

Purpose of Form. - An organization who is required to file an information return with the IRS must obtain your correct Taxpayer Identification Number (TIN) to report income paid to you. The TIN is either the Social Security Number (SSN) or Employer Identification Number (EIN) of the payee. Nonresident alien information must be obtained to determine the payee's tax status for compliance with IRS withholding and reporting requirements. The additional information for other payee types is needed to satisfy State of Texas requirements for establishing vendor records.

Taxpayer Name and Number Specific Instructions:

To prevent payments from being subject to backup withholding, you must provide a correct TIN. A TIN is considered incorrect if the name and TIN combination does not match or cannot be found on IRS or Social Security Administration (SSA) records.

Name. - If you are an **individual**, you must generally provide the name shown on your social security card. However, if you have changed your last name, for instance, due to marriage, without informing the Social Security Administration of the name change, please enter your first name, the last name shown on your social security card, and your new last name.

If you are a **sole proprietor**, you must furnish your **individual** name and your SSN. You may also enter your business name or "doing business as" name on the business name line. The SSN will be used for your vendor record with UT. If you prefer the use of your EIN for any required tax reporting, enter that number *also*. Enter your name(s) as shown on your social security card and/or as it was used to apply for your EIN on Form SS-4.

What Name and Number to Give the Requestor

Type of Payee:	Name to use	SSN/EIN
1. Individual	Individual	SSN
2. Sole Proprietor	Owner	SSN or both
3. Partnership	Partnership	EIN
4. Corporation	Corporation	EIN
5. Other Entity	Organization	EIN

Nonresident Alien Individual

For income tax purposes, "nonresident alien individual" means an individual who is neither a U.S. citizen nor resident. Generally, an alien is considered to be a U.S. resident if:

- The individual was a lawful permanent resident of the United States at any time during the calendar year, that is, the alien held an immigrant visa (a "green card"), or
- The individual was physically present in the United States on:

(1) at least 31 days during the calendar year, and

(2) 183 days or more during the current year and the 2 preceding calendar years (counting all the days of physical presence in the current year, one-third the number of days of presence in the first preceding year, and only one-sixth of the number of days in the second preceding year).

See **Pub. 519**, U.S. Tax Guide for Aliens, for more information on resident and nonresident alien status.

Visa Status. - Immigration regulations regarding employment eligibility of nonimmigrants are complex. Contact The University International Office for preliminary information regarding visa types that permit payment for services.

Withholding. - Foreign persons are not generally required to have a TIN, nor are they subject to any backup withholding because they do not furnish a TIN to a payer. **However, non-employee payments to nonresident aliens are subject to 30% tax withholding unless a tax treaty with their country entitles them to either a lower rate or exemption.** To claim any available treaty benefits, the recipient must file IRS form 8233 with the payer. A SSN is not required to file this form. If the individual has a SSN, this number should be indicated on the PIF and the 8233.

Backup Withholding

What is Backup Withholding? - Persons making certain payments to you after 1992 are required to withhold and pay to the IRS 31% of such payments under certain conditions. This is called "backup withholding." Payments that could be subject to backup withholding include rents, royalties, nonemployee compensation, and payments for medical and health care services. Reportable payments you receive will be subject to backup withholding if:

1. You do not furnish your TIN to the requestor, or
2. The IRS notifies the requestor that you furnished an incorrect TIN.

Payees and Payments Exempt From Backup Withholding.

- Certain payees and payments are exempt from backup withholding and information reporting. The following is a list of payees exempt from backup withholding and for which no information reporting is required. Payments subject to reporting under Internal Revenue Code (IRC) sections 6041 and 6041A are generally exempt from backup withholding only if made to payees described in items (1) through (7), except a corporation that provides medical and health care services or bills and collects payments for such services is not exempt from backup withholding or information reporting.

- (1) A corporation.
- (2) An organization exempt from tax under section 501(a), or

an IRA, or a custodial account under section 403(b)(7). (3) The United States or any of its agencies or instrumentalities. (4) A state, the District of Columbia, a possession of the United States, or any of their political subdivisions or instrumentalities. (5) A foreign government or any of its political subdivisions, agencies, or instrumentalities. (6) An international organization or any of its agencies or instrumentalities. (7) A foreign central bank of issue.

Claiming exemption. - If you are exempt from backup withholding, you should complete this form to avoid possible erroneous backup withholding. Enter your correct TIN in the appropriate sections, and write "EXEMPT" in the block in Section IV.

Privacy Act Notice

IRC section 6109 requires you to furnish your correct TIN to persons who must file information returns with the IRS to report certain payments. The IRS uses the numbers for identification purposes and to help verify the accuracy of your tax return. You must provide your TIN whether or not you are required to file a tax return. Payers must generally withhold 31% of certain taxable payments to a payee who does not furnish a TIN to a payer. Certain penalties may also apply.

Penalties

Failure To Furnish TIN. - If you fail to furnish your correct TIN to a requester, you are subject to a penalty of \$50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil Penalty for False Information With Respect to Withholding. - If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a \$500 penalty.

Criminal Penalty for Falsifying Information. - Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Misuse of TINs. - If the requester discloses or uses TINs in violation of Federal law, the requester may be subject to civil and criminal penalties.

Historically Underutilized Businesses (HUB)

The State of Texas is encouraging state agencies to utilize these businesses. You or your firm qualifies if 51% owned by a person or persons who have been historically underutilized because of their identification as a member of certain groups: Black Americans, Hispanic Americans, Asian-Pacific Americans, Native Americans, or Women-any ethnicity. To obtain a certification form, contact the U.T. Purchasing Office at 471-4266.