

Appendix A

IRPAC Draft Proposed Withholding Statement

Appendix A

International Reporting and Withholding Subgroup Report

IRPAC Draft Proposed Withholding Statement

Withholding Statement

Effective Date	
Name of Intermediary or Flow-Through Entity	
Address	
Global Intermediary Identification Number (GIIN)	
Chapter 4 Status and Code	
Chapter 3 Status and Code	
Employer Identification Number (if any)	
Account/Transaction Reference	

NOTE: This IRPAC draft withholding statement has not been approved by the IRS.

Chapter 4 (FATCA) Withholding Pools

Pool Reporting Name	Pool Reporting Code	Allocation %
Recalcitrant Pool – No U.S. Indicia	42	
Recalcitrant Pool – U.S. Indicia	43	
Recalcitrant Pool – Dormant Account	44	
Recalcitrant Pool – U.S. Persons	45	
Recalcitrant Pool – Passive NFFEs	46	
Nonparticipating FFI (NPFPI) Pool	47	
U.S. Payees Pool	48	

Chapters 3 (NRA), Chapter 4 and Chapter 61 Information

Name of Recipient	Address of Recipient	Allocation %	Pre-existing Account Y/N

Please Note:

- (1) The combined allocations for Chapter 4 and Chapter 3 must total 100%
- (2) This withholding statement incorporates by reference any information contained on any underlying withholding certificates associated with the account for which this withholding statement is submitted.
- (3) This withholding statement forms an integral part of the Form W-8IMY, including the penalty of perjury certification.
- (4) This withholding statement must be updated within 30 days if any information becomes incorrect.

Appendix B

IRPAC Recommendations on IRS Summary of FATCA Timelines

Appendix B

International Reporting and Withholding Subgroup Report

IRPAC Recommendations on IRS Summary of FATCA Timelines

Summary of FATCA Timelines

NOTE: These IRPAC recommended changes (in red and ~~striketrough~~) to the IRS Summary of FATCA Timelines have not been approved by the IRS.

Withholding (by withholding agents)

2014

- July 1 30% U.S. withholding tax will apply to payments of certain U.S. source income (e.g., dividends, interest, insurance premiums) made to non-U.S. financial institutions (FFIs) ... **UNLESS** FFI establishes **by registration** it is
- A participating FFI, including FFIs in Model 2 IGA,
 - An FFI in a jurisdiction with a Model 1 IGA treated as in effect, or
 - A low-risk FFI

2019

- January 1 30% U.S. withholding tax will apply to any gross proceeds from the sale or other disposition after December 31, 2018 of any property of a type that can produce the U.S. source income described above.

- TBD U.S. withholding tax will apply to foreign passthru payment to a recalcitrant account holder or a nonparticipating FFI that is made after the later of December 31, 2018 or the date of the publication of final Treasury Regulations defining the term foreign passthru payment.

Exception: Certain smaller and more local FFIs and exempt beneficial owners (primarily government-owned entities and international organizations) can avoid withholding if they provide the withholding agent with documentation about their status.

Registration (by financial institutions)

2013

- August 19 Registration website available for testing purposes only

2014

- January 1 Official opening date to register and obtain Global Intermediary Identification Number (GIIN)
- May 5 Final day to register for guaranteed inclusion on first registered FFI list (to avoid withholding)
- June 2 First Registered FFI list published – updated monthly thereafter

2016

- January 1 All limited FFI and limited branch registrations will be placed in registration incomplete status on their online FATCA account after December 31, 2015.

Limited FFIs and limited branches that seek to continue such status during the 2016 calendar year must edit and resubmit their registrations after December 31, 2015, on the FATCA registration website.

December 31 Sponsoring entities must register their sponsored investment entities and sponsored controlled foreign corporations (CFCs) covered by Annex II of a Model 1 IGA on or before the later of December 31, 2016, and the date that is 90 days after a U.S. reportable account is first identified.

Sponsoring entities must register their sponsored investment entities and sponsored CFCs covered by Annex II of a Model 2 IGA on or before December 31, 2016.

2017

January 1 Sponsoring entities must register their sponsored registered deemed-compliant FFIs and sponsored direct reporting NFFEs by January 1, 2017. Sponsoring entities should consider registering to obtain GIINs well in advance of January 1, 2017, in order to give withholding agents sufficient time to complete the verification requirement.

Reporting (by financial institutions)

2015: Reporting Begins

When to Report

March 31 FFIs in non-IGA jurisdictions and FFIs in Model 2 IGA jurisdictions

September 30 FFIs in Model 1 IGA jurisdictions (**September 30 is the Model 1 IGA jurisdiction reporting deadline to the U.S. Internal Revenue Service; see the applicable Model 1 IGA jurisdictions guidance for the FFI reporting deadline to the Model 1 IGA jurisdiction**):

What to Report (with respect to 2014):

1. Account holder's name
For passive non-financial foreign entity, the name(s) of any substantial U.S. owners
2. Account holder's U.S. taxpayer identification number (TIN)
For passive non-financial foreign entity, only the TIN(s) of any substantial U.S. owner(s)
3. Account holder's address
For passive non-financial foreign entity, only the address(es) of substantial U.S. owner(s)
4. Account number
5. Account balance or value
6. For accounts held by recalcitrant/nonconsenting account holders: report aggregate number and balance or value

2016

When to Report

March 31 FFIs in non-IGA jurisdictions and FFIs in Model 2 IGA jurisdictions

September 30 FFIs in Model 1 IGA jurisdictions (**September 30 is the Model 1 IGA jurisdiction reporting deadline to the U.S. Internal Revenue Service; see the applicable Model 1 IGA jurisdictions guidance for the FFI reporting deadline to the Model 1 IGA jurisdiction**):

What to Report (with respect to 2015):

- Everything reported in (1) through (6) for 2014
7. **Gross amount of Income paid on custodial and depository accounts; total gross amount paid on all other accounts** (~~except certain gross proceeds from the sale or redemption of property~~)

2017

When to Report

- March 31 FFIs in non-IGA jurisdictions and FFIs in Model 2 IGA jurisdictions
- September 30 FFIs in Model 1 IGA jurisdictions (**September 30 is the Model 1 IGA jurisdiction reporting deadline to the U.S. Internal Revenue Service; see the applicable Model 1 IGA jurisdictions guidance for the FFI reporting deadline to the Model 1 IGA jurisdiction**):

What to Report (with respect to 2016):

- Everything reported in (1) through (7) for 2015
8. Gross proceeds paid to custodial accounts

After 2018~~7~~

When to Report

- March 31 FFIs in non-IGA jurisdictions and FFIs in Model 2 IGA jurisdictions
- September 30 FFIs in Model 1 IGA jurisdictions (**September 30 is the Model 1 IGA jurisdiction reporting deadline to the U.S. Internal Revenue Service; see the applicable Model 1 IGA jurisdictions guidance for the FFI reporting deadline to the Model 1 IGA jurisdiction**):

What to Report (with respect to ~~previous year~~2017):

Everything reported in (1) through (8) for 2016

2019

~~**When to Report**~~ -

- ~~March 31 FFIs in non-IGA jurisdictions and FFIs in Model 2 IGA jurisdictions~~
- ~~September 30 FFIs in Model 1 IGA jurisdictions:~~

~~**What to Report (with respect to 2018):**~~

- ~~- Everything reported in (1) through (8) for 2017~~
- ~~-~~

~~**After 2019**~~

~~**When to Report**~~

- ~~March 31 FFIs in non-IGA jurisdictions and FFIs in Model 2 IGA jurisdictions~~
- ~~September 30 FFIs in Model 1 IGA jurisdictions:~~

