determinable annual or periodical gains, profits, or income.

This tax is imposed on the gross amount paid and is generally collected by withholding under section 1441. A payment is considered to have been made whether it is made directly to the beneficial owner or to another person, such as an intermediary, agent, or partnership, for the benefit of the beneficial owner.

In addition, section 1446 requires a partnership conducting a trade or business in the United States to withhold tax on a foreign partner's distributive share of the partnership's effectively connected taxable income. Generally, a foreign person that is a partner in a partnership that submits a Form W-8BEN for purposes of section 1441 or 1442 will satisfy the documentation requirements under section 1446 as well. However, in some cases the documentation requirements of sections 1441 and 1442 do not match the documentation requirements of section 1446. See Regulations sections 1.1446-1 through 1.1446-6.

**Note.** The owner of a disregarded entity (including an individual), rather than the disregarded entity itself, must submit the appropriate Form W-8BEN for purposes of section 1446.

If you receive certain types of income, you must provide Form W-8BEN to:

- Establish that you are not a U.S. person;
- Claim that you are the beneficial owner of the income for which Form W-8BEN is being provided or a foreign partner in a partnership subject to section 1446; and
- If applicable, claim a reduced rate of, or exemption from, withholding as a resident of a foreign country with which the United States has an income tax treaty and who is eligible for treaty benefits.

You may also be required to submit Form W-8BEN to claim an exception from domestic information reporting and backup withholding (at the backup withholding rate under section 3406) for certain types of income that are not subject to foreign-person withholding at a rate of 30% under section 1441. Such income includes:

- Broker proceeds;
- Short-term (183 days or less) OID;
- Bank deposit interest;
- Foreign source interest, dividends, rents, or royalties; and
- Proceeds from a wager placed by a nonresident alien individual in the games of blackjack, baccarat, craps, roulette, or big-6 wheel.

A withholding agent or payer of the income may rely on a properly completed Form W-8BEN to treat a payment associated with the Form W-8BEN as a payment to a foreign person who beneficially owns the amounts paid. If applicable, the withholding agent may rely on the Form W-8BEN to apply a reduced rate of, or exemption from, withholding at source.

Provide Form W-8BEN to the withholding agent or payer before income is paid or credited to you. Failure to provide a Form W-8BEN when requested may lead to withholding at the foreign-person withholding rate of 30% or the backup withholding rate under section 3406.

**Establishing status for chapter 4 purposes.** A foreign financial institution (FFI) may rely on a properly completed Form W-8BEN to establish your chapter 4 status as a foreign person. The Form W-8BEN should be provided to the FFI when requested. Failure to do so could result in 30% withholding on income paid or credited to you as a recalcitrant account holder from sources within the United States. See the definition of amounts subject to withholding, later.

**Additional information.** For additional information and instructions for the withholding agent, see the Instructions for the Requester of Forms W-8BEN, W-8BEN-E, W-8ECI, W-8EXP, and W-8IMY.

## Who Must Provide Form W-8BEN

You must give Form W-8BEN to the withholding agent or payer if you are a nonresident alien who is the beneficial owner of an amount subject to withholding, or if you are an account holder of an FFI documenting yourself as a nonresident alien. If you are the single owner of a disregarded entity, you are considered the beneficial owner of income received by the disregarded entity. Submit Form W-8BEN when requested by the withholding agent, payer, or FFI whether or not you are claiming a reduced rate of, or exemption from, withholding.

You should also provide Form W-8BEN to a payment settlement entity (PSE) requesting this form if you are a foreign individual receiving payments subject to reporting under section 6050W (payment card transactions and third-party network transactions) as a participating payee. However, if the payments are income which is effectively connected to the conduct of a U.S. trade or business, you should instead provide the PSE with a Form W-8ECI.

### **Do not use Form W-8BEN if you are described below.**

- You are a foreign entity documenting your foreign status, documenting your chapter 4 status, or claiming treaty benefits. Instead, use Form W-8BEN-E.
- You are a U.S. citizen (even if you reside outside the United States) or other U.S. person (including a resident alien individual). Instead, use Form W-9 to document your status as a U.S. person.
- You are acting as a foreign intermediary (that is, acting not for your own account, but for the account of others as an agent, nominee, or custodian). Instead, provide Form W-8IMY.
- You are a nonresident alien individual who claims exemption from withholding on compensation for independent or dependent personal services performed in the United States. Instead, provide Form 8233 or Form W-4.
- You are receiving income that is effectively connected with the conduct of a trade or business in the United States, unless it is allocable to you through a partnership. Instead, provide Form W-8ECI. If any of the income for which you have provided a Form W-8BEN becomes effectively connected, this is a change in circumstances and Form W-8BEN is no longer valid with respect to such income. You must file Form W-8ECI. See *Change in circumstances*, later.

**Giving Form W-8BEN to the withholding agent.** Do not send Form W-8BEN to the IRS. Instead, give it to the

person who is requesting it from you. Generally, this will be the person from whom you receive the payment, who credits your account, or a partnership that allocates income to you. An FFI may also request this form from you to document your account as other than a U.S. account. Give Form W-8BEN to the person requesting it before the payment is made to you, credited to your account, or allocated. If you do not provide this form, the withholding agent may have to withhold at the 30% rate (under chapters 3 and 4), backup withholding rate, or the rate applicable under section 1446. If you receive more than one type of income from a single withholding agent for which you claim different benefits, the withholding agent may, at its option, require you to submit a Form W-8BEN for each different type of income. Generally, a separate Form W-8BEN must be given to each withholding agent.

**Note.** If you own the income or account jointly with one or more other persons, the income or account will be treated by the withholding agent as owned by a foreign person that is a beneficial owner of a payment only if Forms W-8BEN or W-8BEN-E are provided by all of the owners. If the withholding agent or financial institution receives a Form W-9 from any of the joint owners, however, the payment must be treated as made to a U.S. person and the account treated as a U.S. account.

**Expiration of Form W-8BEN.** Generally, a Form W-8BEN will remain in effect for purposes of establishing foreign status for a period starting on the date the form is signed and ending on the last day of the third succeeding calendar year, unless a change in circumstances makes any information on the form incorrect. For example, a Form W-8BEN signed on September 30, 2015, remains valid through December 31, 2018.

However, under certain conditions a Form W-8BEN will remain in effect indefinitely until a change of circumstances occurs. To determine the period of validity for Form W-8BEN for purposes of chapter 4, see Regulations section 1.1471-3(c)(6)(ii). To determine the period of validity for Form W-8BEN for purposes of chapter 3, see Regulations section 1.1441-1(e)(4)(ii).

**Change in circumstances.** If a change in circumstances makes any information on the Form W-8BEN you have submitted incorrect, you must notify the withholding agent, payer, or FFI with which you hold an account within 30 days of the change in circumstances and you must file a new Form W-8BEN or other appropriate form.

If you use Form W-8BEN to certify that you are a foreign person, a change of address to an address in the United States is a change in circumstances. Generally, a change of address within the same foreign country or to another foreign country is not a change in circumstances. However, if you use Form W-8BEN to claim treaty benefits, a move to the United States or outside the country where you have been claiming treaty benefits is a change in circumstances. In that case, you must notify the withholding agent, payer, or FFI within 30 days of the move.

If you become a U.S. citizen or resident alien after you submit Form W-8BEN, you are no longer subject to the 30% withholding rate under section 1441 or the withholding tax on a foreign partner's share of effectively

connected income under section 1446. To the extent you have an account with an FFI, your account may be subject to reporting by the FFI under chapter 4. You must notify the withholding agent, payer, or FFI within 30 days of becoming a U.S. citizen or resident alien. You may be required to provide a Form W-9. For more information, see Form W-9 and its instructions.



*You may be a U.S. resident for tax purposes depending on the number of days you are physically present in the United States over a 3-year period. See Pub. 519, available at [IRS.gov/Pub519](https://www.irs.gov/pub/519). If you satisfy the substantial presence test, you must notify the withholding agent, payer, or financial institution with which you have an account within 30 days and provide a Form W-9.*

## Definitions

**Account holder.** An account holder is generally the person listed or identified as the holder or owner of a financial account. For example, if a partnership is listed as the holder or owner of a financial account, then the partnership is the account holder, rather than the partners of the partnership (subject to some exceptions). However, an account that is held by a single-member disregarded entity is treated as held by the entity's single owner.

**Amounts subject to withholding.** Generally, an amount subject to chapter 3 withholding is an amount from sources within the United States that is fixed or determinable annual or periodical (FDAP) income. FDAP income is all income included in gross income, including interest (as well as OID), dividends, rents, royalties, and compensation. FDAP income does not include most gains from the sale of property (including market discount and option premiums), as well as other specific items of income described in Regulations section 1.1441-2 (such as interest on bank deposits and short-term OID).

For purposes of section 1446, the amount subject to withholding is the foreign partner's share of the partnership's effectively connected taxable income.

