

Form 1042-s instructions

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The key deadlines for 2024 and 2025 regarding Form 1042-S submission include March 15, 2025, as the due date for filing with the IRS. Extensions can be requested through Form 8809, allowing an additional 30 days for submission. It's crucial to stay updated on these dates to avoid penalties. Understand what Form 1042-S is, who should file it, its
filing requirements, the information needed, and more. Instructions for Form 1042-S - Introductory Material General Instructions Amounts Subject to Reporting on Form 1042-S Amounts That Are Not Subject to Reporting on Form 1042-S Distributions Attributable to
Dispositions of U.S. Real Property Interests by Publicly Traded Trusts and Qualified Investment To Withholding. Chapter 3 withholding. Chapter 4 withholding. Before Completing Form 1042-S Payments
by U.S. Withholding Agents Amounts Paid by QIs Amounts Paid by Off to Whole Dollars Unique Form Identifier Amended
Checkbox Amendment Number Box 1—Income Code Box 2—Gross Income Box 3 Box 5—Withholding Agent's EIN Boxes 12b and 12c—Withholding Agent's Chapter 3 and Chapter 4 Status Codes Boxes 12d Through 12i—Withholding Agent's Name, GIIN,
Country Code, FTIN (if any), and Address Box 12e—Withholding agent's GIIN. Box 12f—Country code, Boxes 13a Through 13d—Recipient's U.S. TIN and GIIN Boxes 13f and 13g—Recipient's Chapter 3 and Chapter 4 Status Codes Box 13i—Recipient's FTIN Box 13j—LOB Code Box
13k—Recipient's Account Number Box 13l—Recipient's Date of Birth Boxes 14a and 14b—Primary Withholding Agent's Name and EIN Box 15—Pro-Rata Basis Reporting Checkbox Boxes 15a Through 15i—Intermediary/Flow-Through Entity's Name, Status Code, Country Code, Address, EIN, GIIN, and FTIN Box 15f—Country code. Box 15g—
Intermediary or flow-through entity's FTIN. Boxes 16a Through 16e—Payer's Name, TIN, GIIN, and Status Code Boxes 17a Through 17c—State Income Tax Withheld and Related Information Amended Forms Step 1. Amended checkbox. Step 2. Instructions for Form 1042-S - Notices Privacy Act and Paperwork Reduction Act Notice. Instructions for
Form 1042-S - Additional Material Section references are to the Internal Revenue Code unless otherwise noted. For the latest information about developments related to Form 1042-S and its instructions, such as legislation enacted after they were published, go to IRS, gov/Form1042S. Current instructions only require that a chapter 3 exemption code
be reported when there is no tax withheld due to an exemption pursuant to the Code or an income tax treaty. The IRS intends to update the instructions for calendar year 2026 to require that a chapter 3 exemption code (or code for a reduced withholding tax rate) be provided in all cases where the tax withheld is less than 30%. Use Form 1042-S to
report income described under Amounts Subject to Reporting on Form 1042-S to report amounts withheld under chapter 3 or chapter 4. Use Form 1042-S to report amounts withheld under chapter 3 or chapter 4. Use Form 1042-S to report amounts withheld under chapter 3 or chapter 4. Use Form 1042-S to report amounts withheld under chapter 3 or chapter 4. Use Form 1042-S to report amounts withheld under chapter 3 or chapter 4. Use Form 1042-S to report amounts withheld under chapter 3 or chapter 4. Use Form 1042-S to report amounts withheld under chapter 3 or chapter 4. Use Form 1042-S to report amounts withheld under chapter 3 or chapter 4. Use Form 1042-S to report amounts withheld under chapter 3 or chapter 4. Use Form 1042-S to report amounts withheld under chapter 3 or chapter 4. Use Form 1042-S to report amounts withheld under chapter 3 or chapter 4. Use Form 1042-S to report amounts withheld under chapter 3 or chapter 4. Use Form 1042-S to report amounts withheld under chapter 3 or chapter 4. Use Form 1042-S to report amounts withheld under chapter 3 or chapter 4. Use Form 1042-S to report amounts withheld under chapter 3 or chapter 4. Use Form 1042-S to report amounts withheld under chapter 3 or chapter 4. Use Form 1042-S to report amounts withheld under chapter 3 or chapter 4. Use Form 1042-S to report amounts withheld under chapter 3 or chapter 4. Use Form 1042-S to report amounts withheld under chapter 3 or chapter 4. Use Form 1042-S to report amounts withheld under chapter 3 or chapter 4. Use Form 1042-S to report amounts withheld under chapter 3 or chapter 4. Use Form 1042-S to report amounts withheld under chapter 3 or chapter 4. Use Form 1042-S to report amounts withheld under chapter 3 or chapter 4. Use Form 1042-S to report amounts withheld under chapter 3 or chapter 4. Use Form 1042-S to report amounts withheld under chapter 3 or chapter 4. Use Form 1042-S to report amounts withheld under chapter 3 or chapter 4. Use Form 1042-S to report amounts withheld under chapter 3 or chapter 4. Use Form 1042-S t