~~**What to Report (with respect to previous year):**~~

- ~~- Everything reported in (1) through (8) for 2018~~

Form 8966 Reporting by U.S. Withholding Agents

2015: Reporting Begins

When to Report

March 31

What to Report (with respect to 2014):

1. Name of passive NFFE that is owned by a substantial US owner; or name of owner-documented FFI
2. The name, address and TIN of each substantial U.S. owner of the passive NFFE; or specified US person identified in an owner reporting statement by an owner-documented FFI,

- 3 Total of all withholdable payments made to the passive NFFE or owner-
documented FFI during the calendar year.**
- 4 Account balance or value of account held by an owner-documented FFI
- 5 Any other information required by Form 8966 and its instructions

****Note that beginning January 1, 2019, the definition of withholdable payment will include gross proceeds from the sale or disposition of property of a type that can produce interest or dividends that are US source FDAP income**

Form 8966 reporting by U.S. withholding agents for years after 2015 is the same as above for 2015**

Page Last Reviewed or Updated: 02-Jun-2016

Appendix C

**IRPAC Recommendations on
Draft Form W-8BEN-E
and
Draft Instructions for
Form W-8BEN-E
Released February 2016 and
Corresponding Changes to
Instructions for
Requester of Forms W-8**

Appendix C

International Reporting and Withholding Subgroup Report

IRPAC Recommendations on Draft Form W-8BEN-E and Draft Instructions for Form W-8BEN-E Released February 2016 and Corresponding Changes to Instructions for Requester of Forms W-8

Recommendations on Draft Form W-8BEN-E Instructions

1. "Who Must Provide Form W-8BEN-E":

Draft instructions state do not provide Form W-8BEN-E if "you are acting as an intermediary (that is, acting not for your own account, but for the account of others as an agent, nominee, or custodian), a qualified intermediary (including a qualified intermediary acting as a qualified derivatives dealer), or a qualified securities lender (QSL) with regard to a payment of U.S. source substitute dividends. Instead provide a Form W-8IMY..."

As a QSL is acting in a principal capacity, it should be required to provide a W-8BEN-E not a Form W-8IMY.

Recommendation was not incorporated into final instructions.

2. "Change in Circumstance":

Draft instructions state, "With respect to an FFI claiming a chapter 4 status under an applicable IGA, a change in circumstances includes when the jurisdiction where the FFI is organized or resident (or the jurisdiction identified in Part II of the form) was included on the list of jurisdictions treated as having an intergovernmental agreement in effect and is removed from that list or when the FATCA status of the jurisdiction changes (e.g., from Model 2 to Model 1)."

Further clarification is needed with respect to an entity claiming a chapter 4 status of reporting or nonreporting IGA FFI in the event that the FATCA status of the jurisdiction changes from Model 2 to Model 1 (or vice versa). In such an event, the re-documentation effort by the FFI and its withholding agents and/or FIs that maintain its accounts to change the chapter 4 status would be significant. Yet such a jurisdictional change would result in no substantive changes in the manner in which the FFI is treated by its withholding agents and FIs.

IRPAC recommends the following language to be added to the instructions:

Note: If you currently maintain a Form W-8 for a payee and there is a change in circumstance relating only to the FATCA status from Model 2 to Model 1 (or vice

versa) of the jurisdiction under which the payee claims a chapter 4 status, you may continue to rely on such form until it expires. If there are multiple changes in circumstances, one of which includes a change to the FATCA status of the jurisdiction, then you may not continue to rely on such a form except if you satisfy the applicable curing provision(s). [Add here or something conforming to the Form 1042-S instructions: "For the chapter 4 status code of the FFI on a Form 1042-S, you may either continue to enter the chapter 4 status on such Form W-8 or enter the chapter 4 status of the FFI under the jurisdiction's new FATCA status, e.g., chapter 4 status code 7 (Registered Deemed-Compliant FFI—Reporting Model 1 FFI) if the jurisdiction changes from Model 2 to Model 1.]

Recommendation not incorporated into final instructions. We recommend that the above language be added to the Instructions for Requester of Forms W-8.

3. Definition of "Disregarded Entity":

Definition contains the statement "A disregarded entity with a U.S. owner may provide this form to an FFI solely for purposes of documenting itself for chapter 4 purposes." A disregarded entity with a non-U.S. owner, that cannot complete Part II of Form W-8BEN-E because it is not registered with a GIIN, may also need to provide its chapter 4 status. IRPAC recommends removing the reference to U.S. owner.

Recommendation was incorporated into final instructions.

4. Line 4, Chapter 3 Status:

Draft instructions contains the statement, "However, if you are providing Form W-8BEN-E to an FFI solely for purposes of documenting yourself for chapter 4 purposes as an account holder of an FFI (and you are not receiving a withholdable payment), you do not need to complete line 4..."

IRPAC recommends adding the phrase "an account maintained by" after the words "account holder of" and before "an FFI."

Recommendation was incorporated into final instructions.

Draft instructions contain the statement, "A foreign pension fund should not check the "Tax-exempt organization" box unless it qualifies as a tax-exempt organization under section 501(a)..."

IRPAC recommends reference to IRC section 501(c) or 501(d) for clarification purposes so that foreign pension funds do not erroneously conclude that they fit 501(a) as the draft language appears to indicate.

Recommendation was incorporated into final instructions.

5. Line 9a, GIIN

Draft instructions, line 9a requires a "trustee documented trust" must enter a GIIN on line 9a. IRPAC recommends that the instructions clarify that while the Form W-8BEN-E is provided for the trust, the GIIN of the trustee must appear on line 9a.

Recommendation was incorporated into final instructions.

6. Limitation on Benefits:

Regarding validation of the limitations on benefits provision indicated on a payee's Form W-8BEN-E, withholding agents generally do not have the underlying facts to determine if the payee's reason for meeting the limitation on benefits ("LOB") provision is valid. Accordingly, IRPAC recommends that the following language be added to the Instructions for Requestor of Forms W-8:

Part III, Line 14b, (Claim of LOB Rationale):

The Form W-8BEN-E requests the payee's LOB code, which provides the specific reason for why the payee meets the LOB provision of the applicable treaty. The facts that support that LOB Code, however, are not generally in the withholding agent's possession. Accordingly, you may accept a form in which the LOB code is provided unless you have actual knowledge that the LOB code is incorrect. Actual knowledge does not include a withholding agent's possession of information on the IRS Limitation on Benefits Table (currently "Table 4" at https://www.irs.gov/PUP/individuals/international/Tax_Treaty_Table_4.pdf) that is, or appears to be, inconsistent with information, including the LOB box checked, on a Form W-8BEN-E.

Awaiting Instructions for Requester of Forms W-8.

7. Line 15, Special Rate and Conditions:

Draft instructions contain the statement, " This line is generally not applicable to claiming treaty benefits under an interest or dividends (other than dividends subject to a preferential rate based on ownership) article of a treaty..." IRPAC recommends the phrase "or other income" be inserted after "ownership)" and before "article." Certain withholding agents are demanding a line 15 claim for other income because they are unclear whether this line is needed in this case. Adding the recommended phrase "or other income" would provide clarity to withholding agents.

Recommendation was incorporated into final instructions.

8. Line 40a, Passive NFFE:

Draft instructions do not clarify that professionally managed entities are considered financial institutions as per Treas. Reg. §1.1471-5(e)(4). IRPAC recommends that the following clarifying language be added to the instructions:

If you would be a passive NFFE but for the fact that you are professionally managed, you should not complete line 40a as you should be considered a financial institution and not a passive NFFE.

Recommendation was incorporated into final instructions.

