June 4, 2026

1042 ATS Scenario 4

Taxpayer: Withholding Agent Three

TIN: 00-50000004

Forms Included in the Scenario:

- Form 1042
- Form 1042-S
- Form 1099-G
- Form 1099-K
- Form 1099-PATR

Additional Information: You must select “Yes” in the Return Header for the

IRSResponsiblePrtyInfoCurrInd

BusinessOfficer Grp:

PersonNm = Kirk Hickory
PersonTitleTxt = President
PhoneNum = 555-555-5555

Signing Officer Group:

SSN = 400-00-1031
PersonFirstNm = Mel Oak

Form 1042 filed by a WA (that is a QI) claiming a line 67 credit that is substantiated by Form 1042-S, 1099-G, 1099-K, 1099-PATR. This scenario also includes a credit claim.

TREASURY/IRS AND OMB USE ONLY DRAFT

Form **1042**
Department of the Treasury
Internal Revenue Service

Annual Withholding Tax Return for U.S. Source Income of Foreign Persons

Go to *www.irs.gov/Form1042* for instructions and the latest information.

OMB No. 1545-0096

2026

If this is an amended return, check here . . . . . ☐

Name of withholding agent	Employer identification number
WITHHOLDING AGENT THREE	00-5000004

Ch. 3 status code	Ch. 4 status code
12	07

Number and street (if P.O. box, see instructions)	Room or suite no.
2 Fig Square	

City or town	State or province	Country	ZIP or foreign postal code
London		UK	W1A 1AE

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CC		FD	
RD		FF	
CAF		FP	
CR		I	
EDC		SIC	

If you do not expect to file this return in the future, check here ☐ Enter date final income paid

Section 1 Record of Federal Tax Liability (do not show federal tax deposits here)

Line no.	Period ending		Tax liability for period (including any taxes assumed on Form(s) 1000)
1	Jan.	7	
2		15	20720
3		22	
4		31	
5	Jan. total		20720
6	Feb.	7	
7		15	
8		22	
9		28	
10	Feb. total		
11	Mar.	7	
12		15	
13		22	
14		31	
15	Mar. total		
16	Apr.	7	
17		15	
18		22	
19		30	
20	Apr. total		
21	May	7	25000
22		15	
23		22	25000
24		31	
25	May total		50000
26	June	7	
27		15	
28		22	
29		30	
30	June total		
31	July	7	
32		15	
33		22	
34		31	25000
35	July total		25000
36	Aug.	7	
37		15	
38		22	
39		31	
40	Aug. total		
41	Sept.	7	
42		15	
43		22	
44		30	
45	Sept. total		
46	Oct.	7	
47		15	
48		22	
49		31	
50	Oct. total		
51	Nov.	7	
52		15	
53		22	
54		30	
55	Nov. total		
56	Dec.	7	
57		15	25000
58		22	
59		31	
60	Dec. total		25000

Note: The totals from the above table are to be entered on lines 64b through 64d (as indicated in the instructions for those lines).

61	**No. of Forms 1042-S filed: a** On paper _____ **b** Electronically _____		
62	Total gross amounts reported on all Forms 1042-S and 1000:		
a	Total U.S. source FDAP income (other than U.S. source substitute payments) reported	62a	500000
b	Total U.S. source substitute payments reported:		
	(1) Total U.S. source substitute dividend payments reported	62b(1)	
	(2) Total U.S. source substitute payments reported other than substitute dividend payments . . .	62b(2)	
c	**Total gross amounts reported** (add lines 62a–62b)	62c	500000
d	Enter gross amounts actually paid if different from gross amounts reported	62d	

Third Party Designee

Do you want to allow another person to discuss this return with the IRS? See instructions. ☐ Yes. Complete the following. ☐ No

Designee's name	Phone no.	Personal identification number (PIN)
Walter Orchid	222-111-1111	00001

Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and, to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than withholding agent) is based on all information of which preparer has any knowledge.