compensation items or distributions from nongrantor trusts to covered expatriates that are subject to withholding under section 877A. See Box 1—Income Code, later. Use Form 1042-S to report certain distributions that are made by publicly traded trusts and QIEs (as defined under section 897(h)(4)(A)). See Distributions Attributable to Dispositions
of U.S. Real Property Interests by Publicly Traded Trusts and Qualified Investment Entities, later. Use Form 1042-S to report distributions of effectively connected income (ECI) by a PTP or nominee and amounts realized paid on certain transfers of PTP interests. See Publicly Traded Partnerships (Section 1446(a) and (f) Withholding Tax), later. Every
person required to deduct and withhold any tax under chapter 3 or chapter 4 is liable for such tax. Do not use Form 1042-S to reported on any of the following forms. Form W-2 (wages and other compensation made to employees (other than compensation for dependent personal services for which the beneficial owner is
claiming treaty benefits), including wages in the form of group-term life insurance). Form 8288-A, Statement of Withholding on Certain Dispositions by Foreign Persons; or Form 8805, Foreign Persons; or Form 8805, Foreign Persons; or Form 8288-A, Statement of Withholding on Certain Dispositions by Foreign Persons; or Form 8208-A, Statement of Withholding on Certain Dispositions by Foreign Persons; or Form 8208-A, Statement of Withholding Tax. Withholding agents
otherwise required to report a distribution partly on a Form 8288-A or Form 8288-
report on Form 8966 certain account holders and payees. An FFI or withholding agent may also be required to file Form 1042-S to report tax deducted and withheld, if any. Every withholding agent (defined in Definitions, later) must file an information return on Form 1042-S
to report amounts paid during the preceding calendar year that are described under Amounts Subject to Reporting on Form 1042-S, later. However, withholding agents who are individuals are not required to report a payment on Form 1042-S, later.
made on the payment. For example, an individual making a payment of interest that qualifies for the portfolio interest is paid on a loan that is not connected to the individual's trade or business. However, an individual who is a withholding agent paying an amount of interest is paid on a loan that is not connected to the individual who is a withholding agent paying an amount of interest is paid on a loan that is not connected to the individual who is a withholding agent paying an amount of interest is paid on a loan that is not connected to the individual who is a withholding agent paying an amount of interest is paid on a loan that is not connected to the individual who is a withholding agent paying an amount of interest is paid on a loan that is not connected to the individual who is a withholding agent paying an amount of interest is paid on a loan that is not connected to the individual who is a withholding agent paying an amount of interest is paid on a loan that is not connected to the individual who is a withholding agent paying an amount of interest is paid on a loan that is not connected to the individual who is a withholding agent paying an amount of interest is paid on a loan that is not connected to the individual who is a withholding agent paying an amount of interest is paid on a loan that is not connected to the individual who is a withholding agent paying an amount of interest is not connected to the individual who is a withholding agent paying an amount of interest is not connected to the individual who is a withholding agent paying an amount of interest is not connected to the individual who is a withholding agent paying an amount of interest is not connected to the individual who is a withholding agent paying an amount of interest is not connected to the individual who is a withholding agent paying an amount of interest is not connected to the individual who is a withholding agent paying an amount of interest is not connected to the individual who is a withholding agent paying an amount of i
that actually has been subject to withholding is required to report the payment. Also, an individual paying an amount on which withholding is required must report the payment, whether or not the individual actually withholds. See Multiple Withholding is required must report the payment.
