

Proposed Forms W-8, W-8A, W-8B, and W-8C, and Instructions

Announcement 98-51

The Internal Revenue Service announces that it is requesting comments from the public on proposed new Forms W-8, W-8A, W-8B, W-8C and the instructions to these forms. These new forms and instructions are being proposed as a result of final regulations published on October 14, 1997, relating to the withholding of income tax under sections 1441, 1442, and 1443 on certain U.S. source income paid to foreign persons. T.D. 8734, 62 F.R. 53387; 1997-44 I.R.B. 5. These regulations, which provide for the use of several withholding certificates, will be effective January 1, 2000. See Notice 98-16, 1998-15 I.R.B. 12. Prior versions of the new forms, without instructions, were issued in Announcement 98-15, 1998-10 I.R.B. 36.

Form W-8 (Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding) would be provided to a withholding agent or payer by a beneficial owner of certain types of income to establish foreign status, to claim that such person is the beneficial owner of the income for which the form is being furnished, and if applicable, to 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.

Form W-8A (Foreign Person's Claim of Income Effectively Connected With the Conduct of a Trade or Business in the United States) would be provided to a withholding agent or payer by a foreign person to establish foreign status, to claim that such person is the beneficial owner of the income for which the form is being furnished, and to claim that certain income is effectively connected with the conduct of a trade or business in the United States.

Form W-8B (Certification for United States Tax Withholding for Foreign Governments and Other Foreign Organizations) would be provided to a withholding agent or payer by a foreign government, international organization, foreign central bank of issue, or foreign tax-exempt organization. The form would be used by such persons to establish foreign status, to claim that the person is the beneficial owner of the income for which the form is being furnished and, if applicable, to claim a reduced rate of, or exemption from, withholding either under the Internal Revenue Code or as a resident of a foreign country with which the United States has an income tax treaty.

Form W-8C (Certificate of Foreign Intermediary, Foreign Partnership, and Certain U.S. Branches for United States Tax Withholding) would be provided to a withholding agent or payer by a foreign intermediary, foreign partnership, and certain U.S.

branches either to make representations regarding the status of beneficial owners of the amount paid or to transmit appropriate documentation to the withholding agent.

This announcement provides copies of proposed Forms W-8, W-8A, W-8B, W-8C and the accompanying instructions. Comments on the forms and instructions should be submitted in writing by August 14, 1998 to the Chairman, Tax Forms Coordinating Committee, Internal Revenue Service, T:FS:FP, Room 5577, 1111 Constitution Avenue, NW, Washington, DC 20224.