Your signature	Date	Capacity in which acting / Daytime phone number

Paid Preparer Use Only

Preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
Walter Orchid				P00000001

Firm's name	Firm's EIN
Walter Orchid Co.	00-0000079
Firm's address	**Phone no.**
	222-111-1111

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63	Total tax reported as withheld or paid by withholding agent on all Forms 1042-S and 1000:		
a	Tax withheld by withholding agent	63a	20000
b	Tax withheld by other withholding agents:		
	(1) For payments other than substitute dividends	63b(1)	120270
	(2) For substitute dividends	63b(2)	
c	Adjustments to withholding:		
	(1) Adjustments to overwithholding	63c(1)	(10000)
	(2) Adjustments to underwithholding	63c(2)	
d	Tax paid by withholding agent	63d	
e	**Total tax reported as withheld or paid** (add lines 63a–63d)	63e	130270

Computation of Tax Due or Overpayment

64	Total net tax liability:		
a	Adjustments to total net tax liability	64a	
b	Total net tax liability under chapter 3	64b	120270
c	Total net tax liability under chapter 4	64c	
d	Excise tax on specified federal procurement payments (total payments made x 2% (0.02))	64d	
e	**Total net tax liability** (add lines 64a–64d)	64e	120270
65	Total paid by electronic funds transfer (or with a request for extension of time to file):		
a	Total paid during calendar year	65a	10000
b	Total paid during subsequent year	65b	
66	Enter overpayment applied as credit from 2025 Form 1042	66	
67	Credit for amounts withheld by other withholding agents:		
a	For payments other than substitute dividend payments	67a	120270
b	For substitute dividend payments	67b	
68	**Total payments.** Add lines 65 through 67	68	130270
69	If line 64e is larger than line 68, enter balance due here	69	
70a	Enter overpayment attributable to overwithholding on U.S. source income of foreign persons	70a	10000
b	Enter overpayment attributable to excise tax on specified federal procurement payments	70b	
71a	Apply overpayment (sum of lines 70a and 70b) to (**check one**): ☐ Credit on 2027 Form 1042 or ☐ Refund		
	Complete lines 71b, 71c, and 71d.		
b	Routing number _____ c Type: ☐ Checking ☐ Savings		
d	Account number _____		

Section 2 Reconciliation of Payments of U.S. Source FDAP Income

1	Total U.S. source FDAP income required to be withheld upon under chapter 4	1	
2	Total U.S. source FDAP income required to be reported under chapter 4 but not required to be withheld upon under chapter 4 because:		
a	Amount of income paid to recipients whose chapter 4 status established no withholding is required	2a	487070
b	Amount of excluded nonfinancial payments	2b	12930
c	Amount of income paid with respect to grandfathered obligations	2c	
d	Amount of income effectively connected with the conduct of a trade or business in the United States	2d	
e	Total U.S. source FDAP income required to be reported under chapter 4 but not required to be withheld upon under chapter 4 (add lines 2a–2d)	2e	500000
3	Total U.S. source FDAP income reportable under chapter 4 (add lines 1 and 2e)	3	500000
4	Total U.S. source FDAP income reported on all Forms 1042-S (from lines 62a, 62b(1), and 62b(2))	4	500000
5	Total variance, subtract line 3 from line 4; if amount other than zero, provide explanation on line 6	5	0
6			

Section 3 Potential Section 871(m) Transactions

Check here if any payments (including gross proceeds) were made by the withholding agent under a potential section 871(m) transaction, including a notional principal contract or other derivatives contract that references (in whole or in part) a U.S. stock or other underlying security. See instructions ☑

Section 4 Payments by a Qualified Derivatives Dealer (QDD)

Check here if any payments were made by a QDD ☐

If the box is checked, you must do the following.

(1) Attach Schedule(s) Q (Form 1042). See instructions.