Recommendations on Draft Form W-8BEN-E

1. "Do Not Use This Form For":

Draft form states that instead of using Form W-8BEN-E, use Form W-8ECI or W-8EXP for "A foreign government... establishing foreign status for purposes of backup withholding, or documenting chapter 4 status."

IRPAC recommends the removal of the phrase "backup withholding" as it is unclear that the Form W-8ECI or Form W-8EXP would be used for establishing foreign status for purposes of backup withholding; these forms may be used for other instances than in reference to backup withholding.

Recommendation was incorporated into final form.

2. Part I, Line 5, FATCA status:

While IRPAC has recommended the removal of box "Account that is not a financial account" on line 5 of the Draft W-8BEN-E (February 2016), we understand that there may not have been enough time to adopt this change. Therefore, IRPAC proposes the following additional paragraphs to the Instructions for Requestor of Forms W-8:

Part I, Line 5 (Chapter 4 Status):

If you receive a Form W-8BEN-E from an entity payee that checks the box "Account that is not a financial account" and does not check any other chapter 4 status, but such payee has a financial account as defined under Treas. Reg. Section 1471-5(b)(1) or applicable IGA and which is indicated in your account files, you may not accept the form as such a claim is not valid. In such a case, you should request the payee to complete the applicable chapter 4 status. You may accept a Form W-8BEN-E from an entity payee that has failed to check this box if such payee does not have a financial account as defined under Treas. Reg. Section 1471-5(b)(1-2) or applicable IGA and there is no indication to the contrary in your account file. You may also accept such a form in which the entity payee has failed to check this box, does not have a financial account as indicated in your account file and has checked a chapter 4 status (such as Non-

Participating Foreign Financial Institution), as such status is not applicable for your purposes.

Recommendation was not incorporated into final form. We recommend that the above language be added to the Instructions for Requester of Forms W-8.

3. Part III, Tax Treaty Claim:

While IRPAC has suggested that the blank, free form line that is part of line 15 is both confusing for the payee and withholding agent and ultimately unnecessary in light of (i) the new LOB codes and (ii) line 15 requiring the payee to enter the specific treaty article and paragraph or subparagraph and rate, we understand that the IRS may be concerned that the payee may need additional space to communicate important information. In consideration of this, IRPAC recommends the following language for the Instructions for Requestor of Forms W-8:

Part III, Line 15, (Claim of Tax Treaty Benefits):

If you receive a Form W-8BEN-E which contains an explanation as to why the payee meets the terms of the treaty article, the explanation provided will be acceptable unless you have actual knowledge that it is incorrect. For example, a French resident payee may explain that it meets the terms of the treaty article cited on line 15 because it is a French resident as defined within the applicable treaty. Such an explanation is acceptable unless you have actual knowledge (e.g., based on documentation provided by the payee) that the payee is not a French resident and the treaty article it cites does not apply to the payee. You may apply a special treaty claim on a form which contains the applicable specific treaty article and paragraph or subparagraph, as applicable, withholding rate and income type on line 15 but does not contain an explanation as to why the payee meets the terms of the treaty article. You may apply a special treaty claim on a form in which the applicable specific treaty article and paragraph or subparagraph, as applicable, withholding rate and income type are listed as an explanation as to why the payee meets the terms of the treaty article but are not listed in the designated spaces on line 15 provided that such information is entered near such designated spaces.

Recommendation was not incorporated into final form. We recommend that the above language be added to the Instructions for Requester of Forms W-8.

4. Part XXIV, Line 38, Excepted Territory NFFE

Form certification states, "Does not hold, as a substantial portion of its business, financial assets for the account of others, or Is not an insurance company (or the holding company of an insurance company) that issues or is obligated to make payments with respect to a financial account ..."

IRPAC recommends that the word "or" is removed and replaced with "and."

Recommendation was not incorporated into final form.

5. Part XXVI, Passive NFFE:

Lines 40 (b) and 40 (c) refer to U.S. substantial owners as follows:

40 (b) "I further certify that the entity identified in Part I has no substantial U.S. owners, or

40(c) "I further certify that the entity identified in Part I has provided the name, address, and TIN of each substantial U.S. owner of the NFFE ..."

As the Form W-8BEN-E may be used by Model I IGA FFI, IRPAC recommends that the phrase "controlling U.S. persons" is added in consideration of the definition of such term per the IGAs.

Recommendation was incorporated into final form.

Appendix D

IRPAC Draft Recommended Substitute Form 1042-S Payee Statement

NOTE: This is an IRPAC draft and has not been approved by the IRS.

Appendix D

International Reporting and Withholding Subgroup Report

IRPAC Draft Recommended Substitute Form 1042-S Payee Statement

AMENDED PRO-RATA BASIS REPORTING

Withholding Agent
 ABC Brokerage Inc.
 1000 Wall Street
 New York, New York 10017
 EIN: 12-3456789
 GIIN (if any):
 Foreign TIN (if any):
 Country Code: US
 Ch. 3 Status Code: 01
 Ch. 4 Status Code: 01

Recipient
 Genco Corporation
 1313 Mockingbird Lane
 London, England EC4R OHH
 EIN (if any): 98-1234567
 GIIN (if any): ABCDE.99999.ME.826
 Foreign TIN (if any): 1234
 Country Code: UK
 Ch. 3 Status Code: 15
 Ch. 4 Status Code: 07
 Date of birth (if any):
 Account number (if any):
 LOB code: 06

Intermediary
 XYZ Bank Limited
 27 Abbey Road
 London, England EC4R OHH
 EIN (if any): 98-7654321
 GIIN (if any): ZYXWU.99999.ME.826
 Foreign TIN (if any): 34567
 Country Code: UK
 Ch. 3 Status Code: 15
 Ch. 4 Status Code: 07

Payer
 Good Payer
 EIN: 34-5679010
 GIIN (if any):
 Ch. 3 Status Code: 01
 Ch. 4 Status Code: 01

Information that, if not applicable, may be excluded from substitute Form 1042-S highlighted in yellow

Box 1 Income Code	Box 2 Gross Income	Box 3 Chapter Indicator	Box 3a Exemption Code	Box 3b Tax Rate	Box 4a Exemption Code	Box 4b Tax Rate	Box 7a Federal Tax Withheld	Box 10 Total Withholding Credit
01	\$ 100.00	3	05	00.00	15	00.00	\$ 0.00	\$ 0.00
01	\$1500.00	3	04	00.00	15	00.00		
06	\$2000.00	3		15.00	15	00.00	\$300.00	\$ 300.00
52	\$ 400.00	3		15.00	15	00.00	\$ 60.00	\$ 60.00
54	\$1000.00	3		30.00	15	00.00	\$300.00	\$ 300.00

Box 5 Withholding allowance	Box 6 Net Income	Box 7b Check if tax not deposited pursuant to escrow procedure	Box 8 Tax withheld by other agents	Box 9 Tax paid by withholding agent	Box 11 Amount repaid to recipient	Box 14a Primary Withholding Agent's Name	Box 14b Primary Withholding Agent's EIN	Box 17a State income tax withheld	Box 17b Payer's state tax no.	Box 17c Name of state

Appendix E

Notice 2016-26 Recommendations for items that should be Included on the 2016-2017 Priority Guidance Plan

INFORMATION REPORTING PROGRAM ADVISORY COMMITTEE (IRPAC)

1111 Constitution Avenue, NW, Room 7563, Washington, D.C. 20224

Michael Gangwer,
Chairperson

**Emerging Compliance
Issues**

Sub-Group:

Beatriz Castaneda, Chair
Terry Edwards
Darrell Granahan
Keith King
Joel Levenson
Nina Tross