Generally, an amount subject to chapter 4 withholding is an amount of U.S. source FDAP income that is also a withholdable payment as defined in Regulations section 1.1473-1(a). The exemptions from withholding provided for under chapter 3 are not applicable when determining whether withholding applies under chapter 4. For specific exceptions applicable to the definition of a withholdable payment, see Regulations section 1.1473-1(a)(4) (exempting, for example, certain nonfinancial payments).

**Beneficial owner.** For payments other than those for which a reduced rate of, or exemption from, withholding is claimed under an income tax treaty, the beneficial owner of income is generally the person who is required under U.S. tax principles to include the payment in gross income on a tax return. A person is not a beneficial owner of income, however, to the extent that person is receiving the income as a nominee, agent, or custodian, or to the extent the person is a conduit whose participation in a transaction is disregarded. In the case of amounts paid that do not constitute income, beneficial ownership is determined as if the payment were income.

Foreign partnerships, foreign simple trusts, and foreign grantor trusts are not the beneficial owners of income paid to the partnership or trust. The beneficial owners of income paid to a foreign partnership are generally the partners in the partnership, provided that the partner is not itself a partnership, foreign simple or grantor trust, nominee, or other agent. The beneficial owners of income paid to a foreign simple trust (that is, a foreign trust that is described in section 651(a)) are generally the beneficiaries of the trust, if the beneficiary is not a foreign partnership, foreign simple or grantor trust, nominee, or other agent. The beneficial owners of a foreign grantor trust (that is, a foreign trust to the extent that all or a portion of the income of the trust is treated as owned by the grantor or another person under sections 671 through 679) are the persons treated as the owners of the trust. The beneficial owners of income paid to a foreign complex trust (that is, a foreign trust that is not a foreign simple trust or foreign grantor trust) is the trust itself.

For purposes of section 1446, the same beneficial owner rules apply, except that under section 1446 a foreign simple trust rather than the beneficiary provides the form to the partnership.

The beneficial owner of income paid to a foreign estate is the estate itself.

**Note.** A payment to a U.S. partnership, U.S. trust, or U.S. estate is treated as a payment to a U.S. payee that is not subject to 30% withholding under chapter 3 or 4. A U.S. partnership, trust, or estate should provide the withholding agent with a Form W-9. For purposes of section 1446, a U.S. grantor trust or disregarded entity shall not provide the withholding agent a Form W-9 in its own right. Rather, the grantor or other owner shall provide the withholding agent the appropriate form.

**Chapter 3.** Chapter 3 means chapter 3 of the Internal Revenue Code (Withholding of Tax on Nonresident Aliens and Foreign Corporations). Chapter 3 contains sections 1441 through 1464.

**Chapter 4.** Chapter 4 means chapter 4 of the Internal Revenue Code (Taxes to Enforce Reporting on Certain Foreign Accounts). Chapter 4 contains sections 1471 through 1474.

**Deemed-compliant FFI.** Under section 1471(b)(2), certain FFIs are deemed to comply with the regulations under chapter 4 without the need to enter into an FFI agreement with the IRS. However, certain deemed-compliant FFIs are required to register with the IRS and obtain a Global Intermediary Identification Number (GIIN). These FFIs are referred to as **registered deemed-compliant FFIs**. See Regulations section 1.1471-5(f).

**Disregarded entity.** A business entity that has a single owner and is not a corporation under Regulations section 301.7701-2(b) is disregarded as an entity separate from its owner. A disregarded entity does not submit this Form W-8BEN to a partnership for purposes of section 1446 or to an FFI for purposes of chapter 4. Instead, the owner of such entity provides appropriate documentation. See Regulations section 1.1446-1 and section 1.1471-3(a)(3)(v), respectively.

Certain entities that are disregarded for U.S. tax purposes may be recognized for purposes of claiming treaty benefits under an applicable tax treaty (see the definition of hybrid entity below). A hybrid entity claiming treaty benefits is required to complete Form W-8BEN-E. See Form W-8BEN-E and its instructions.

**Financial account.** A financial account includes:

- A depository account maintained by a financial institution;
- A custodial account maintained by a financial institution;
- Equity or debt interests (other than interests regularly traded on an established securities market) in investment entities and certain holding companies, treasury centers, or financial institutions as defined in Regulations section 1.1471-5(e);
- Cash value insurance contracts; and
- Annuity contracts.

For purposes of chapter 4, exceptions are provided for accounts such as certain tax-favored savings accounts; term life insurance contracts; accounts held by estates; escrow accounts; and annuity contracts. These exceptions are subject to certain conditions. See Regulations section 1.1471-5(b)(2). Accounts may also be excluded from the definition of financial account under an applicable IGA.

**Financial institution.** A financial institution generally means an entity that is a depository institution, custodial institution, investment entity, or an insurance company (or holding company of an insurance company) that issues cash value insurance or annuity contracts.

**Foreign financial institution (FFI).** An FFI generally means a foreign entity that is a financial institution.

**Foreign person.** A foreign person includes a nonresident alien individual and certain foreign entities that are not U.S. persons (entities should complete Form W-8BEN-E rather than this Form W-8BEN).

**Hybrid entity.** A hybrid entity is any person (other than an individual) that is treated as fiscally transparent for purposes of its status under the Code but is not treated as fiscally transparent by a country with which the United States has an income tax treaty. Hybrid status is relevant for claiming treaty benefits.

**Intergovernmental agreement (IGA).** An IGA means a Model 1 IGA or a Model 2 IGA. For a list of jurisdictions treated as having in effect a Model 1 or Model 2 IGA, see the list of jurisdictions at [www.treasury.gov/resource-center/tax-policy/treaties/Pages/FATCA-Archive.aspx](http://www.treasury.gov/resource-center/tax-policy/treaties/Pages/FATCA-Archive.aspx).

A **Model 1 IGA** means an agreement between the United States or the Treasury Department and a foreign government or one or more agencies to implement FATCA through reporting by FFIs to such foreign government or agency, followed by automatic exchange of the reported information with the IRS. An FFI in a Model 1 IGA jurisdiction that performs account reporting to the jurisdiction's government is referred to as a **reporting Model 1 FFI**.

A **Model 2 IGA** means an agreement or arrangement between the United States or the Treasury Department and a foreign government or one or more agencies to

implement FATCA through reporting by FFIs directly to the IRS in accordance with the requirements of an FFI agreement, supplemented by the exchange of information between such foreign government or agency and the IRS. An FFI in a Model 2 IGA jurisdiction that has entered into an FFI agreement with respect to a branch is a participating FFI, but may be referred to as a **reporting Model 2 FFI**.

**Nonresident alien individual.** Any individual who is not a citizen or resident alien of the United States is a nonresident alien individual. An alien individual meeting either the "green card test" or the "substantial presence test" for the calendar year is a resident alien. Any person not meeting either test is a nonresident alien individual. Additionally, an alien individual who is treated as a nonresident alien pursuant to Regulations section 301.7701(b)-7 for purposes figuring the individual's U.S. tax liability, or an alien individual who is a bona fide resident of Puerto Rico, Guam, the Commonwealth of the Northern Mariana Islands, the U.S. Virgin Islands, or American Samoa is a nonresident alien individual. See Pub. 519 for more information on resident and nonresident alien status.



*Even though a nonresident alien individual married to a U.S. citizen or resident alien may choose to be treated as a resident alien for certain purposes (for example, filing a joint income tax return), such individual is still treated as a nonresident alien for chapter 3 withholding tax purposes on all income except wages. For purposes of chapter 4, a nonresident alien individual who holds a joint account with a U.S. person will be considered a holder of a U.S. account for chapter 4 purposes.*

**Participating FFI.** A participating FFI is an FFI that has agreed to comply with the terms of an FFI agreement with respect to all branches of the FFI, other than a branch that is a reporting Model 1 FFI or a U.S. branch. The term "participating FFI" also includes a reporting Model 2 FFI and a qualified intermediary (QI) branch of a U.S. financial institution, unless such branch is a reporting Model 1 FFI.

**Participating payee.** A participating payee means any person that accepts a payment card as payment or accepts payment from a third-party settlement organization in settlement of a third-party network transaction.

**Payment settlement entity (PSE).** A PSE is a merchant acquiring entity or third-party settlement organization. Under section 6050W, a PSE is generally required to report payments made in settlement of payment card transactions or third-party network transactions. However, a PSE is not required to report payments made to a beneficial owner that is documented as foreign with an applicable Form W-8.

**Recalcitrant account holder.** A recalcitrant account holder includes an individual who fails to comply with the requests of an FFI for documentation and information for determining the U.S. or foreign status of the individual's account, including furnishing this Form W-8BEN when requested.

**U.S. person.** A U.S. person is defined in section 7701(a) (30) and includes an individual who is a citizen or resident of the United States. For purposes of chapter 4, a U.S. person is defined in Regulations section 1.1471-1(b) (141).

**Withholding agent.** Any person, U.S. or foreign, that has control, receipt, custody, disposal, or payment of U.S. source FDAP income subject to chapter 3 or 4 withholding is a withholding agent. The withholding agent may be an individual, corporation, partnership, trust, association, or any other entity, including (but not limited to) any foreign intermediary, foreign partnership, and U.S. branches of certain foreign banks and insurance companies.