(2) Enter your EIN (other than your QI-EIN)

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Form **1042-S**
Department of the Treasury
Internal Revenue Service

Foreign Person's U.S. Source Income Subject to Withholding

Go to *www.irs.gov/Form1042S* for instructions and the latest information.

2026

OMB No. 1545-0096

Copy A for Internal Revenue Service

0 0 0 0 0 0 0 0 0 1 **UNIQUE FORM IDENTIFIER** ☐ **AMENDED** ☐ **AMENDMENT NO.**

1 Income code: 06	**2** Gross income: 252,000	**3** Chapter indicator. Enter "3" or "4": 3	**3a** Exemption code	**4a** Exemption code: 15	**4b** Tax rate
		3b Tax rate			

5 Withholding allowance			
6 Net income			
7a Federal tax withheld: 75,600			
7b Check if federal tax withheld was not deposited with the IRS because escrow procedures were applied (see instructions) ☐			
7c Check if withholding occurred in subsequent year with respect to a partnership interest ☐			
7d Check if you are a qualified intermediary, withholding foreign partnership, or withholding foreign trust revising its reporting on Form 1042-S to report to a specific recipient ☐			
8 Tax withheld by other agents			
9 Overwithheld tax repaid to recipient pursuant to adjustment procedures (see instructions) ( )	**10** Total withholding credit (combine boxes 7a, 8, and 9): 75,600		
11 Tax paid by withholding agent (amounts not withheld) (see instructions)			

12a Withholding agent's EIN: 00-5000000	**12b** Ch. 3 status code: 15		
	12c Ch. 4 status code: 01		
12d Withholding agent's name: PAYER A			
12e Withholding agent's global intermediary identification number (GIIN)			
12f Country code: US	**12g** FTIN, if any		
12h Address (number and street): 25 ROSE STREET			
12i Room or suite no.	**12j** City or town: New York		
12k State or province: NY	**12l** Country	**12m** ZIP or foreign postal code: 10001	

13a Recipient's name: WITHHOLDING AGENT THREE	**13b** Recipient's country code	
13c Address (number and street): 2 Fig Square		
13d Apt. no.	**13e** City or town	
13f State or province	**13g** Country: UK	**13h** ZIP or foreign postal code

13i Recipient's U.S. TIN, if any: 00-5000004		**13j** Ch. 3 status code: 12	
		13k Ch. 4 status code: 7	
13l Recipient's GIIN: 01 XYZW.99999.SL.1		**13m** Recipient's FTIN, if any	
13n LOB code	**13o** Recipient's account number		
13p Recipient's date of birth (YYYYMMDD)			
14a Primary withholding agent's name (if applicable)			
14b Primary withholding agent's EIN		**15** Check if pro-rata basis reporting ☐	
15a Intermediary or flow-through entity's EIN, if any		**15b** Ch. 3 status code	
		15c Ch. 4 status code	
15d Intermediary or flow-through entity's name			
15e Intermediary or flow-through entity's GIIN			
15f Country code	**15g** FTIN, if any		
15h Address (number and street)			
15i Room or suite no.	**15j** City or town		
15k State or province	**15l** Country	**15m** ZIP or foreign postal code	

16a Payer's name		**16b** Payer's TIN
16c Payer's GIIN	**16d** Ch. 3 status code	
	16e Ch. 4 status code	

17a State income tax withheld	**17b** Payer's state tax no.	**17c** Name of state

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☐ CORRECTED (if checked)

PAYER'S name
Payer B

Street address
123 Elm St

Room/suite no.

City/town: Atlanta | State/province: GA | Country: US | ZIP/foreign code: 30304

Telephone number:

PAYER'S TIN: 00-5500000

RECIPIENT'S TIN: 00-5000004

RECIPIENT'S name
Withholding Agent Three

Street address
3 Fig Square

Apt. no.