Internal Revenue Service
Attn: CC:PA:LPD:PR (Notice 2016-26)
Room 5203
P.O. Box 7604
Ben Franklin Station
Washington, D.C. 20044

May 16, 2016

**Employee Information
Reporting/ Burden
Reduction**

Sub-Group:

Emily Rook, Chair
Bob Birch
Laura Burke
Ernesto Castro
Alan Ellenby
Marcia Miller

RE: Notice 2016-26
Recommendations for items that should be included on the 2016-2017
Priority Guidance Plan

Dear Commissioner Koskinen:

**International Reporting &
Withholding**

Sub-Group:

Frederic Bousquet, Chair
Roseann Cutrone
Carolyn Diehl
Dana Flynn
Robert Limerick
Kevin Sullivan

The Information Reporting Program Advisory Committee (IRPAC) appreciates the opportunity to respond to Notice 2016-26 and recommend matters that should be included in the 2016-2017 Priority Guidance Plan. Our recommendations for guidance are focused primarily on information reporting topics and may be adopted through new or enhanced regulations, revenue rulings, revenue procedures, notices or other appropriate guidance methods. The aim of these recommendations is to improve tax administration and reduce the growing burdens placed on payors, taxpayers, and the Internal Revenue Service.

IRPAC was established in 1991 in response to an administrative recommendation in the final Conference Report of the Omnibus Budget Reconciliation Act of 1989. IRPAC members are drawn from and represent a broad sample of the payer community, including major professional and trade associations, colleges and universities. Since its inception, IRPAC has worked closely with the IRS on a wide range of issues to improve the information reporting process and reduce the burden on taxpayers and filers.

Information returns play a vital role in ensuring taxpayers have the fundamental building blocks they need to comply with their tax filing obligations and that the IRS receives the information it needs to enforce compliance and collect the right tax. Providing information returns, instructions, and guidance that are clear, complete, and easy for stakeholders to understand should be a top priority for the Treasury and the IRS. It is also critical that the IRS and Treasury provide guidance for new information reporting requirements in a timely manner. In several annual Public Reports, IRPAC has advised that a withholding agent typically needs 18 months to 24 months to update its

systems for new reporting requirements, including time to study the requirements, plan and obtain a budget for the project, develop business requirements and systems logic, code, and test, then implement. Accordingly, it is essential that ambiguities in the law be clarified in a manner that provides information return preparers/withholding agents sufficient time to implement new and clarified reporting requirements.

Below please find IRPAC's specific recommendations for priority guidance.

Fast Track Guidance Requests

1) Tip Withholding Sequence – Payors need basic guidance regarding the order that the various payroll taxes and deductions should be taken from the wages of employees that are tipped. Assuming an employee's wages for a given payroll period are not large enough to support all taxes and deductions, IRPAC recommends that guidance be issued detailing which taxes and deductions should be taken first.

2) IRA escheatment to states – IRPAC recommends that guidance be issued to help IRA custodians to determine the reportability of IRA assets that are escheated to state abandoned property departments. Today the rules are unclear as to whether or not Forms 1099-R are required. For detailed information, please refer to the 2015 IRPAC Public Report.

Core Guidance Requests

1) Electronic delivery to U.S. Treasury of monies withheld pursuant to an IRS levy.

IRPAC recommends the adoption of guidance that would allow employers to transmit federal tax levy proceeds electronically to the U.S. Treasury. The current procedure, as instructed by Form 668-W, is to mail a check payable to the U.S. Treasury on the employee's payday and on the face of the check show the taxpayer's name, taxpayer's SSN, tax type and the words "proceeds of levy." The 668-W directs where the check is to be sent and many times this is to a local IRS office.

The current paper check and mail procedure creates delay and confusion because payroll departments receive the levy deduction amount only a day or two prior to the employee's pay date and then must forward the information to an accounts payable department where the check will be prepared. Due to the typical differences between payroll and accounts payable departments, several types of errors can occur. Here are two examples:

- Accounts payable departments typically cut checks on a weekly, biweekly or semimonthly processing cycle but not every day creating timing issues.
- Accounts payable systems typically do not have the functionality to show the required notations on the face of the check (so detail is on an attachment which often is separated from the check before it is processed by the IRS). We find that without the detail from the face of the check, the amount is often misapplied to the employer's account (creating an inaccurate overpayment) and not to the taxpayer's account (subjecting the taxpayer to levy deductions continuing longer than necessary)

We have also found that some of the IRS offices to which checks are to be mailed have closed and employers receive telephone calls from the IRS directing them to start mailing to a different office. As a result checks already mailed to the closed office are delayed. Enabling the electronic deposit of levy proceeds will enable timely deposits to the correct taxpayer accounts and eliminate much time-consuming reconciliation and correction work for the IRS and employers.

2) Additional FATCA guidance

IRPAC urges the IRS and Treasury to continue to issue guidance on FATCA, the qualified intermediary program (including qualified securities dealer rules), section 871(m) withholding, and section 305(c) withholding. Clarifying guidance in these complex and evolving areas would mitigate inconsistent and inaccurate treatments by withholding agents.

3) Reasonable Cause Abatement Issues

As IRPAC has highlighted in its last three public reports, there continue to be problems with the administration of the penalty abatement process. Penalties have significantly increased and the IRS continues to disregard reasonable cause claims and assess penalties. This is particularly troubling in cases where a payor is denied a reasonable cause waiver request when they provided the same or similar explanation in the prior three years even though the reasonable cause claim is valid and appropriate under the current regulations and instructions. IRPAC recommends that Treasury issue guidance regarding the appropriate administration of the penalty regime.

4) Guidance under §6050W

This is a Tax Administration project that was previously included in the 2014-2015 and 2015-2016 Priority Guidance Plan and IRPAC recommends that it remain in the 2016-2017 plan as a high-priority guidance issue for clarification

of essential terms in amended regulations to be issued in the very near term. It has been projected that 9.4 million Forms 1099-K will be filed for 2015 [IRS Publication 6961]. The lack of essential definitions is an impediment to accurate reporting.

Key terms integral to the meaning of “third party payment network” must be defined in official guidance in order for reporting organizations to reasonably apply the rules. The unclear terms include “central organization,” “guarantee,” and “substantial number of providers of goods or services.” IRPAC’s detailed recommendations relating to the definition of these terms can be found in the March 28, 2011, comment letter which is included as Appendix D of the IRPAC 2011 Public Report, and in the 2014 and 2015 IRPAC Public Reports. Guidance should be issued that allows a reasonably informed reader to understand when IRC § 6050W reporting is required and delineate between three-party arrangements that are subject to reporting under IRC § 6050W and ones that involve three parties but are not subject to reporting under IRC §6050W.

In addition, guidance is needed to identify the entity deemed to be the payment settlement entity when there are multiple payment settlement entities. Clarification of the scope and application of rules related to “aggregated payees” and “third party payment networks” is also needed. In current guidance these rules appear to overlap; a “third party settlement organization” (TPSO) is not required to report transactions for a payee whose aggregate transactions do not exceed \$20,000 and 200 transactions, whereas the aggregated payee rules do not include a de minimis rule. IRPAC has recommended clarification that the de minimis rules applicable to TPSOs also apply to an aggregated payee that also meets the definition of a TPSO.

5) Withholding and reporting guidance for pension payments made to Nonresident aliens (NRAs)

In the 2015 IRPAC Public Report, IRPAC pointed out the need for clarity when applying withholding and reporting rules for certain taxable transactions processed within U.S. pension plans for NRA plan participants. IRPAC requests guidance regarding the proper tax treatment in this and other similar situations where the existing law and regulations overlap but leave a great deal of uncertainty.