to the recipient. Note that there may be a payment for tax purposes, even if there is a dividend equivalent. You must file a Form 1042-S even if you did not withhold tax under chapter 3 because the income was exempt from tax under a U.S. tax treaty or the Internal
Revenue Code, including the exemption for income that is effectively connected with the conduct of a trade or business in the United States, or you released the tax withheld to the recipient. For exceptions, see Amounts That Are Not Subject to Reporting on Form 1042-S, later. Amounts paid to an individual that is a bona fide resident of a U.S.
territory are not subject to reporting on Form 1042-S, if the beneficial owner of the income is a U.S. citizen, national, or resident alien (such amounts may be subject to Form 1042-S, you must also file Form 1042-S, you must also file Form 1042-S, if the beneficial owner of the income is a U.S. citizen, national, or resident alien (such amounts may be subject to Form 1042-S, you must also file Form 1042-S, if the beneficial owner of the income is a U.S. citizen, national, or resident alien (such amounts may be subject to Form 1042-S, you must also file Form 1042-S, you must also file Form 1042-S, if the beneficial owner of the income is a U.S. citizen, national, or resident alien (such amounts may be subject to Form 1042-S, you must also file Form 1042-S,
instructions for more information. Forms 1042-S, whether filed on paper or electronically, must be filed with the IRS and be furnished to the recipient of the income by March 15 of the following calendar year. If the 15th falls on a Saturday, Sunday, or legal holiday in the District of Columbia or where the return is to be filed, the due date is the next
business day. Copy A is filed with the IRS. Send all paper Forms 1042-S with Form 1042-T to transmit each type of Form 1042-S. See Payments by U.S.
Withholding Agents, later, and the Form 1042-T instructions for more information. Attach only Copy A to Form 1042-T. Provide Copies B, C, and D to the recipients and the copy filed with the IRS will lead to delays in
processing the recipient's tax return. The IRS may disallow claims for refund or credit for amounts withheld reported on Form 1042-S if the form attached to such claims differs from the copy should be provided to the intermediary or flow-through entity named as
a recipient with respect to a chapter 4 reporting pool, if applicable. Forms 1042-S must be filed electronically if: You are a person (including a corporation, partnership, individual, trust, or estate) that is required to file 10 or more information returns during the year or you are a partnership with more than 100 partners, or You are a financial
institution (whether U.S. or foreign) regardless of the number of returns required to be filed. Electronic submissions are filed using the FIRE System. The FIRE System operates 24 hours a day, 7 days a week, at FIRE.irs.gov. For more information, see Pub. 1187. A withholding agent required to file its original Form 1042-S returns electronically under
the above requirements must also file any amended Form 1042-S returns electronically during the calendar year. If you file electronically, do not file the same returns on paper. Duplicate filing may cause penalty notices to be generated. Regardless of the above requirements, the IRS encourages filers to transmit forms electronically. Withholding
agents may truncate the recipient's TIN (social security number (SSN), individual taxpayer identification number (ITIN), or employer identification number (EIN)) on the recipient's TIN (social security number (SSN), individual taxpayer identification number (ITIN), or employer iden