For purposes of section 1446, the withholding agent is the partnership conducting the trade or business in the United States. For a publicly traded partnership, the withholding agent may be the partnership, a nominee holding an interest on behalf of a foreign person, or both. See Regulations sections 1.1446-1 through 1.1446-6.

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## Specific Instructions

### Part I

**Line 1.** Enter your name. If you are a foreign individual who is the single owner of a disregarded entity that is not claiming treaty benefits as a hybrid entity, with respect to a payment, you should complete this form with your name and information. If the account to which a payment is made or credited is in the name of the disregarded entity, you should inform the withholding agent of this fact. This may be done by including the name and account number of the disregarded entity on line 7 (reference number) of the form. However, if the disregarded entity is claiming treaty benefits as a hybrid entity, it should complete Form W-8BEN-E instead of this Form W-8BEN.

**Line 2.** Enter your country of citizenship. If you are a dual citizen, enter the country where you are both a citizen and a resident at the time you complete this form. If you are not a resident in any country in which you have citizenship, enter the country where you were most recently a resident. However, if you are a U. S. citizen, you should not complete this form even if you hold citizenship in another jurisdiction. Instead, provide Form W-9.

**Line 3.** Your permanent residence address is the address in the country where you claim to be a resident for purposes of that country's income tax. If you are completing Form W-8BEN to claim a reduced rate of withholding under an income tax treaty, you must determine your residency in the manner required by the treaty. Do not show the address of a financial institution, a post office box, or an address used solely for mailing purposes. If you do not have a tax residence in any country, your permanent residence is where you normally reside.

If you reside in a country that does not use street addresses, you may enter a descriptive address on line 3. The address must accurately indicate your permanent residence in the manner used in your jurisdiction.

**Line 4.** Enter your mailing address only if it is different from the address you show on line 3.

**Line 5.** If you have a social security number (SSN), enter it here. To apply for an SSN, get Form SS-5 from a Social Security Administration (SSA) office or online at [www.ssa.gov/forms/ss-5.pdf](http://www.ssa.gov/forms/ss-5.pdf). If you are in the United States, you can call the SSA at 1-800-772-1213. Complete Form SS-5 and return it to the SSA.

If you do not have an SSN and are not eligible to get one, you can get an individual taxpayer identification number (ITIN). To apply for an ITIN, file Form W-7 with the IRS. It usually takes 4–6 weeks to get an ITIN. To claim certain treaty benefits, you must complete line 5 by submitting an SSN or ITIN, or line 6 by providing a foreign tax identification number (foreign TIN).



*An ITIN is for tax use only. It does not entitle you to social security benefits or change your employment or immigration status under U.S. law.*

A partner in a partnership conducting a trade or business in the United States will likely be allocated effectively connected taxable income. The partner is required to file a U.S. federal income tax return and must have a U.S. taxpayer identification number (TIN).

You must provide an SSN or TIN if you are:

- Claiming an exemption from withholding under section 871(f) for certain annuities received under qualified plans, or
- Submitting the form to a partnership that conducts a trade or business in the United States.

If you are claiming treaty benefits, you are generally required to provide an ITIN if you do not provide a tax identifying number issued to you by your jurisdiction of tax residence on line 6. However, an ITIN is not required to claim treaty benefits relating to:

- Dividends and interest from stocks and debt obligations that are actively traded;
- Dividends from any redeemable security issued by an investment company registered under the Investment Company Act of 1940 (mutual fund);
- Dividends, interest, or royalties from units of beneficial interest in a unit investment trust that are (or were upon issuance) publicly offered and are registered with the SEC under the Securities Act of 1933; and
- Income related to loans of any of the above securities.

**Line 6.** If you are providing this Form W-8BEN to document yourself as an account holder with respect to a financial account (as defined in Regulations section 1.1471-5(b)) that you hold at a U.S. office of a financial institution (including a U.S. branch of an FFI) and you receive U.S. source income reportable on Form 1042-S associated with this form, you must provide the TIN issued to you by your jurisdiction of tax residence identified on line 3 unless:

- You have not been issued a TIN (including if the jurisdiction does not issue TINs), or
- You are a resident of a U.S. possession.

If you are providing this form to document a financial account described above but you do not enter a TIN on line 6, and you are not a resident of a U.S. possession, you must provide the withholding agent with an explanation for why you have not been issued a TIN. For this purpose, an explanation is a statement that you are

not legally required to obtain a TIN in your jurisdiction of tax residence. The explanation may be written on line 6, in the margins of the form, or on a separate attached statement associated with the form. If you are writing the explanation on line 6, you may shorten it to “not legally required.” Do not write “not applicable.”

In addition, if you are not using this form to document a financial account described above, you may provide the TIN issued to you by your jurisdiction of tax residence on line 6 for purposes of claiming treaty benefits (rather than providing a U.S. TIN on line 5, if required).

**Line 7.** This line may be used by the filer of Form W-8BEN or by the withholding agent to whom it is provided to include any referencing information that is useful to the withholding agent in carrying out its obligations. For example, withholding agents who are required to associate the Form W-8BEN with a particular Form W-8IMY may want to use line 7 for a referencing number or code that will make the association clear. A beneficial owner can use line 7 to include the number of the account for which he or she is providing the form. A foreign single owner of a disregarded entity can use line 7 to inform the withholding agent that the account to which a payment is made or credited is in the name of the disregarded entity (see the instructions for line 1).

**Line 8.** If you are providing this Form W-8BEN to document yourself as an account holder with respect to a financial account as described above in line 6 that you hold with a U.S. office of a financial institution (including a U.S. branch of an FFI), provide your date of birth. Use the following format to input your information: MM-DD-YYYY. For example, if you were born on April 15, 1956, you would enter 04-15-1956.

## Part II

**Line 9.** If you are claiming treaty benefits as a resident of a foreign country with which the United States has an income tax treaty for payments subject to withholding under chapter 3, identify the country where you claim to be a resident for income tax treaty purposes. For treaty purposes, a person is a resident of a treaty country if the person is a resident of that country under the terms of the treaty. A list of U.S. tax treaties is available at [IRS.gov/Individuals/International-Taxpayers/Tax-Treaties](https://www.irs.gov/Individuals/International-Taxpayers/Tax-Treaties).



*If you are related to the withholding agent within the meaning of section 267(b) or 707(b) and the aggregate amount subject to withholding received during the calendar year exceeds \$500,000, then you are generally required to file Form 8833, Treaty-Based Return Position Disclosure Under Section 6114 or 7701(b), available at [IRS.gov/Form8833](https://www.irs.gov/Form8833). See the Instructions for Form 8833 for more information on the filing requirements.*

**Line 10.** Line 10 must be used only if you are claiming treaty benefits that require that you meet conditions not covered by the representations you make on line 9 and Part III. For example, persons claiming treaty benefits on royalties must complete this line if the treaty contains different withholding rates for different types of royalties. However, this line should always be completed by foreign students and researchers claiming treaty benefits. See

*Scholarship and fellowship grants*, later, for more information.

This line is generally not applicable to treaty benefits under an interest or dividends (other than dividends subject to a preferential rate based on ownership) article of a treaty.

### **Nonresident alien who becomes a resident alien.**

Generally, only a nonresident alien individual can use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a “saving clause” which preserves or “saves” the right of each country to tax its own residents as if no tax treaty existed. Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the recipient has otherwise become a U.S. resident alien for tax purposes. The individual must use Form W-9 to claim the tax treaty benefit. See the instructions for Form W-9 for more information. Also see *Nonresident alien student or researcher who becomes a resident alien*, later, for an example.

**Scholarship and fellowship grants.** A nonresident alien student (including a trainee or business apprentice) or researcher who receives noncompensatory scholarship or fellowship income can use Form W-8BEN to claim benefits under a tax treaty that apply to reduce or eliminate U.S. tax on such income. No Form W-8BEN is required unless a treaty benefit is being claimed. A nonresident alien student or researcher who receives compensatory scholarship or fellowship income must use Form 8233, instead of Form W-8BEN, to claim any benefits of a tax treaty that apply to that income. The student or researcher must use Form W-4 for any part of such income for which he or she is not claiming a tax treaty withholding exemption. Do not use Form W-8BEN for compensatory scholarship or fellowship income. See *Compensation for Dependent Personal Services* in the Instructions for Form 8233.



*If you are a nonresident alien individual who received noncompensatory scholarship or fellowship income and personal services income (including compensatory scholarship or fellowship income) from the same withholding agent, you may use Form 8233 to claim a tax treaty withholding exemption for part or all of both types of income.*

**Completing lines 3 and 9.** Most tax treaties that contain an article exempting scholarship or fellowship grant income from taxation require that the recipient be a resident of the other treaty country at the time of, or immediately prior to, entry into the United States. Thus, a student or researcher may claim the exemption even if he or she no longer has a permanent address in the other treaty country after entry into the United States. If this is the case, you can provide a U.S. address on line 3 and still be eligible for the exemption if all other conditions required by the tax treaty are met. You must also identify on line 9 the tax treaty country of which you were a resident at the time of, or immediately prior to, your entry into the United States.