6) Qualified Tuition Plans (529 plans) distributions aggregation

The PATH act contained a provision that repealed the rule requiring that all Qualified Tuition Plans (529 plans) with the same designated beneficiary be

aggregated for purposes of calculating the amount of a nonqualified distribution that is included in income. Code section 72 proration must now be calculated on an account by account basis. This creates a few immediate problems. For example, firms with systems designed to aggregate across plans/providers must now make changes so that the IRC 72 proration rules only apply to the account from which the distribution was taken. Therefore the current basis reflected on systems for each of the impacted accounts are incorrect, and such basis would need to be reallocated among remaining accounts with a positive current balance. This may require that payors look back at the life to date contributions and distributions, subtracting any gains to derive a basis for each account. Given the need for payors' systems to be programed, IRPAC requests that guidance be issued clarifying how to reapply remaining basis shown in closed accounts to the open accounts.

Additional Requests

In addition to the above described areas for priority guidance, IRPAC wishes to highlight two other important priorities that do not require guidance, but instead require other action. Specifically, IRPAC urges the Treasury Department to pursue strongly the Administration's fiscal year 2016 recommendation for legislation amending IRC § 6103(k) "to permit the IRS to disclose to any person required to provide the TIN of another person to the Secretary whether the information matches the records maintained by the Secretary." [Treasury "Green Book" Fiscal Year 2016] This expanded use of TIN Matching will not only reduce administrative costs of the IRS and payor community, it will help reduce fraud and the size of the so called tax gap.

In addition, as part of a continuing effort to combat tax fraud, the IRS has indicated plans to reduce theft from various tax account returns. The IRS's order of priority to implement this effort was indicated to be as follows:

- 1120 – this year
- 1120S – next year
- 1040
- 1065
- 941/940

IRPAC urges the IRS to reprioritize its efforts so as to address the 941/940 return next because those forms have been targeted by fraudsters for business identity theft now that payors are required to transmit Form W-2s and Form 1099-MISCs for non-employee compensation earlier.

Again, IRPAC looks forward to partnering with the IRS to improve tax administration and reducing the growing burdens placed on payors, taxpayers and the IRS.

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Respectfully submitted,



Michael Gangwer

2016 IRPAC Chairperson

Appendix F

Application of Withholding Tax on Section 305(c) Events Prior 1/1/2016

INFORMATION REPORTING PROGRAM ADVISORY COMMITTEE (IRPAC)

1111 Constitution Avenue, NW, Room 7563, Washington, D.C. 20224

Michael Gangwer,
Chairperson

**Emerging Compliance
Issues**

Sub-Group:

Beatriz Castaneda, Chair
Terry Edwards
Darrell Granahan
Keith King
Joel Levenson
Nina Tross

Internal Revenue Service
Attn: CC:PA:LPD:PR (REG-133673-15)
Room 5203
P.O. Box 7604
Ben Franklin Station
Washington, D.C. 20044

RE: Application of Withholding Tax on Section 305(c) Events prior to 1/1/2016

Dear Commissioner Koskinen:

**Employee Information
Reporting/ Burden
Reduction**

Sub-Group:

Emily Rook, Chair
Bob Birch
Laura Burke
Ernesto Castro
Alan Ellenby
Marcia Miller

This letter is in response to IRPAC's understanding that the IRS is considering holding withholding agents liable for any underwithholding on Section 305(c) deemed dividends for years prior to 2016. For the below reasons, IRPAC recommends that the IRS publically announce that it will not impose withholding tax liability, penalties, or interest on withholding agents for Section 305(c) events occurring in tax years prior to 2016. In an effort to direct withholding agents on how to treat such events, proposed regulations were released in April 2016 (the "2016 Proposed Regulations"). As such, it would be unfair to penalize withholding agents for events in years prior to the release of these proposed regulations by applying withholding tax liability, penalties, or interest on a retroactive basis.

**International Reporting &
Withholding**

Sub-Group:

Frederic Bousquet, Chair
Roseann Cutrone
Carolyn Diehl
Dana Flynn
Robert Limerick
Kevin Sullivan
Kelli Wooten

It was not until proposed regulations under Section 871(m) published in 2014, which included a brief coordinating rule with Section 305(c), that withholding agents began to struggle with understanding a potential obligation to withhold tax on Section 305(c) deemed dividends notwithstanding the absence of cash payments. To date, the withholding tax regime followed by withholding agents has been based upon cash payments and an understanding the facts and circumstances of the income giving rise to such payments. Prior to the 2016 Proposed Regulations, there was no clear guidance on how to identify Section 305(c) events, how to calculate the income arising from such events, and the withholding tax obligations in light of cashless payments.

Since 2014, withholding agents have been forthcoming and cooperatively working with the IRS to address many of the open questions and complications relating to the withholding tax issues resulting from a conversion rate adjustment on convertible bonds and other securities. While the 2016 Proposed Regulations address many of the open questions and clarify many points of issue prospectively, uncertainty regarding previous years remains, which is causing, among other things, uncertainty amongst withholding agents as to whether to collect taxes for prior years.

While IRPAC lauds IRS efforts to clarify the applicable rules by issuing the 2016 Proposed Regulations, we feel that these proposed regulations serve as an acknowledgment by the IRS that additional guidance was needed in order to administer the Section 305(c) withholding obligations. As such, we do not believe withholding agents can reasonably be expected to have put a withholding process in place in years prior to 2016. In sum, to minimize an ever-growing burden placed on withholding agents and to allow them to focus on the development of procedures and

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processes for withholding tax on Section 305(c) events for tax year 2016 and beyond, IRPAC requests public acknowledgement from the IRS that withholding agents will not be held liable with respect to Section 305(c) events that occurred prior to 2016.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Michael Goyner".

2016 IRPAC Chairperson

Appendix G

National Taxpayer Advocate Public Hearing on Taxpayer and Stakeholder Needs and Preferences IRPAC Testimony

National Taxpayer Advocate Public Hearing on
Taxpayer and Stakeholder Needs and Preferences
IRPAC Testimony
Feb. 23, 2016

Remarks by
Michael Gangwer, Chair
Information Reporting Program Advisory Committee

I am Michael W. Gangwer, the current Chair of the Information Reporting Program Advisory Committee, which is known as IRPAC. Thank you for inviting me to share IRPAC's perspectives on the administration of our tax laws.

First, I want to provide a bit of context about IRPAC. In 1989, Congress authorized IRPAC to provide a public forum to discuss information reporting issues. We serve as an advisory body to the Commissioner of the Internal Revenue Service. We identify, research, analyze, and make recommendations on current and proposed information reporting policies and operations. When necessary, we suggest improvements. We also publish an annual briefing book that summarizes our activities and our recommendations, which you can find at [https://www.irs.gov/Tax-Professionals/Information-Reporting-Program-Advisory-Committee--\(IRPAC\)-Past-Briefing-Books](https://www.irs.gov/Tax-Professionals/Information-Reporting-Program-Advisory-Committee--(IRPAC)-Past-Briefing-Books).