remaining digits must be replaced with either asterisks (*) or Xs. For example, an SSN or ITIN must be truncated on the recipient's copy as XXX-XXX-nnnn. An EIN must be truncated as XX-XXXnnnn. Withholding agents may also truncated on the recipient's copy as XXX-XXX-nnnn. Withholding agents may also truncated on the recipient's copy as XXX-XXX-nnnn. Withholding agents may also truncated as XX-XXX-nnnn. Withholding agents may also truncated on the recipient's copy as XXX-XXX-nnnn. Withholding agents may also truncated on the recipient's copy as XXX-XXX-nnnn. Withholding agents may also truncated on the recipient's copy as XXX-XXX-nnnn. Withholding agents may also truncated on the recipient's copy as XXX-XXX-nnnn. Withholding agents may also truncated on the recipient's copy as XXX-XXX-nnnn. Withholding agents may also truncated on the recipient's copy as XXX-XXX-nnnn. Withholding agents may also truncated on the recipient's copy as XXX-XXX-nnnn. Withholding agents may also truncated on the recipient's copy as XXX-XXX-nnnn. Withholding agents may also truncated on the recipient's copy as XXX-XXX-nnnn. Withholding agents may also truncated on the recipient's copy as XXX-XXX-nnnn. Withholding agents may also truncated on the recipient's copy as XXX-XXX-nnnn. Withholding agents may also truncated on the recipient's copy as XXX-XX-nnnn. Withholding agents may also truncated on the recipient's copy as XXX-XX-nnnn. Withholding agents may also truncated on the recipient's copy as XXX-XX-nnnn. Withholding agents may also truncated on the recipient's copy as XXX-XX-nnnn. Withholding agents may also truncated on the recipient's copy as XXX-XX-nnnn. Withholding agents may also truncated on the recipient's copy as XXX-XX-nnnn. Withholding agents may also truncated on the recipient's copy as XXX-XX-nnnn. Withholding agents may also truncated as XX-XX-nnnn. Withholding agents may also truncated as XX-XX-nnnn. Withholding agents may also truncated as XX-XX-nnnnn. Withholding agents may also truncated as XX-XX-nnnnnnnnnnnnnnnnnn
including a substitute form. The same rules for truncating a recipient's U.S. TIN stated above must be followed if truncated on Copy A filed with the IRS. The withholding agent's EIN cannot be truncated on any copy. For more information on the withholding of tax, see Pub. 515.
To order this publication and other publications and forms, call 800-TAX-FORM (800-829-3676). You can download or print some of the forms and publications you may need at IRS.gov/Forms. Otherwise, you can go to IRS.gov/OrderForms to place an order and have forms mailed to you. You should receive your order within 10 business days.
Withholding agents should retain a copy of the information returns filed with the IRS, or have the ability to reconstruct the data, for at least 3 years after the reporting due date. The official Form 1042-S is the standard for substitute forms. All substitute forms must comply with the rules set forth in Pub. 1179, General Rules and Specifications for
Substitute Forms 1096, 1098, 1099, 5498, and Certain Other Information Returns. A substitute of Form 1042-S that is furnished to the recipient (Copy B, C, or D) must conform in format and size to the official IRS form and must contain the exact same information as the copy filed with the IRS. However, the size of the form may be adjusted if the
substitute form is presented on a landscape-oriented page instead of portrait. Only one Form 1042-S may be submitted per page, regardless of orientation. You may be submitted per page, regardless of orientation. You may be submitted per page, regardless of orientation. You may be submitted per page instead of portrait. Only one Form 1042-S may be submitted per page, regardless of orientation. You may be subject to a penalty for failure to furnish a correct information return. See Penalties , later. A withholding agent is required to provide a recipient with a separate substitute Form 1042-S may be submitted per page, regardless of orientation.