**Completing line 10.** You must complete line 10 if you are a student or researcher claiming an exemption from

taxation on your noncompensatory scholarship or fellowship grant income under a tax treaty.

**Nonresident alien student or researcher who becomes a resident alien.** You must use Form W-9 to claim an exception to a saving clause. See *Nonresident alien who becomes a resident alien*, earlier, for a general explanation of saving clauses and exceptions to them.

**Example.** Article 20 of the United States-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first protocol to the United States-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would complete Form W-9.

### Part III

Form W-8BEN must be signed and dated by the beneficial owner of the amount subject to withholding or the account holder of an FFI (or an agent with legal authority to act on the person's behalf). If Form W-8BEN is completed by an agent acting under a duly authorized power of attorney for the beneficial owner or account holder, the form must be accompanied by the power of attorney in proper form or a copy thereof specifically authorizing the agent to represent the principal in making, executing, and presenting the form. Form 2848 can be used for this purpose. The agent, as well as the beneficial owner or account holder, may incur liability for the penalties provided for an erroneous, false, or fraudulent form.

A withholding agent may allow you to provide this form with an electronic signature. The electronic signature must indicate that the form was electronically signed by a person authorized to do so (for example, with a time and date stamp and statement that the form has been electronically signed). Simply typing your name into the signature line is not an electronic signature.



*If any information on Form W-8BEN becomes incorrect, you must submit a new form within 30 days unless you are no longer an account holder of the requester that is an FFI and you will not receive a future payment with respect to the account.*

**Broker transactions or barter exchanges.** Income from transactions with a broker or a barter exchange is

subject to reporting rules and backup withholding unless Form W-8BEN or a substitute form is filed to notify the broker or barter exchange that you are an exempt foreign person.

You are an exempt foreign person for a calendar year in which:

- You are a nonresident alien individual or a foreign corporation, partnership, estate, or trust;
- You are an individual who has not been, and does not plan to be, present in the United States for a total of 183 days or more during the calendar year; and
- You are neither engaged, nor plan to be engaged during the year, in a U.S. trade or business that has effectively connected gains from transactions with a broker or barter exchange.

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**Paperwork Reduction Act Notice.** We ask for the information on this form to carry out the Internal Revenue laws of the United States. You are required to provide the information. We need it to ensure that you are complying with these laws and to allow us to figure and collect the right amount of tax.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103.

The time needed to complete and file this form will vary depending on individual circumstances. The estimated burden for business taxpayers filing this form is approved under OMB control number 1545-0123. The estimated burden for all other taxpayers who file this form is:

**Recordkeeping**, 2 hr., 52 min.; **Learning about the law or the form**, 2 hr., 05 min.; **Preparing the form**, 2 hr., 13 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making this form simpler, we would be happy to hear from you. You can send us comments from [IRS.gov/FormComments](https://www.irs.gov/FormComments).

You can write to Internal Revenue Service, Tax Forms and Publications, 1111 Constitution Ave. NW, IR-6526, Washington, DC 20224. Do not send Form W-8BEN to this office. Instead, give it to your withholding agent.

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Form **W-8BEN**

**Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding and Reporting (Individuals)**

(Rev. July 2017)

Department of the Treasury  
Internal Revenue Service

- ▶ For use by individuals. Entities must use Form W-8BEN-E.
- ▶ Go to [www.irs.gov/FormW8BEN](http://www.irs.gov/FormW8BEN) for instructions and the latest information.
- ▶ Give this form to the withholding agent or payer. Do not send to the IRS.

OMB No. 1545-1621

**Do NOT use this form if:**

- You are NOT an individual . . . . . **W-8BEN-E**
- You are a U.S. citizen or other U.S. person, including a resident alien individual . . . . . **W-9**
- You are a beneficial owner claiming that income is effectively connected with the conduct of trade or business within the U.S. (other than personal services) . . . . . **W-8ECI**
- You are a beneficial owner who is receiving compensation for personal services performed in the United States . . . . . **8233 or W-4**
- You are a person acting as an intermediary . . . . . **W-8IMY**

**Instead, use Form:**

**Note:** If you are resident in a FATCA partner jurisdiction (i.e., a Model 1 IGA jurisdiction with reciprocity), certain tax account information may be provided to your jurisdiction of residence.

**Part I Identification of Beneficial Owner (see instructions)**

1 Name of individual who is the beneficial owner		2 Country of citizenship	
3 Permanent residence address (street, apt. or suite no., or rural route). Do not use a P.O. box or in-care-of address.			
City or town, state or province. Include postal code where appropriate.		Country	
4 Mailing address (if different from above)			
City or town, state or province. Include postal code where appropriate.		Country	
5 U.S. taxpayer identification number (SSN or ITIN), if required (see instructions)		6 Foreign tax identifying number (see instructions)	
7 Reference number(s) (see instructions)		8 Date of birth (MM-DD-YYYY) (see instructions)	

**Part II Claim of Tax Treaty Benefits (for chapter 3 purposes only) (see instructions)**

9 I certify that the beneficial owner is a resident of \_\_\_\_\_ within the meaning of the income tax treaty between the United States and that country.

10 **Special rates and conditions** (if applicable—see instructions): The beneficial owner is claiming the provisions of Article and paragraph \_\_\_\_\_ of the treaty identified on line 9 above to claim a \_\_\_\_\_ % rate of withholding on (specify type of income): \_\_\_\_\_

Explain the additional conditions in the Article and paragraph the beneficial owner meets to be eligible for the rate of withholding: \_\_\_\_\_

**Part III Certification**

Under penalties of perjury, I declare that I have examined the information on this form and to the best of my knowledge and belief it is true, correct, and complete. I further certify under penalties of perjury that:

- I am the individual that is the beneficial owner (or am authorized to sign for the individual that is the beneficial owner) of all the income to which this form relates or am using this form to document myself for chapter 4 purposes.
- The person named on line 1 of this form is not a U.S. person.
- The income to which this form relates is:
  - (a) not effectively connected with the conduct of a trade or business in the United States,
  - (b) effectively connected but is not subject to tax under an applicable income tax treaty, or
  - (c) the partner's share of a partnership's effectively connected income.
- The person named on line 1 of this form is a resident of the treaty country listed on line 9 of the form (if any) within the meaning of the income tax treaty between the United States and that country, and
- For broker transactions or barter exchanges, the beneficial owner is an exempt foreign person as defined in the instructions.

Furthermore, I authorize this form to be provided to any withholding agent that has control, receipt, or custody of the income of which I am the beneficial owner or any withholding agent that can disburse or make payments of the income of which I am the beneficial owner. I agree that I will submit a new form within 30 days if any certification made on this form becomes incorrect.

**Sign Here**



Signature of beneficial owner (or individual authorized to sign for beneficial owner)

Date (MM-DD-YYYY)

Print name of signer

Capacity in which acting (if form is not signed by beneficial owner)

# Instructions for Form 8233

(Rev. September 2018)



Department of the Treasury  
Internal Revenue Service

## Exemption From Withholding on Compensation for Independent (and Certain Dependent) Personal Services of a Nonresident Alien Individual

Section references are to the Internal Revenue Code unless otherwise noted.

### General Instructions

#### Future Developments

For the latest information about developments related to Form 8233 and its instructions, such as legislation enacted after they were published, go to [IRS.gov/form8233](http://IRS.gov/form8233).



*You must know the terms of the tax treaty between the United States and the treaty country to properly complete Form 8233.*

#### What's New

**Deduction for personal exemptions suspended.** For tax years beginning after 2017, nonresident aliens can't claim an exemption from withholding on compensation for independent and certain dependent personal services based on the daily personal exemption amount.

#### Reminders

**Individual taxpayer identification number (ITIN).** You may need to renew your ITIN. See [Expired ITIN](#), later.

#### Purpose of Form

In general, section 1441 requires 30% income tax withholding on compensation for independent personal services (defined later). Sections 1441, 3401, and 3402 require withholding, sometimes at 30% and sometimes at graduated rates, on compensation for dependent personal services (defined later). However, some payments may be exempt from withholding because of a tax treaty. Complete and give Form 8233 to your withholding agent if some or all of your compensation is exempt from withholding.

You can use Form 8233 to claim a tax treaty withholding exemption for noncompensatory scholarship or fellowship income only if you also are claiming a tax treaty withholding exemption for compensation for personal services (including compensatory scholarship or fellowship income) received from the same withholding agent.



*If you have income from independent personal services, you generally cannot claim a*

*treaty exemption if you have an office or fixed base in the United States available to you, including if you are a partner in a partnership that has an office or fixed base. A few treaties include limited exceptions to this general rule.*

**Additional information.** You can download the complete text of most U.S. tax treaties at [IRS.gov](http://IRS.gov). Enter "Tax treaties" in the search box. Click "United States Income Tax Treaties-A to Z." Technical explanations for many of those treaties are also available on that site.