City/town: London | State/province: | Country: UK | ZIP/foreign code: W1A 1AE

Account number (see instructions)

1 Unemployment compensation
$ 142,856

2 State or local income tax refunds, credits, or offsets
$

3 Box 2 amount is for tax year

4 Federal income tax withheld
$ 40000

5 RTAA payments
$

6 Taxable grants
$

7 Agriculture payments
$

8 If checked, box 2 is trade or business income ☐

9 Market gain
$

10 Family leave benefits
$

11a State	**11b** State identification no.	**12** State income tax withheld
		$
		$

OMB No. 1545-0120

Form **1099-G**

(Rev. December 2026)

For calendar year 2026

Certain Government Payments

Copy B

For Recipient

This is important tax information and is being furnished to the IRS. If you are required to file a return, a negligence penalty or other sanction may be imposed on you if this income is taxable and the IRS determines that it has not been reported.

Form **1099-G** (Rev. 12-2026) (keep for your records) www.irs.gov/Form1099G Department of the Treasury - Internal Revenue Service

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TREASURY/IRS AND OMB USE ONLY DRAFT

☐ CORRECTED (if checked)

FILER'S name WITHHOLDING AGENT THREE			1a Gross amount of payment card/third party network transactions $ 12,930	OMB No. 1545-2205 Form **1099-K** (Rev. December 2026)	**Payment Card and Third Party Network Transactions**
Street address 2 FIG SQUARE	Room or suite no.		1b Card Not Present transactions $	**For calendar year** 2026	
City or town London	Telephone number		1c Cash tips $	1d TTOC	**Copy 2**
State or province	Country UK	ZIP or foreign postal code WA1A 1AE	2 Merchant category code 1234	3 Number of payment transactions 1	
Check to indicate if FILER is a (an): Payment settlement entity (PSE) ☑ Electronic Payment Facilitator (EPF)/Other third party ☐	Check to indicate transactions reported are: Payment card ☑ Third party network ☐		4 Federal income tax withheld $ 3,620		
FILER'S TIN 00-5000004	PAYEE'S TIN 00-5555550		5a January $	5b February $	
PAYEE'S name Payer C			5c March $	5d April $	To be filed with the recipient's state income tax return, when required.
Street address	Apt. no.		5e May $	5f June $	
City or town			5g July $	5h August $	
State or province	Country	ZIP or foreign postal code	5i September $	5j October $	
PSE'S name and telephone number			5k November $	5l December $ 12,930	
Account number (see instructions)			6 State income tax withheld $ $	7 State identification no.	8 State

Form **1099-K** (Rev. 12-2026) www.irs.gov/Form1099K Department of the Treasury - Internal Revenue Service

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☐ CORRECTED (if checked)

PAYER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone no.	1 Patronage dividends	OMB No. 1545-0118	**Taxable Distributions Received From Cooperatives**
Payer D 123 Avenue NY,NY 10001	$ 5357	Form **1099-PATR**	
	2 Nonpatronage distributions $	(Rev. April 2025)	
	3 Per-unit retain allocations $	For calendar year 2026	

PAYER'S TIN	RECIPIENT'S TIN	4 **Federal income tax withheld**	5 Redeemed nonqualified notices	**Copy B For Recipient**
00-5555555	00-5000004	$ 1,500	$	

RECIPIENT'S name	6 Section 199A(g) deduction	7 Qualified payments (Section 199A(b)(7))	
Withholding agent Three	$	$	
Street address (including apt. no.) 2 Fig Square	8 Section 199A(a) qual. items $	9 Section 199A(a) SSTB items $	This is important tax information and is being furnished to the IRS. If you are required to file a return, a negligence penalty or other sanction may be imposed on you if this income is taxable and the IRS determines that it has not been reported.
City or town, state or province, country, and ZIP or foreign postal code London W1A 1AE	10 Investment credit $	11 Work opportunity credit $	
Account number (see instructions)	12 Other credits and deductions $	13 Specified Coop ☐	

Form **1099-PATR** (Rev. 4-2025) (keep for your records) www.irs.gov/Form1099PATR Department of the Treasury - Internal Revenue Service