S for each type of payment of income (as determined by the income code in box 1). All of the fields on the substitute form must match the copy filed with the IRS and must comply with IRS standards (see Pub. 1179). Any differences between the substitute form issued to recipients and the copy filed with the IRS will lead to delays in processing the
recipient's tax return. The IRS may disallow claims for refund or credit for amounts withheld reported on Form 1042-S if the substitute form attached to such claims differs from the copy that was filed with the IRS. Privately printed substitute Forms 1042-S must be exact copies of both the format and content of the official Form 1042-S. If you file a
substitute for Form 1042-S, Copy A, with the IRS that is not an exact copy of the official Form 1042-S, Copy A, you may be subject to a penalty for failure to file a correct information return. See Penalties , later. A U.S. financial institution or U.S. branch of an FFI maintaining an account within the United States is required to report payments of the
same type of income (as determined by the income code in box 1) made to multiple financial account he income code in box 1) made to multiple financial account he income code in box 1) made to multiple financial account he income code in box 1) made to multiple financial account he income code in box 1) made to multiple financial account he income code in box 1) made to multiple financial account he income code in box 1) made to multiple financial account he income code in box 1) made to multiple financial account he income code in box 1) made to multiple financial account he income code in box 1) made to multiple financial account he income code in box 1) made to multiple financial account he income code in box 1) made to multiple financial account he income code in box 1) made to multiple financial account he income code in box 1) made to multiple financial account he income code in box 1) made to multiple financial account he income code in box 1) made to multiple financial account he income code in box 1) made to multiple financial account he income code in box 1) made to multiple financial account he income code in box 1) made to multiple financial account he income code in box 1) made to multiple financial account he income code in box 1) made to multiple financial account he income code in box 1) made to multiple financial account he income code in box 1) made to multiple financial account he income code in box 1) made to multiple financial account he income code in box 1) made to multiple financial account he income code in box 1) made to multiple financial account he income code in box 1) made to multiple financial account he income code in box 1) made to multiple financial account he income code in box 1) made to multiple financial account he income code in box 1) made to multiple financial account he income code in box 1) made to multiple financial account he income code in box 1) made to multiple financial account he income code in box 1) made to multiple financial account he income code in box 1) ma
designating each account with a separate account number. Rev. Proc. 99-50 provides special procedures for successor entities to use combined information. A withholding agent may also use these procedures for purposes of reporting under chapter 4. For information
and rules concerning federal tax deposits, see Depositing Withheld Taxes in Pub. 515 or Deposit Requirements in the Instructions for Form 1042. Amounts subject to reporting on Form 1042. Amounts subject to reporting on Form 1042. Amounts subject to report 
chapters 3 and 4, even if no amount is deducted and withheld from the payment because of a treaty or Internal Revenue Code exception to taxation or if any amount withheld was repaid to the payment because of a treaty or Internal Revenue Code exception to taxation or if any amount withheld was repaid to the payment because of a treaty or Internal Revenue Code exception to taxation or if any amount withheld was repaid to the payment because of a treaty or Internal Revenue Code exception to taxation or if any amount withheld was repaid to the payment because of a treaty or Internal Revenue Code exception to taxation or if any amount withheld was repaid to the payment because of a treaty or Internal Revenue Code exception to taxation or if any amount withheld was repaid to the payment because of a treaty or Internal Revenue Code exception to taxation or if any amount withheld was repaid to the payment because of a treaty or Internal Revenue Code exception to taxation or if any amount withheld was repaid to the payment because of a treaty or Internal Revenue Code exception to taxation or if any amount withheld was repaid to the payment because of a treaty or Internal Revenue Code exception to taxation or if any amount withheld was repaid to the payment because of a treaty or Internal Revenue Code exception to taxation or if any amount withheld was repaid to the payment because of a treaty or Internal Revenue Code exception or if any amount withheld was repaid to the payment because of a treaty or Internal Revenue Code exception or if any amount withheld was repaid to the payment because of a treaty or Internal Revenue Code exception or if any amount withheld was repaid to the payment because of a treaty or Internal Revenue Code exception or if any amount withheld was repaid to the payment with the Internal Revenue Code exception or if any amount with the Internal Revenue Code exception or if any amount with the Internal Revenue Code exception or if any amount with the Internal Revenue Code exception or if a treaty o