General information about tax treaties is available at [www.irs.gov/individuals/international-taxpayers/tax-treaties](http://www.irs.gov/individuals/international-taxpayers/tax-treaties). Also, see Pub. 901 for a quick reference guide to the provisions of U.S. tax treaties.

You can get any of the forms or publications referred to in these instructions by downloading them from [IRS.gov/Forms](http://IRS.gov/Forms) or ordering them from [IRS.gov/OrderForms](http://IRS.gov/OrderForms).

#### Giving Form 8233 to the Withholding Agent

You must complete a separate Form 8233:

- For each tax year (be sure to specify the tax year in the space provided above Part I of the form),
- For each withholding agent, and
- For each type of income.

However, you can use one Form 8233 to claim a tax treaty withholding exemption for both compensation for personal services (including compensatory scholarship or fellowship income) and noncompensatory scholarship or fellowship income received from the same withholding agent.

Give the form to the withholding agent. The withholding agent's responsibilities are discussed in the Part IV instructions.

**Example.** A nonresident alien is primarily present in the United States as a professor, but also is occasionally invited to lecture at other educational institutions. These lectures are not connected with his teaching obligations but are in the nature of self-employment. For each tax year, the professor must complete and give a separate Form 8233 to the withholding agent at each institution in order to claim tax treaty benefits on the separate items of income, if the treaty so permits.

### Definitions

#### Nonresident Alien

If you are an alien individual (that is, an individual who is not a U.S. citizen), specific rules apply to determine if you are a resident alien or a nonresident alien for tax purposes. Generally, you are a resident alien if you meet either the "green card test" or the "substantial presence test" for the calendar year. Any person not meeting either test is generally a nonresident alien. Additionally, an alien individual who qualifies as a "resident of a treaty country" (defined later) or a bona fide resident of Puerto Rico, Guam, the Commonwealth of the Northern Mariana Islands, the U.S. Virgin Islands, or American Samoa is a nonresident alien individual.

For more information on the tests used to determine resident alien or nonresident alien status, see Pub. 519.



*Even though a nonresident alien individual married to a U.S. citizen or resident alien can choose to be treated as a resident alien for certain purposes (for example, filing a joint income tax return), such individual is still treated as a nonresident alien for withholding tax purposes.*

#### U.S. Person

For purposes of this form, a U.S. person is a U.S. citizen or resident alien.

#### Tax Treaty Withholding Exemption

This term refers to an exemption from withholding permitted by IRS regulations under section 1441 that is based on a tax treaty benefit. See [Resident of a Treaty Country](#) next for requirements for claiming a tax treaty benefit on this form.

#### Resident of a Treaty Country

In general, an alien individual is a resident of a treaty country if he or she qualifies as a resident of that country (1) under the country's domestic law, and (2) under the terms of the residency article of the tax treaty between the United States and that country.

A nonresident alien can claim a tax treaty benefit on this form only if that individual is the beneficial owner of the income and meets the residency requirement and all other requirements for

the requested benefits under the terms of the tax treaty.

If you are claiming a benefit under either the income from employment/dependent personal services article or the income from independent services/business profits article of the treaty, you must be a resident of the treaty country. However, if you are claiming a benefit under the student/trainee or teacher/researcher article of a treaty, you generally only need to have been a resident of the treaty country immediately before (or at the time) you came to the United States.

## Compensation for Independent Personal Services

Independent personal services are services performed as an independent contractor in the United States by a nonresident alien who is self-employed rather than an employee. Compensation for such services includes payments for contract labor; payments for professional services, such as fees to an attorney, physician, or accountant, if the payments are made directly to the person performing the services; consulting fees; and honoraria paid to visiting professors, teachers, researchers, scientists, and prominent speakers.

**Business profits.** Certain treaties do not have an independent personal services article. Payments for independent personal services may be covered under the business profits article of an applicable income tax treaty. If you are eligible to claim exemption from withholding on this type of income, complete and give Form 8233 to the withholding agent.



*Under certain treaties, such as those with Canada, India, and Portugal, independent contractors who do not have a fixed base in the United States may still be taxable on their income for services performed in the United States if they stay in the United States for more than a specified period of time (generally 90 or 183 days, depending on the treaty). See, for example, Article 5(9) of the United States–Canada income tax treaty and Article 15(1)(b) of the United States–India income tax treaty. Often, these contractors cannot claim an exemption from withholding at the time of payment because they do not know whether their stay will exceed the specified period.*

**Public entertainers.** Generally, athletes and entertainers are not exempt from tax on income derived from their activities as such. Most treaties have a special article that covers them that takes precedence over the independent personal services and dependent personal services articles of treaties. They may be exempt in some treaties only if the total amount paid for a

year is below a dollar threshold. Generally, the IRS cannot accept Form 8233 because the exemption may be based on factors that cannot be determined until after the end of the year. These individuals are subject to 30% withholding from gross income paid for personal services performed unless they apply for a reduced rate of withholding using Form 13930.

## Required Withholding Form

For compensation you receive for independent personal services, complete Form 8233 to claim a tax treaty withholding exemption for part or all of that income.

## Compensation for Dependent Personal Services

Dependent personal services are services performed as an employee in the United States by a nonresident alien. Dependent personal services include compensatory scholarship or fellowship income (defined later). Compensation for such services includes wages, salaries, fees, bonuses, commissions, and similar designations for amounts paid to an employee.

## Required Withholding Form(s)

Complete Form 8233 for compensation you receive for dependent personal services only if you are claiming a tax treaty withholding exemption for part or all of that income.

For compensation for which you are not claiming a tax treaty withholding exemption, use Form W-4, or you also can calculate your withholding online with the Withholding Calculator at [www.irs.gov/individuals/irs-withholding-calculator](http://www.irs.gov/individuals/irs-withholding-calculator).

**Completing your 2018 Form W-4.** You should complete your 2018 Form W-4 as follows:

**Line 2.** You are required to enter a social security number (SSN) on line 2 of Form W-4. If you do not have an SSN but are eligible to get one, you should apply for it. Get Form SS-5, Application for a Social Security Card, online at [www.ssa.gov](http://www.ssa.gov), from your local Social Security Administration (SSA) office, or by calling the SSA at 1-800-772-1213.



*You cannot enter an individual taxpayer identification number (ITIN) on line 2 of Form W-4.*

**Line 3.** Check the single box regardless of your actual marital status.

**Line 5.** In most cases, you should claim one withholding allowance. However, if you are a resident of Canada, Mexico, or South Korea; a student from India; or a U.S. national, you may be able

to claim additional withholding allowances. See Pub. 519 for more information.

If you are completing Form W-4 for more than one withholding agent (for example, you have more than one employer), figure the total number of allowances you are entitled to claim (see the previous paragraph) and claim no more than that amount on all Forms W-4 combined. Your withholding usually will be most accurate when all allowances are claimed on the Form W-4 for the highest-paying job and zero allowances are claimed on the others.

**Line 6.** Write “nonresident alien” or “NRA” above the dotted line on line 6. If you would like to have an additional amount withheld, enter the amount on line 6.

**Line 7.** Do not claim that you are exempt from withholding on line 7 of Form W-4 (even if you meet both of the conditions listed on that line).



*The above instructions apply to the 2018 Form W-4. See the 2019 Form W-4 and instructions for withholding that occurs in 2019.*

## Compensatory Scholarship or Fellowship Income

In general, scholarship or fellowship income is compensatory to the extent it represents payment for past, present, or future services (for example, teaching or research) performed by a nonresident alien as an employee and the performance of those services is a condition for receiving the scholarship or fellowship (or tuition reduction).

**Example.** XYZ University awards a scholarship to N, a nonresident alien student. The only condition of the scholarship is that N attends classes and maintains a minimum level of academic performance. The scholarship income is not compensatory because N is not required to perform services as an employee as a condition for receiving the scholarship.

## Required Withholding Form(s)

Compensatory scholarship or fellowship income is considered to be dependent personal services income. Therefore, complete Form 8233 for this income if you are claiming a tax treaty withholding exemption for part or all of that income.

For any part of this compensatory income for which you are not claiming a tax treaty withholding exemption, use Form W-4 or the Withholding Calculator at [www.irs.gov/individuals/irs-withholding-calculator](http://www.irs.gov/individuals/irs-withholding-calculator). For the Form W-4, see [Completing your 2018 Form W-4](#), earlier.

## Noncompensatory Scholarship or Fellowship Income

Noncompensatory scholarship or fellowship income is scholarship or fellowship income that is not compensatory scholarship or fellowship income (defined earlier).

In most cases, the taxable portion of noncompensatory scholarship or fellowship income (defined next) paid to a nonresident alien is subject to withholding at:

- 30%, or
- 14% if the nonresident alien is temporarily present in the United States under an "F," "J," "M," or "Q" visa.

**Taxable portion of noncompensatory scholarship or fellowship income.** If you were a degree candidate, the amount of this type of income that you used for expenses other than tuition and course-related expenses (fees, books, supplies, and equipment) is taxable in most cases. For example, in most cases amounts used for room, board, and travel are taxable. If you were not a degree candidate, the full amount of the scholarship or fellowship income is taxable in most cases.