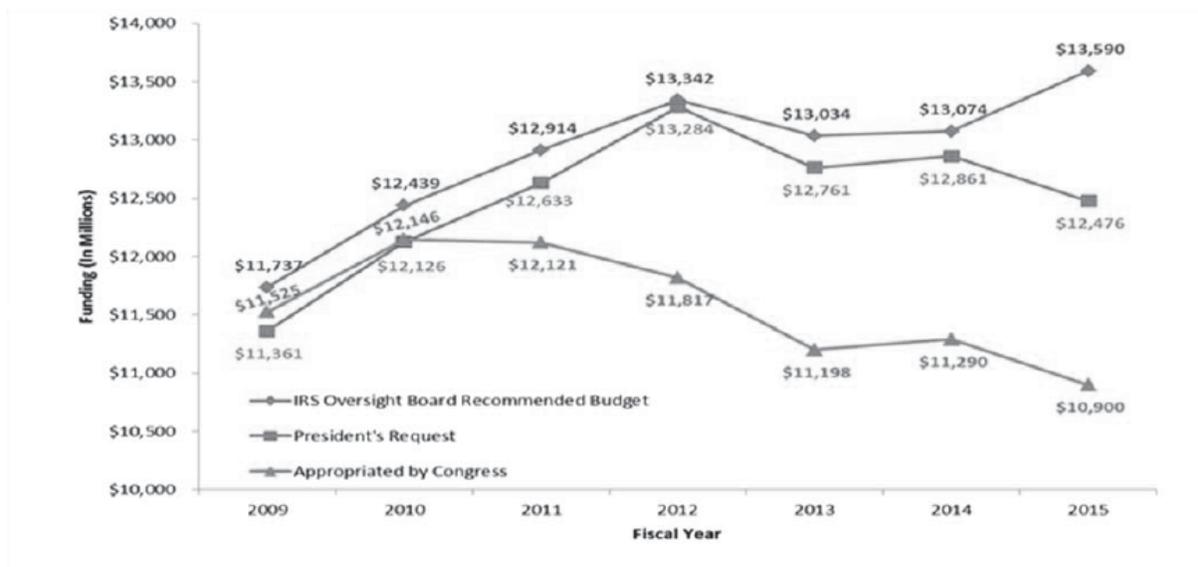
Our committee currently has 19 members, including individuals from various segments of the tax community, from major national professional and trade associations to colleges and universities—as well as large and small businesses. We meet about five times a year in Washington, D.C.—typically over two days. We are not paid for our efforts, but some of our travel expenses are reimbursed within prescribed federal limitations.

Today, I want to highlight what IRPAC believes are the three largest challenges for information reporting: (I) IRS funding levels; (II) risks and opportunities from expanding taxpayers' information reporting obligations; and (III) preventing identity theft, especially for small businesses.

I. IRS funding levels

From FY 2010 to FY 2015, the entire operating budget for the IRS dropped from \$12.1 billion to \$10.9 billion, without adjusting for inflation. At the same time, IRS responsibilities, infrastructure demands, and taxpayer needs, increased considerably.

We believe the significant and chronic mismatch between the generally declining funding level of the IRS and its growing mandate is the most important challenge to improving information reporting. In many instances, we have been told that the IRS cannot pursue our recommendations because the IRS lacks the resources to open additional projects. Both taxpayers and the IRS suffer from these shortcomings. Taxpayers may not receive the information they need to voluntarily comply with their tax obligations and the IRS may be unable to collect all of the revenue the government is entitled to receive.



Source: IRS Oversight Board's FY 2015 IRS Budget Recommendation Special Report.

II. Risks and opportunities from increased information reporting

Information reporting is an increasingly large component of tax administration. In just the last 6 years, Congress has added information reporting for cost basis on securities sales, reporting of financial payments under the Foreign Account Tax Compliance Act (FATCA), and health care coverage and enrollment under the Affordable Care Act.

Information reporting can help taxpayers comply with the tax law--and the IRS to enforce it. But the wave of new information reports shifts new and substantial burdens to payors and financial intermediaries. For example, the Financial Institute Forum (FIF) estimated the cost to brokers and other financial intermediaries to implement cost basis reporting would exceed \$0.5 billion for the initial reporting period of 2011-2013.¹ Implementation costs associated with FATCA are likely to be even higher. SIFMA conducted an internal member survey and learned that the combined implementation costs of 17 respondents alone exceeded \$1 billion in 2013-2014.²

We believe the IRS should try to minimize the burden of information reporting, especially when the information reported is unnecessary or could be accomplished more simply. For example, in 2014, more than 1.1 billion of the 2.25 billion information returns are attributable to Forms 1099-B, principally from the sale of securities. We believe some of these forms could be combined, without any loss of revenue to the tax system. For example, we suggest the IRS permit a broker to aggregate its reporting of the sales from a single trade order that is filled in multiple executions on the same day, rather than report multiple sales for the same order.

¹ FIF cost basis working group, "Cost Basis Survey III, Final Report," at 23 (May 25, 2011).

² SIFMA Calls for Targeted Relief on FATCA. (n.d.). Retrieved February 16, 2016, from http://www.sifma.org/newsroom/2014/sifma_calls_for_targeted_relief_on_fatca/

We also believe the IRS should develop more guidance on the type of information to be collected and reported when key terms are undefined and rules are not clear. We offer specific suggestions in our annual briefing books. A payor's burden to report information should not be increased by the vagueness or uncertainty of the rule.

Finally, we believe that recent advances in information technology offer new opportunities to improve tax administration. We believe the IRS can automate many more internal processes and establish external communication channels that are efficient, safe, trackable, and timely. For example, we recommend that the IRS create a web portal where small business owners could input 1099 forms and then print a copy and electronically submit a copy to the IRS.

III. Preventing identity theft for businesses

We acknowledge the great efforts by the IRS to track and reduce individual ID theft, but we want to highlight another problem: business ID theft. Large and small businesses face an onslaught of data attacks and attempted fraud. Businesses struggle to protect themselves and their customers—and often face financial hardship or ruin if they fail. We suggest a variety of steps the IRS could take to reduce the opportunities for business ID theft.

For example, we believe the IRS should permit employers to truncate their Employer Identification number (EIN) on their payee information return statements. Truncating EINs will help keep sensitive information from data mining thieves and will reduce the risk to businesses of identity theft.

In addition, we recommend the IRS close an EIN as soon as a business has notified the IRS of its closure. Today, a business can check a box on Line 15 of part 3 of the Form 941, Employer's Quarterly Federal Tax Return, which states that the business has "closed or stopped paying wages." We suggest the IRS add two alternative boxes to the form: one box that says "If your business has closed check here" and two "If you have stopped paying wages, check here." By adding these boxes, the IRS can quickly close the EIN if the business has closed, which will prevent fraudulent future use of old EINs.

We offered several suggestions to prevent business ID theft in our 2015 briefing book, which we encourage you to read. We are happy to discuss any of our ideas further, at any other forum or venue that you see fit.

Thank you for the opportunity to present some of IRPAC's concerns. We look forward to elaborating on these and other concerns in our annual briefing book later this year.

