

9696

VOID

CORRECTED

PAYER'S name, street address, city, state, ZIP code, and telephone no.		1 Original issue discount for 2002 \$	OMB No. 1545-0117 2002 Form 1099-OID
		2 Other periodic interest \$	
PAYER'S Federal identification number	RECIPIENT'S identification number	3 Early withdrawal penalty \$	4 Federal income tax withheld \$
RECIPIENT'S name		5 Description	
Street address (including apt. no.)		6 Original issue discount on U.S. Treasury obligations \$	
City, state, and ZIP code		7 Investment expenses \$	
Account number (optional)	2nd TIN not. <input type="checkbox"/>		

Original Issue Discount

Copy A
For Internal Revenue Service Center
File with Form 1096.
 For Privacy Act and Paperwork Reduction Act Notice, see the **2002 General Instructions for Forms 1099, 1098, 5498, and W-2G.**

Form **1099-OID**

Cat. No. 14421R

Department of the Treasury - Internal Revenue Service

Do Not Cut or Separate Forms on This Page — Do Not Cut or Separate Forms on This Page

CORRECTED (if checked)

PAYER'S name, street address, city, state, ZIP code, and telephone no.		1 Original issue discount for 2002*	OMB No. 1545-0117 2002 Form 1099-OID
		\$	
		2 Other periodic interest	
		\$	
PAYER'S Federal identification number	RECIPIENT'S identification number	3 Early withdrawal penalty	4 Federal income tax withheld
RECIPIENT'S name Street address (including apt. no.) City, state, and ZIP code		5 Description	\$
		6 Original issue discount on U.S. Treasury obligations*	
		7 Investment expenses	\$
Account number (optional)		* This may not be the correct figure to report on your income tax return. See instructions on the back.	

Original Issue Discount

Copy B For Recipient

This is important tax information and is being furnished to the Internal Revenue Service. 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-OID**

(keep for your records)

Department of the Treasury - Internal Revenue Service

Instructions for Recipient

Original issue discount (OID) is the excess of an obligation's stated redemption price at maturity over its issue price (acquisition price for a stripped bond or coupon). OID is taxable as interest over the life of the obligation. If you are the holder of an OID obligation, generally you must include an amount of OID in your gross income each year you hold the obligation.

Obligations that may have OID include a bond, debenture, note, certificate, or other evidence of indebtedness having a term of more than 1 year. For example, the OID rules may apply to certificates of deposit (CDs), time deposits, bonus savings plans, and other deposit arrangements, especially if the payment of interest is deferred until maturity. In addition, the OID rules apply to Treasury inflation-indexed securities.

If, as the record holder, you receive Form 1099-OID showing amounts belonging to another person, you are considered a **nominee** recipient. Complete a Form 1099-OID for each of the other owners showing the amounts allocable to each. File Copy A of the form with the IRS. Furnish Copy B to each owner. List yourself as the "payer" and the other owner as the "recipient." File Form(s) 1099-OID with **Form 1096**, Annual Summary and Transmittal of U.S. Information Returns, with the Internal Revenue Service Center for your area. On Form 1096, list yourself as the "filer." A husband or wife is not required to file a nominee return to show amounts owned by the other. If you bought or sold an obligation during the year and you are not a nominee, you are not required to issue or file Form 1099-OID showing the OID or stated interest allocable to the seller/buyer of the obligation.

Box 1. Shows the OID on the obligation for the part of the year you owned it. Report the amount in box 1 as interest income on your income tax return. However, if you paid acquisition or bond premium, or the obligation is a stripped bond or coupon, you must compute your proper amount of OID. See **Pub. 1212**, List of Original Issue Discount Instruments, to figure the correct OID to report on your tax return.

Box 2. Shows other interest on this obligation for the year, which is an amount separate from the OID. If you held the obligation the entire year, report this amount as interest income on your tax return. If you disposed of the obligation or acquired it from another holder during the year, see **Pub. 550**, Investment Income and Expenses, for reporting instructions. If there is an amount in both boxes 2 and 6, the amount in box 2 is interest on a U.S. Treasury obligation and is exempt from state and local income taxes.

Box 3. Shows interest or principal forfeited if you withdrew the money before the maturity date of the obligation, such as from a CD. You may deduct this on the "Penalty on early withdrawal of savings" line of Form 1040.

Box 4. Shows backup withholding. Generally, a payer must backup withhold at a 30% rate if you did not furnish your taxpayer identification number to the payer. See **Form W-9**, Request for Taxpayer Identification Number and Certification, for information on backup withholding. **Include this amount on your income tax return as tax withheld.**

Box 5. Shows the identification number (CUSIP number) or description of the obligation. The description may include the stock exchange, issuer, coupon rate, and year of maturity.

Box 6. Shows OID on a U.S. Treasury obligation for the part of the year you owned it. Report this amount as interest income on your Federal income tax return, and see Pub. 1212 to figure any appropriate adjustments to this amount. This OID is exempt from state and local income taxes and is not included in box 1.

Box 7. Any amount shown is your share of investment expenses of a single-class REMIC. If you file Form 1040, you may deduct these expenses on the "Other expenses" line of **Schedule A (Form 1040)** subject to the 2% limit. This amount is included in box 2.

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PAYER'S name, street address, city, state, ZIP code, and telephone no.		1 Original issue discount for 2002 \$	OMB No. 1545-0117 2002 Form 1099-OID	Original Issue Discount
		2 Other periodic interest \$		
PAYER'S Federal identification number	RECIPIENT'S identification number	3 Early withdrawal penalty \$	4 Federal income tax withheld \$	Copy C For Payer For Privacy Act and Paperwork Reduction Act Notice, see the 2002 General Instructions for Forms 1099, 1098, 5498, and W-2G.
RECIPIENT'S name Street address (including apt. no.) City, state, and ZIP code		5 Description		
		6 Original issue discount on U.S. Treasury obligations \$		
		7 Investment expenses \$		
Account number (optional)	2nd TIN not. <input type="checkbox"/>			

Form **1099-OID**

Department of the Treasury - Internal Revenue Service

Instructions for Payers

We now provide general and specific form instructions as separate products. The products you should use for 2002 are the **General Instructions for Forms 1099, 1098, 5498, and W-2G** and the separate specific instructions for each information return you file.

Specific information needed to complete this form is given in the **2002 Instructions for Forms 1099-INT and 1099-OID**. A chart in the general instructions gives a quick guide to which form must be filed to report a particular payment. To order these instructions and additional forms, call 1-800-TAX-FORM (1-800-829-3676).

Caution: *Because the IRS processes paper forms by machine (optical character recognition equipment), you cannot file with the IRS Forms 1096, 1098, 1099, or 5498 that you print from the IRS Web Site.*

Due dates. Furnish Copy B of this form to the recipient by January 31, 2003.

File Copy A of this form with the IRS by February 28, 2003. If you file electronically, the due date is March 31, 2003.

Foreign recipient. If the recipient is a nonresident alien, you may have to withhold Federal income tax and file **Form 1042-S**, Foreign Person's U.S. Source Income Subject to Withholding. See the **Instructions for Form 1042-S** and **Pub. 515**, Withholding of Tax on Nonresident Aliens and Foreign Entities.