## Required Withholding Form

In most cases, you should complete Form W-8BEN to claim a tax treaty withholding exemption for this type of income. No Form W-8BEN is required unless a treaty benefit is being claimed.

**Exception.** If you are receiving both compensation for personal services (including compensatory scholarship or fellowship income) and noncompensatory scholarship or fellowship income from the same withholding agent, you can use one Form 8233 for both types of income. However, this exception applies only if you are claiming a tax treaty withholding exemption for both types of income.

**Alternate withholding election.** A withholding agent can elect to withhold on the taxable portion of noncompensatory scholarship or fellowship income of a nonresident alien temporarily present in the United States under an "F," "J," "M," or "Q" visa as if it were compensatory scholarship or fellowship income (provided the nonresident alien is not claiming treaty benefits with respect to that income). The withholding agent makes this election by requesting that the nonresident alien complete Form W-4 using the instructions in Rev. Proc. 88-24, 1988-1 C.B. 800. Indian students also should see Rev. Proc. 93-20, 1993-1 C.B. 528.

## Withholding Agent

Any person, U.S. or foreign, that has control, receipt, or custody of an amount subject to withholding or that can disburse or make payments of an amount subject to withholding is a withholding agent. The withholding agent can be an individual, corporation, partnership, trust, association, or any other entity, including (but not limited to) any foreign intermediary, foreign partnership, and U.S. branch of certain foreign banks and insurance companies. In most cases, the person who pays (or causes to be paid) the amount subject to withholding to the nonresident alien individual (or to his or her agent) must withhold.

## Beneficial Owner

The beneficial owner of income is in most cases the person who is required under U.S. tax principles to include the income in gross income on a tax return. A person is not a beneficial owner of income, however, to the extent that person is receiving the income as a nominee, agent, or custodian, or to the extent the person is a conduit whose participation in a transaction is disregarded. In the case of amounts paid that do not constitute income, beneficial ownership is determined as if the payment were income.

## Avoid Common Errors

To ensure that your Form 8233 is promptly accepted, be sure that you:

- Answer all applicable questions completely;
- Specify the tax year for which this form will be effective in the space provided above Part I of the form;
- Enter your complete name, addresses, and identifying number(s) in Part I;
- Have attached the required statement described in the line 10 instructions if you are a foreign student, trainee, professor/teacher, or researcher;
- Are not trying to claim tax treaty benefits for a country with which the United States does not have a ratified tax treaty;
- Are not trying to claim tax treaty benefits that do not exist in your treaty;
- Complete lines 11 through 14 in sufficient detail to allow the IRS to determine the tax treaty benefit you are claiming; and
- Complete the required certification in Part III.

## Specific Instructions

### Part I

#### Line 2

You must furnish a U.S. taxpayer identification number on this form. In most

cases, you must enter your SSN on line 2. See [Line 2](#) under *Completing your 2018 Form W-4* for instructions on how to get an SSN.

If you do not have an SSN and are not eligible to get one, you must get an ITIN. To apply for an ITIN, file Form W-7 with the IRS. In most cases, you apply for an ITIN when you file your tax return for which you need the ITIN. However, if the reason for your ITIN request is because you need to provide Form 8233 to the withholding agent, you must file Form W-7 and provide proof that you are not eligible for an SSN (your Form SS-5 was rejected by the SSA) and include a Form 8233. Allow 7 weeks for the IRS to notify you of your ITIN application status (9 to 11 weeks if you submit the application during peak processing periods (January 15 through April 30) or if you're filing from overseas).

For details on how to apply for an ITIN, see Form W-7 and its instructions. Get Form W-7 online at [IRS.gov/Forms](https://www.irs.gov/forms). For more information on obtaining an ITIN, go to [IRS.gov/ITIN](https://www.irs.gov/ITIN).

If you have applied for an SSN or ITIN but have not yet received it, you can attach a copy of a completed Form W-7 or SS-5 showing that a number has been applied for.

 *An ITIN is for tax use only. It does not entitle you to social security benefits or change your employment or immigration status under U.S. law.*

**Expired ITIN.** Generally, ITINs issued after December 31, 2012, will remain in effect as long as the individual to whom the ITIN was issued filed a tax return (or is included as a dependent on the tax return of another taxpayer) at least once in the last three tax years. Otherwise, the ITIN will expire at the end of the third consecutive tax year in which the individual did not file a tax return. All expired ITINs must be renewed before being used on a U.S. tax return.

In addition, ITINs issued before January 1, 2013, will begin to expire according to an annual schedule. ITINs issued in 2008 expired on December 31, 2017; ITINs issued in 2009 and 2010 will expire on December 31, 2018; and ITINs issued in 2011 and 2012 will expire on December 31, 2019.

For more information, go to [IRS.gov/ITIN](https://www.irs.gov/ITIN).

### Line 3

If your country of residence for tax purposes has issued you a tax identification number, enter it here. For example, if you are a resident of Canada, enter your Social Insurance Number.

#### Line 4

Your permanent residence address is the address in the country where you claim to be a resident for purposes of that country's income tax. If you are completing Form 8233 to claim a tax treaty withholding exemption, you must determine your residency in the manner required by the treaty. Do not show the address of a financial institution, a post office box, or an address used solely for mailing purposes. If you are an individual who does not have a tax residence in any country, your permanent residence is where you normally reside.

Most tax treaties that provide for a tax treaty withholding exemption for students, trainees, teachers, or researchers require that the recipient be a resident of the treaty country at the time of, or immediately before, entry into the United States. Thus, in most cases, a student or researcher can claim the withholding exemption even if he or she no longer has a permanent address in the treaty country after entry into the United States. If this is the case, you can provide a U.S. address on line 4 and still be eligible for the withholding exemption if all other conditions required by the tax treaty are met. You also must identify on line 12a and/or line 13b the tax treaty country of which you were a resident at the time of, or immediately before, your entry into the United States.

#### Line 6

Enter your U.S. visa type. For example, foreign students are usually granted an "F-1" visa. Foreign professors, teachers, or researchers are usually granted a "J-1" visa. Business/vocational trainees are usually granted an "M-1" visa; however, some persons granted a "J-1" visa also may be considered business/vocational trainees (for example, a person admitted to complete a postgraduate residency in medicine).

If you do not have, or do not need, a visa, write "None."

 *Spouses and dependents admitted on secondary visas (for example, "F-2," "J-2," "H-4," and "O-3" visas) usually are not eligible to claim the same treaty benefits as the primary visa holder.*

#### Line 8

In most cases, you must enter your date of entry into the United States that relates to your current nonimmigrant status. For example, enter the date of arrival shown on your current Immigration Form I-94, Arrival-Departure Record.

**Exception.** If you are claiming a tax treaty benefit that is determined by reference to more than one date of arrival, enter the

earlier date of arrival. For example, you are currently claiming treaty benefits (as a teacher or a researcher) under article 15 of the tax treaty between the United States and Norway. You previously claimed treaty benefits (as a student) under article 16(1) of that treaty. Under article 16(4) of that treaty, the combination of exemptions under articles 15 and 16(1) cannot extend beyond 5 tax years from the date you entered the United States. If article 16(4) of that treaty applies, enter on line 8 the date you entered the United States as a student.

#### Line 9a

Enter your current nonimmigrant status. For example, enter your current nonimmigrant status shown on your current Immigration Form I-94.

#### Line 9b

Enter the date your current nonimmigrant status expires. For example, you can enter the date of expiration shown on your current Immigration Form I-94. Enter "DS" on line 9b if the date of expiration is based on "duration of status."

#### Line 10

Nonresident alien students, trainees, professors/teachers, and researchers using Form 8233 to claim a tax treaty withholding exemption for compensation for personal services must attach to Form 8233 a statement. The format and contents of the required statements are shown in Appendix A and Appendix B in Pub. 519.

### Part II

#### Line 11a

For compensation for independent personal services, examples of acceptable descriptions to enter on this line include: "consulting contract to design software" or "give three lectures at XYZ University."

For compensation for dependent personal services, acceptable descriptions to enter on this line include the following examples.

- A nonresident alien student can enter "part-time library assistant," "part-time restaurant worker," or "teaching one chemistry course per semester to undergraduate students."
- A nonresident alien professor or teacher can enter "teaching at ABC University."
- A nonresident alien researcher can enter "research at ABC University's school for liquid crystal research."
- A nonresident alien business/vocational trainee can enter "neurosurgical residency at ABC Hospital" or "one-year internship in hydraulic engineering at XYZ Corporation."

#### Line 11b

Enter the total amount of compensation for personal services you will receive from this withholding agent during the tax year. Enter an estimated amount if you do not know the exact amount.

#### Line 12a

Enter the specific treaty on which you are basing your claim for exemption from withholding (for example, "U.S.–Germany tax treaty" or "U.S.–Belgium tax treaty").

#### Line 12b

Enter the specific article of the treaty identified on line 12a on which you are basing your claim for exemption from withholding (for example, "Article 14(2)" or "Article 7 (business profits)").