Information Reporting Program Advisory Committee 2016 Member Biographies

Robert Birch

Mr. Birch is Director of Corporate Tax at Wellmark, Inc., in Des Moines, Iowa. Wellmark Blue Cross and Blue Shield is an independent Licensee of the Blue Cross and Blue Shield Association doing business in Iowa and South Dakota. He has over 35 years of experience with tax information reporting. He advises senior management on all corporate income tax and information reporting matters and is leading an internal project to implement the new information reporting that will be required of health insurance companies. He is a former member of the Board of Directors of the Tax Executives Institute, Inc. (TEI) and was the former Chair of the TEI Employee Benefits and Payroll Committee, former Region V Vice President and the first president of the Iowa TEI Chapter and the 2006 recipient of the Iowa Chapter Meritorious Service Award. Mr. Birch, a CPA, received an AA from North Iowa Community College and a BBA in Accounting from the University of Iowa. **(Employer Information Reporting/Burden Reduction Subgroup)**

Frederic M. Bousquet

Mr. Bousquet, a CPA, is Vice President in the Product Tax Department of State Street Bank and Trust Company in Boston, Mass. He has been with State Street for over 20 years and advises business areas globally on tax matters with an emphasis on US withholding and information reporting. He is a member of the Securities Industry and Financial Markets Association (SIFMA) Tax Compliance Committee. Mr. Bousquet has a MST and an MBA from Suffolk University and a BSBA from Stonehill College. **(Chair, International Reporting and Withholding Subgroup)**

Laura Lynn Burke

Burke is an Enrolled Agent and Certified Fraud Examiner; practicing in the tax arena as a Tax Professional. She provides tax resolution, strategic tax planning and preparation for Individuals & Business entities. She also has working knowledge of sales & use tax, excise and GST tax in an industrial setting. Ms. Burke is a member of the Illinois CPA Society, Past Treasurer of Women in Insurance & Finance, and a member of the Association for Fraud Examiners. Laura is currently working on her Ed D, in Leadership: NFPO. She has earned an MBA, and MS, along with a Certificate in Digital Forensics from Governors State University. She earned her BA in Business Administration, with minor in Psychology. **(Employer Information Reporting/Burden Reduction Subgroup)**

Beatriz Castaneda

Ms. Castaneda is the Managing Director of Client Reporting, Tax Reporting and Escheatment at Charles Schwab & Co., Inc. in San Francisco, Calif. She has over 17 years of tax reporting experience at Charles Schwab. She is responsible for ensuring that the firm correctly implements information reporting requirements for all new tax and cost basis legislation. She is a member of the Financial Information Forum (FIF) Cost Basis Working Group and FATCA Group. She is also a member of the Securities Industry and Financial Markets Association

Information Reporting Program Advisory Committee 2016 Member Biographies

(SIFMA) Tax Compliance Committee and Cost Basis Working Group. Ms. Castaneda received her BA from Dominican College of San Rafael. **(Chair, Emerging Compliance Issues Subgroup)**

Ernesto S. Castro

Mr. Castro is Manager, Government Relations, of Ultimate Software Group Inc., in Santa Ana, Calif.. He has over 20 years of experience working with tax information reporting with a concentration in compliance and problem resolution. The Ultimate Software Group is a leading human resources management system services provider in the U.S. Mr. Castro has regularly attended the IRS Reporting Agents' Forum, was a private industry representative on an IRS penalty and industry task force and was a Tax Law Specialist at the IRS National Office. He is a founding member of the National Association of Tax Reporting and Payroll Management. He has also been a contributing writer for the Bureau of National Affairs (BNA). He received a BA and a JD in Comparative Law from Tulane University. **(Employer Information Reporting/Burden Reduction Subgroup)**

Roseann M. Cutrone

Ms. Cutrone, an attorney, is a Counsel at Skadden, Arps, Slate, Meagher & Flom LLP in Washington, D.C. Her practice includes advising clients, including large domestic and foreign commercial banks, investment funds, multi-national corporate groups and other entities with respect to all aspects of their information reporting and withholding obligations under Chapter 3, Chapter 4 (FATCA) and Chapter 61 of the Internal Revenue Code. Ms. Cutrone also represents clients in achieving voluntary disclosures agreements with the IRS for previous non-compliance with respect to information reporting/withholding obligations. Ms. Cutrone received a BA in psychology from Bucknell University and a JD from Harvard Law School. **(International Reporting and Withholding Subgroup)**

Carolyn Diehl

Ms. Diehl is Tax Compliance Officer and Vice President with National Financial Services LLC, a Division of Fidelity Investments, in Jersey City, N.J. She has worked in the financial industry for over 35 years as both a tax preparer and tax compliance officer for a leading financial services firm specializing in high net worth clients and as a tax compliance officer for a large broker/dealer organization. She has interpreted laws and regulations including identification of the impact of Foreign Account Tax Compliance ACT (FATCA), the cost basis regulations and Section 871(m) and 305(c) on the institutional brokerage business. Ms. Diehl is a member of the Securities Industry and Financial Markets Association (SIFMA) tax compliance committee and participates in dialogue on cost basis, FATCA and 871(m) with the Financial Information Forum (FIF). Ms. Diehl received a BS in Economics from the Wharton School, University of Pennsylvania, and an MBA from the University of Delaware. **(International Reporting and Withholding Subgroup)**

Information Reporting Program Advisory Committee 2016 Member Biographies

Terry W. Edwards

Mr. Edwards has worked in banking for over 26 years in the Corporate Tax Department of Wells Fargo Bank (and predecessor Wachovia Bank). He is the Director of Information Reporting Consulting where he leads a team of tax professionals that provide consulting to multiple and diverse business units on information reporting and withholding requirements. He has been a member of the American Bankers Association's Information Reporting Committee since 2009 and chair of the committee in 2015 and 2016. He served on the Clearing House's Tax Reporting Committee from 2002-2013 and as chair in 2011. Mr. Edwards is also a founding member of the Information Reporting Roundtable Committee (comprised of numerous U.S. Banks). Prior to joining Wells Fargo, he was employed as a tax consultant at Deloitte. He is a CPA with a Masters in Accounting from Virginia Tech and a BS in Business Administration from the University of Virginia's college at Wise. **(Emerging Compliance Issues Subgroup)**

Alan M. Ellenby

Mr. Ellenby is an executive director and an attorney serving as national tax technical advisory leader for EY's practice providing ACA compliance and reporting services to large employers. In addition he has worked with qualified and non-qualified retirement plans, other types of compensation and employee benefit issues, assisting multinational corporations with the U.S. taxation of employees participating in foreign pensions. He is a member of the American Bar Association and was a member of the AICPA Tax Division's Employee Benefit Technical Resource Panel. Mr. Ellenby received a degree in actuarial science from the University of Illinois and a JD from the University of Chicago. **(Employer Information Reporting/Burden Reduction Subgroup)**

Dana Flynn

Ms. Flynn is a director in Group Tax at UBS AG in Stamford, Conn. She has over 11 years of experience specializing in tax advisory relating to U.S. tax information reporting and withholding. Currently she is the Group Tax Americas regional expert for the Foreign Account Tax Compliance Act (FATCA) but she also focuses on the Common Reporting Standard (CRS) and other areas relating to information reporting and withholding, such as Chapter 3 and Section 871(m) of the Internal Revenue Code. She is responsible for working with Operations, Onboarding and a variety of business divisions across the Investment Bank and Wealth Management to address their planning, implementation, and compliance issues relating to U.S. domestic and non-resident withholding and information reporting. Ms. Flynn has been a guest speaker and chairperson at tax information reporting and withholding conferences within the industry and is a member of the Securities Industry and Financial Markets Association (SIFMA) Tax Compliance Committee. She received her BA from Boston College and JD from Suffolk University Law School. **(International Reporting and Withholding Subgroup)**