If you are a resident of a country that has a services permanent establishment provision in the treaty (for example, Article 5(9) of the United States–Canada treaty) and you are claiming to be exempt from withholding because you are not performing services for more than the specified period under that provision, enter that treaty provision.

#### Line 12c

If all income received for the services performed to which this Form 8233 applies is exempt, write "All." If only part is exempt, enter the exact dollar amount that is exempt from withholding.

#### Line 12d

If you are claiming a benefit under either the income from employment/dependent personal services article or the income from independent services/business profits article of the treaty, you must be a resident of the treaty country. However, if you are claiming a benefit under the student/trainee or teacher/researcher article of a treaty, you generally only need to have been a resident of the treaty country at the time of, or immediately before, your entry into the United States.

#### Line 13b

Enter the specific treaty on which you are basing your claim for exemption from withholding (for example, "U.S.–Germany tax treaty").

#### Line 13c

Enter the specific article of the treaty identified on line 13b on which you are basing your claim for exemption from withholding (for example, "Article 20(3)").

#### Line 14

Provide sufficient facts to justify the exemption from withholding claimed on line 12 and/or line 13. Be sure you provide enough details to allow the IRS to determine the tax treaty benefit you are claiming.

## Part IV

### Withholding Agent's Responsibilities

When the nonresident alien individual gives you Form 8233, review it to see if you are satisfied that the exemption from withholding is warranted. If you are satisfied, based on the facts presented, complete and sign the certification in Part IV.

You will need three copies of the completed Form 8233. Each copy of Form 8233 must include any attachments submitted by the nonresident alien individual. Give one copy of the completed Form 8233 to the nonresident alien individual. Keep a copy for your records. Within 5 days of your acceptance, forward one copy to:



Department of the Treasury  
Internal Revenue Service  
Philadelphia, PA 19255-0725



You also can fax Form 8233 to 877-824-9781. You are limited to 100 pages at one time.

The exemption from withholding is effective for payments made retroactive to the date of the first payment covered by Form 8233, even though you must wait at least 10 days after you have properly mailed Form 8233 to the IRS to see whether the IRS has any objections to the Form 8233.

You must not accept Form 8233, and you must withhold, if either of the following applies.

- You know, or have reason to know, that any of the facts or statements on Form 8233 may be false.
- You know, or have reason to know, that the nonresident alien's eligibility for the exemption from withholding cannot be readily determined (for example, you know the nonresident alien has a fixed base or permanent establishment in the United States).

If you accept Form 8233 and later find that either of the situations described above applies, you must promptly notify the IRS (by writing to the address provided

earlier) and you must begin withholding on any amounts not yet paid. Also, if you are notified by the IRS that the nonresident alien's eligibility for the exemption from withholding is in doubt or that the nonresident alien is not eligible for exemption from withholding, you must begin withholding immediately. See Regulations section 1.1441-4(b)(2)(iii) for examples illustrating these rules.

If you submit an incorrect Form 8233, the IRS will notify you that the form submitted is not acceptable and that you must begin withholding immediately. Examples of incorrect Forms 8233 include:

- Any Form 8233 that claims a tax treaty benefit that does not exist or is obviously false, and
- Any Form 8233 that has not been completed in sufficient detail to allow determination of the correctness of the tax treaty benefit or exemption claimed.

If the IRS rejects Form 8233, you should notify the individual who submitted it and allow the individual to submit a revised form if the individual still believes he or she is entitled to the exemption.

### Signature

You or your authorized agent must sign and date Form 8233. See Regulations section 1.1441-7(c) for information about authorized agents.

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**Privacy Act and Paperwork Reduction Act Notice.** We ask for the information on this form to carry out the Internal Revenue laws of the United States. You are not required to request a tax treaty withholding exemption. However, if you want to receive exemption from withholding on compensation for independent (and certain dependent) personal services, you are required to give us this information so that we can verify eligibility under the relevant tax treaty and confirm proper tax treatment. Our legal right to ask for this information is Internal Revenue Code sections 1441, 3401, and 3402. We need this information to ensure that you are complying with these laws and to allow us to figure and collect the right amount of tax. Code section 6109 requires taxpayers and withholding agents to provide their

identification number. Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation, and cities, states, the District of Columbia, and U.S. commonwealths and possessions for use in administering their tax laws. We may also disclose this information to other countries under a tax treaty, to federal and state agencies to enforce federal nontax criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism. If a nonresident alien fails to provide a properly completed form, the withholding agent cannot accept it and is required to withhold. If a withholding agent accepts a Form 8233 as completed and later finds that any of the facts or statements made on the form are false, or that a nonresident alien's eligibility for the exemption is in doubt, the withholding agent is required to notify the IRS and begin withholding; failure to do so may result in penalties.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103.

The time needed to complete and file this form will vary depending on individual circumstances. The estimated average time is: **Recordkeeping**, 3 hrs., 44 min.; **Learning about the law or the form**, 2 hrs., 39 min.; **Preparing and sending the form to IRS**, 2 hrs., 26 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making this form simpler, we would be happy to hear from you. You can send us comments from [IRS.gov/FormComments](https://www.irs.gov/FormComments). You can write to the Internal Revenue Service, Tax Forms and Publications, 1111 Constitution Ave. NW, IR-6526, Washington, DC 20224. Do not send the tax form to this address. Instead, give it to your withholding agent.

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## Exemption From Withholding on Compensation for Independent (and Certain Dependent) Personal Services of a Nonresident Alien Individual

▶ Go to [www.irs.gov/Form8233](http://www.irs.gov/Form8233) for instructions and the latest information. ▶ See separate instructions.

<b>Who Should Use This Form?</b>  <b>Note:</b> For definitions of terms used in this section and detailed instructions on required withholding forms for each type of income, see <i>Definitions</i> in the instructions.	IF you are a nonresident alien individual who is receiving. . .	THEN, if you are the beneficial owner of that income, use this form to claim. . .
	Compensation for independent personal services performed in the United States	A tax treaty withholding exemption (Independent personal services, Business profits) for part or all of that compensation.
	Compensation for dependent personal services performed in the United States	A tax treaty withholding exemption for part or all of that compensation.
	Noncompensatory scholarship or fellowship income and personal services income from the same withholding agent	A tax treaty withholding exemption for part or all of both types of income.
<b>DO NOT Use This Form. . .</b>	IF you are a beneficial owner who is. . .	INSTEAD, use. . .
	Receiving compensation for dependent personal services performed in the United States and you are not claiming a tax treaty withholding exemption for that compensation	Form W-4 (See the Instructions for Form 8233 for how to complete Form W-4.)
	Receiving noncompensatory scholarship or fellowship income and you are not receiving any personal services income from the same withholding agent	Form W-8BEN or, if elected by the withholding agent, Form W-4 for the noncompensatory scholarship or fellowship income
	Claiming only foreign status or treaty benefits with respect to income that is not compensation for personal services	Form W-8BEN

This exemption is applicable for compensation for calendar year \_\_\_\_\_, or other tax year beginning \_\_\_\_\_ and ending \_\_\_\_\_.

**Part I Identification of Beneficial Owner (See instructions.)**

1 Name of individual who is the beneficial owner	2 U.S. taxpayer identification number	3 Foreign tax identification number, if any
4 Permanent residence address (street, apt. or suite no., or rural route). Do not use a P.O. box.		
City or town, state or province. Include postal code where appropriate.		Country (do not abbreviate)
5 Address in the United States (street, apt. or suite no., or rural route). Do not use a P.O. box.		
City or town, state, and ZIP code		

**Note:** Citizens of Canada or Mexico are not required to complete lines 7a and 7b.

6 U.S. visa type	7a Country issuing passport	7b Passport number
8 Date of entry into the United States	9a Current nonimmigrant status	9b Date your current nonimmigrant status expires

10 If you are a foreign student, trainee, professor/teacher, or researcher, check this box  . . . . . ▶  
**Caution:** See the line 10 instructions for the required additional statement you must attach.

**Part II Claim for Tax Treaty Withholding Exemption**

**11** Compensation for independent (and certain dependent) personal services:  
a Description of personal services you are providing \_\_\_\_\_

b Total compensation you expect to be paid for these services in this calendar or tax year \$ \_\_\_\_\_

**12** If compensation is exempt from withholding based on a tax treaty benefit, provide:

a Tax treaty on which you are basing exemption from withholding \_\_\_\_\_

b Treaty article on which you are basing exemption from withholding \_\_\_\_\_

c Total compensation listed on line 11b above that is exempt from tax under this treaty \$ \_\_\_\_\_

d Country of residence \_\_\_\_\_

**Note:** Do not complete lines 13a through 13d unless you also received compensation for personal services from the same withholding agent.