Information Reporting Program Advisory Committee 2016 Member Biographies

- Michael W. Gangwer** Mr. Gangwer is Associate Tax Advisor, Legal Department, of The Vanguard Group, Inc. in Valley Forge, Pa. He has worked at Vanguard in information reporting for over 10 years. He currently serves as the lead technical consultant for information reporting and tax withholding for Vanguard's retail, institutional retirement, brokerage and cost basis departments. These departments annually produce information returns for millions of investor accounts and retirement plan subaccounts. He also monitors legislative, regulatory and judicial developments related to information reporting and tax withholding matters, as well as advises Vanguard's tax reporting departments as they implement new tax law. He is a member of the Society of Financial Service Professionals, Investment Company Institute and the Securities Institute and Financial Markets Association (SIFMA). Mr. Gangwer received a BS in Economics from West Chester University and a Masters of Taxation & Financial Planning from Widener University. **(IRPAC Chairperson)**
- Darrell D. Granahan** Mr. Granahan, CISA and CRISC, is a Senior Director of Implementation of Tax Information Reporting Technology for the Tax & Accounting business of Thomson Reuters. In this role he works closely with customers to help them leverage technology as effectively and efficiently as possible to address the challenges of tax information reporting in the wake of ACA and other new tax reporting requirements. Before Thomson Reuters, Mr. Granahan held the role of Vice President, Controls Officer, at First Data Corporation, working in payments processing and electronic commerce solutions. Mr. Granahan is a member of Information Systems Audit and Control (ISACA) and Institute of Internal Auditors (IIA). He received a BS in Electronics Management from Southern Illinois University and an MA in Management from Bellevue University. **(Emerging Compliance Issues Subgroup)**
- Keith King** Mr. King is Senior Vice-President and Tax Executive of Bank of America. Mr. King has over 25 years of experience in the finance industry, having spent the last 17 years in the information reporting field. He is currently a senior advisor in Bank of America's Information Reporting and Withholding Advisory Group, which provides technical guidance to the bank's various lines of businesses on information and reporting regulations and its impact on their products and services. Mr. King is a current member of the American Bankers Association (ABA) Information Reporting Advisory Group and the Information Reporting Roundtable (IRR). He previously served on The Clearing House (TCH) Tax Withholding and Information Reporting Committee. He was also a past member of the Securities Industry and Financial Markets Association (SIFMA) Tax Compliance and Administration Committee. He holds a BS in Business Administration from the City University of New York and an MBA from Queens University of Charlotte. **(IRPAC Vice-Chair, Emerging Compliance Issues Subgroup).**

Information Reporting Program Advisory Committee 2016 Member Biographies

Joel Levenson

Mr. Levenson, as associate director of tax compliance at the University of Central Florida, considers information reporting a significant part of his role, working with taxpayers who receive information returns submitted by the university. He works with multiple departments to ensure accurate reporting including: student accounts for 1098-T; accounts payable for 1099-MISC; international studies for 1042-S; human resources for W-2; and the UCF card services for 1099-K. Mr. Levenson is a member of the Tax Council of the National Association of College & University Business Officers (NACUBO), the Inter-Institutional Committee on Finance & Accounting Officers (ICOFA) as chair, Tax Sub-Committee; and the University Tax Peer Group. He received his BS in Accounting from the University of Central Florida as well as a Master of Science, Taxation. **(Emerging Compliance Issues)**

Robert C. Limerick

Mr. Limerick is Managing Director for the Global information Reporting Group at PricewaterhouseCoopers in New York, N.Y. He is a tax attorney specializing in tax withholding and information reporting with 24 years of experience in the public and private sectors. He has assisted banking, capital markets and asset manager clients with FATCA, Chapter 3 (withholding and reporting for payments to non-U.S. persons) and Chapter 61 (withholding and reporting for payments to U.S. persons). He is a co-author of BNA Tax Management Portfolio 6565, FATCA – Information Reporting and Withholding Under Chapter 4, a former member and past chair of the Securities Industry and Financial Markets Association (SIFMA) Tax Compliance Committee, and a member of the New York, New Jersey and Florida Bar Associations. Mr. Limerick has a BA in Mathematics from the State University of New York at Binghamton, a JD from Nova Southeastern University School of Law and an LLM from the University of Florida School of Law. **(International Reporting and Withholding Subgroup)**

Marcia L. Miller

Ms. Miller is President & CEO of Financial Horizons, Inc. in Ft. Lauderdale, Fla. She is an Enrolled Agent working for 35 years in accounting, tax and management consulting with an emphasis on representing small business owners. She advises clients on taxes and of federal, state and foreign mandatory reporting requirements. She is an author and speaker focusing on tax management, planning and health care reform and a former adjunct professor at Nova Southeastern University, H. Wayne Huizenga School of Business. She is a recognized leader and speaker in the world of information reporting. Ms. Miller earned a BBA and an MBA from the University of Miami. **(Employer Information Reporting/Burden Reduction Subgroup)**

Emily Z. Rook

Ms. Rook is a Consultant with Circle Financial Services in Inverness, Ill. Ms. Rook has worked in the accounting and payroll industries for 40

Information Reporting Program Advisory Committee 2016 Member Biographies

years and currently consults with clients on payroll issues including processing, systems and accounting. She teaches courses for the American Payroll Association (APA) on processing and regulatory compliance. The training covers all payroll responsibilities including wage and payment deductions and tax depositing and reporting requirements. Ms. Rook is a past president of the APA, serves on its Board of Directors and is a member of the Government Relations Task Force. She is a Certified Payroll Professional and earned a BS in Commerce from Rider College. **(Chair, Employer Information Reporting/Burden Reduction Subgroup)**

Kevin V. Sullivan

Kevin V. Sullivan is Managing Director and Tax Executive at Bank of America where he is the Head of U.S. Information Reporting Advisory in the corporate tax department. In this capacity, he manages a team of tax advisors responsible for U.S. withholding and information reporting advisory throughout Bank of America Merrill Lynch. Prior to Bank of America, Kevin held various positions at BNP Paribas including Head of U.S. Information Withholding & Reporting, FATCA, and QI Advisory, Head of North American Tax Operations, and Head of North American FATCA. Kevin also worked at Deloitte Tax as a Senior Manager in the Global Information Reporting group where he advised foreign and domestic financial institutions as well as multinational corporations in properly addressing U.S. and NRA tax withholding and reporting obligations. Kevin currently serves on the IRS Information Reporting Program Advisory Committee (IRPAC) as a member of the Information Reporting and Withholding Subgroup. Kevin received his BS from American University in Washington, DC and JD from St. Thomas University School of Law in Miami, Fl. **(International Reporting and Withholding Subgroup)**

Nina Tross

Ms. Tross accepted the position as Executive Director for the National Society of Tax Professionals (NSTP) after serving for 3 years on their Board of Directors. Currently, she also teaches NSTP sponsored tax seminars for tax professionals and writes several tax newsletters. She represents the NSTP on IRPAC and participates in the monthly National Public Liaison (NPL) committee meetings. For many years Ms. Tross owned a tax and accounting practice serving individuals and the business community. The practice was sold in 2011 but she still maintains a small client base preparing individual and business tax returns. She is a member of the National Society of Accountants, the National Federation of Independent Business, and the Arizona Association of Accounting & Tax Professionals. Ms. Tross earned her Enrolled Agent credential in 1993 and graduated with a BS in Business Administration and an MBA from Western International University. **(Emerging Compliance Issues)**

Kelli Wooten

Ms. Wooten is a director with IHS Markit (previously Markit | CTI Tax

Information Reporting Program Advisory Committee 2016 Member Biographies

Solutions) in Boston, MA. She advises both multinational corporations and financial institutions on their compliance with information reporting and withholding rules such as the Foreign Account Tax Account Compliance Act (FATCA), the Common Reporting Standard (CRS), and the OECD's Base Erosion and Profit Shifting (BEPS) initiative. Ms. Wooten was previously Of Counsel with Burt, Staples & Maner, LLP and also had an extensive career at Procter & Gamble where she served in many capacities, including domestic and international tax compliance, audit and litigation, and indirect tax. Ms. Wooten was previously a member of the IRS Electronic Tax Administration Advisory Committee (ETAAC) where she was the 2015 – 2016 Vice-Chair. Ms. Wooten earned a B.S. in Accounting from The University of Tennessee, and a Juris Doctorate from the University of Cincinnati College of Law. **(International Reporting and Withholding Subgroup)**