**13** Noncompensatory scholarship or fellowship income:

a Amount \$ \_\_\_\_\_

b Tax treaty on which you are basing exemption from withholding \_\_\_\_\_

c Treaty article on which you are basing exemption from withholding \_\_\_\_\_

d Total income listed on line 13a above that is exempt from tax under this treaty \$ \_\_\_\_\_

**14** Sufficient facts to justify the exemption from withholding claimed on line 12 and/or line 13 (see instructions) \_\_\_\_\_

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**Part III Certification**

Under penalties of perjury, I declare that I have examined the information on this form and to the best of my knowledge and belief it is true, correct, and complete. I further certify under penalties of perjury that:

- I am the beneficial owner (or am authorized to sign for the beneficial owner) of all the income to which this form relates.
- The beneficial owner is not a U.S. person.
- The beneficial owner is a resident of the treaty country listed on line 12a and/or 13b above within the meaning of the income tax treaty between the United States and that country, or was a resident of the treaty country listed on line 12a and/or 13b above at the time of, or immediately prior to, entry into the United States, as required by the treaty.

Furthermore, I authorize this form to be provided to any withholding agent that has control, receipt, or custody of the income of which I am the beneficial owner or any withholding agent that can disburse or make payments of the income of which I am the beneficial owner.

Sign Here

Signature of beneficial owner (or individual authorized to sign for beneficial owner) \_\_\_\_\_ Date \_\_\_\_\_

**Part IV Withholding Agent Acceptance and Certification**

Name <b>The University of Akron</b>	Employer identification number <b>34-6002924</b>
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Address (number and street) (Include apt. or suite no. or P.O. box, if applicable.) <b>302 Buchtel Common</b>	Telephone number <b>330-972-6566</b>
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City, state, and ZIP code <b>Akron, Ohio 44325-6205</b>	Telephone number <b>330-972-6566</b>
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Under penalties of perjury, I certify that I have examined this form and any accompanying statements, that I am satisfied that an exemption from withholding is warranted, and that I do not know or have reason to know that the nonresident alien individual is not entitled to the exemption or that the nonresident alien's eligibility for the exemption cannot be readily determined.

Signature of withholding agent **Jim Karas** Tax Manager Date \_\_\_\_\_

**THE UNIVERSITY OF AKRON**  
**HONORARIUM AND EXPENSE AUTHORIZATION**  
 (NON-UNIVERSITY PERSONNEL)  
 International Visitors

NAME \_\_\_\_\_  
 ADDRESS \_\_\_\_\_ DATES From: \_\_\_\_\_ To: \_\_\_\_\_

**TYPE OF SERVICE RENDERED**

LIST EXPENSES BY DAYS IN SEPARATE COLUMNS - IF MORE THAN FIVE DAYS USE ADDITIONAL SHEETS WITH ONE TOTAL

DATES									TOTAL
<b>COMMERCIAL TRANSPORTATION</b> - ie. Plane, Taxi, Shuttle, etc. (Attach original itemized receipts)									
Plane	to								
	to								
Other	to								
	to								
<b>LOCAL TRANSPORTATION</b> (Mileage) at current IRS rate. (Please use the check box to indicate roundtrip mileage)									
From	to	miles	<input type="checkbox"/>						
From	to	miles	<input type="checkbox"/>						
From	to	miles	<input type="checkbox"/>						
<b>LODGING</b> - List and attach receipted bills									
<b>MEALS</b> - If for more than one person show number									
Full Day									
Breakfast									
Lunch									
Dinner									
Special - Banquet, etc., - attach receipt or program									
<b>OTHER</b> - Telephone, Registration, Etc. (Explain)									
<b>HONORARIUM</b> - This will be reported to the appropriate taxing authorities.									
<b>REMARKS OR EXPLANATIONS:</b>									<b>DAILY TOTALS</b>
									<b>AMT. CLAIMED</b>

I hereby certify that the expenses as detailed above have actually been incurred by me and are proper reimbursable items. In addition, I certify that I am not a regular employee of the University of Akron. I also certify that no expenses are included above for alcoholic beverages.

SIGNED \_\_\_\_\_ DATE \_\_\_\_\_

Social Security Number or Individual Taxpayer Identification Number (ITIN) \_\_\_\_\_

**IMPORTANT:** Is the Payee, or the Beneficiary of the payment, a U.S. Citizen or Permanent Resident Alien?  Yes  No  
 If **NO**, please contact the university's Tax Manager at 330-972-6566.

**AMOUNT APPROVED**

CHARGE SPEEDTYPE(S)

I certify that all the information is correct:

Signature and date \_\_\_\_\_  
 Project Director

Printed name/contact \_\_\_\_\_ ext. \_\_\_\_\_

Signature and date \_\_\_\_\_  
 Dean

	<b>7005</b>
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	<b>5711</b>
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THE UNIVERSITY OF AKRON  
HONORARIUM AND EXPENSE AUTHORIZATION  
POLICIES AND PROCEDURES  
(NON-UNIVERSITY PERSONNEL)

**GENERAL**

This authorization may be used for both an honorarium and any expenses for travel incurred during an engagement with the university. An honorarium represents a payment for one-time services to an independent contractor who has provided special expertise in a course, workshop or other special project. Such one-time service may require several (3-5) sessions to present material. The payee shall not be the instructor of record and shall have no routine administrative duties during the course of engagement. A person who has an on-going employment relationship with the university shall NOT be paid through an Honorarium Authorization. The authorization must be submitted through the project director for approval within thirty (30) days after completion of the engagement. The check will be forwarded within two weeks after receipt of the completed form.

**NAME AND ADDRESS**

Please print or type your name and HOME address to facilitate the typing of the check without spelling errors.

**CHARGE DEPT./SPECIAL FUND**

Please be very specific as to where the expenses are to be charged, especially if the charge should be against a special fund, project or contract. This space should show the proper title of the department/special fund to be charged.

**TYPE OF SERVICE RENDERED**

Indicate briefly the service rendered, including the course number (if any), for which the service was performed.

**COMMERICAL TRANSPORTATION**

Attach a copy of the ticket stub for the mode of transportation used on the trip. Travel by air (tourist class if available in the United States, economy class if available when traveling abroad), rail, bus or other common carrier will be reimbursed. Travel insurance is not an allowable expense. Unused travel reservations must be released within the time limits specified by the carriers or the traveler is personally responsible for any charges assessed.

**MILEAGE REIMBURSEMENT**

Travel in privately owned automobiles may be reimbursed at the current UA rate per mile when traveling on official business. Mileage is payable to only one of two or more persons traveling on the same trip in the same vehicle. Local mileage must be detailed by showing FROM-TO and miles for each separate trip. Attach additional sheets where necessary. The mileage rate provided includes all expenses including car washes and maintenance costs incurred by use of privately owned automobiles when traveling on official business. Out of state travel expenses by private automobile will be paid only if the cost is less than the round trip tourist expense.

**OTHER TRANSPORTATION EXPENSES**

In addition to the mileage rate, reimbursement for parking, ferry fares, taxi fares, and turnpike tolls may be claimed. Each mode of transportation must be listed separately on the expense report. Receipts must be submitted for all items claimed.

**LODGING**

Reimbursement for expenses incurred in overnight stays at hotels or motels shall not exceed actual, reasonable expenses, plus tax. Expenses must be supported by a paid invoice. The University will not reimburse expenses incurred for any member of the payee's family.

**MEALS**

Expenses for actual cost of meals while traveling may be reimbursed up to the IRS rates. No reimbursement will be made for alcoholic beverages. In those instances in which a conference meal is required, the daily limit will not apply, but the meal expense must be supported by a program or an announcement, which shows the required meal and its cost. Gratuities are reimbursable, but are included in the meal limitations. When meal expense is being claimed for a guest, a receipt must be obtained. A notation should be made on the receipt giving the following information: Name of guest, reason for meeting, location and date of meeting.

**OTHER EXPENSES**

Expenses for local transportation, communication, and registration fees may be claimed. Expenditures for rental of cars, rental of space, etc. essential for the fulfillment of the purpose of the travel may be claimed, but must be supported by paid invoices and approved by the project director and appropriate dean.

**HONORARIUM**

Please show the previously agreed-upon honorarium for the engagement. IRS Form 1099, Information Return, will be filed with the applicable taxing units to assure compliance with existing federal, state and local tax reporting.

**APPROVAL**

The approving officials will normally be the project director and dean.

**SIGNATURE AND SOCIAL SECURITY NUMBER**

The signature and U.S. social security number or U.S. Individual Taxpayer Identification Number of the payee must be provided on the form.

**ACCOUNTING CODE(S)**

Show the first six (6) digits of the department/special fund (speedtype) to which the expenses are to be charged.

## CERTIFICATE

Section 431 of the American Competitiveness and Workforce Improvement Act (as revised October 1998) specifies that any alien admitted under 101(a)(15)(B) of the Immigration and Nationality Act may accept honorarium payment and associated incidental expenses for "usual academic activity" lasting no more than 9 days at any single institution, if the payment is offered by the institution for services conducted for the benefit of the institution. The foreign national may accept such payment only if he or she has not accepted such payment or expenses from more than five (5) institutions during the previous six (6) months.

Therefore, I \_\_\_\_\_ certify that I have received four (4) or fewer honorarium and/or expense reimbursements for services during the six (6) month period prior to my first day at The University of Akron.

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Signature

Date