gains from the disposal of timber, coal, or domestic iron ore with a retained economic interest; and (c) gains relating to contingent payments received from the sale or exchange of patents, copyrights, and similar intangible property. A payment is also subject to reporting if withholding under chapter 4 is applied (or required to be applied) to the
payment. Amounts subject to reporting on Form 1042-S include, but are not limited to, the following amounts to the extent they are from U.S. sources. Interest described in section 871(i)(2)(A) aggregating $10 or more paid with respect to a deposit
report interest described above paid to any nonresident alien individual by reporting all such interest. When completing Form 1042-S, use income code 29 in box 3 and 4a, later). Interest on deposits
subject to chapter 4 withholding. Interest on deposits from U.S. sources are withholding under chapter 4. If payers withhold tax, they must report the interest and tax on Form 1042-S. Corporate distributions. The entire amount of a corporate distribution (whether actual or deemed) must be
reported, regardless of any estimate of the distribution from the redemption of a U.S. real property interest paid by a publicly traded trust or a QIE, see
Distributions Attributable to Dispositions of U.S. Real Property Interests by Publicly Traded Trusts and Qualified Investment Entities, later. Interest subject to reporting includes the part of a notional principal contract payment that is characterized as interest. Rents. Royalties. Compensation for independent personal services performed in
the United States. Compensation for dependent personal services performed in the Unitied States (but only if the beneficial owner is claiming treaty benefits). Annuities. Pension distributions and other deferred income. Most gambling winnings. Proceeds from a wager placed in blackjack, baccarat, craps, roulette, or big-6 wheel are not amounts
connected with the conduct of a trade or business in the United States even if no withholding certificate is required. Note that bank deposit interest on deposits paid to certain nonresident aliens in this bullet list, earlier). ECI of a PTP distributed to a
foreign partner or an amount realized subject to reporting under Regulations section 1.1461-1(c)(2)(i)(Q) must be reported on Form 1042-S. Notional principal contracts that the payer knows, or must presume, is effectively connected with the conduct of a U.S. trade or business is subject to reporting
using income code 32. The amount to be reported is the amount of cash paid on the contract during the calendar year. Any amount of interest in the case of a significant nonperiodic payment) is reportable as interest and not as notional principal contract
income. See, however, the separate reporting for dividend equivalents, later. Insurance premiums from U.S. sources that have cash value (as defined in Regulations section 1.1471-5(b)(3)(vii)(B)) are withholdable payments under chapter 4, regardless of whether the premium payments are subject to the section 4371 excise tax.
Withholding agents may treat premiums for insurance contracts that do not have eash value as excluded nonfinancial payments under regulations proposed in REG-132881-17. If the payment is actually withheld upon or should have been withholding agent failed to
withhold), such amount must be reported on Form 1042-S. Insurance premiums from U.S. sources are amounts subject to chapter 3 withholding that must be reported on Form 1042-S. Insurance premiums from U.S. sources are amounts subject to the section 4371 excise tax that must be reported on Form 1042-S.
Excess inclusions from REMICs (income code 02) and withheld tax must be reported on Form 1042-S. A domestic partnership must separately state a partner of REMIC taxable income or net loss and the excess inclusion amount on Schedule K-1 (Form 1065). If the partnership allocates all or some part of its allocable share of REMIC
taxable income to a foreign partner, the partner must include the partner's allocated amount in income as if that amount was received on the earliest to occur of (1) the date the foreign partner disposes of its indirect interest in the REMIC residual interest, or (3) the last day of the partnership's tax year.
The partnership must withhold tax on the REMIC amount that is an excess inclusion. An excess inclusion allocated to the following foreign persons must be included in that person's income at the same time as other income. Shareholder of a real estate investment trust (REIT). Shareholder of a regulated
investment company (RIC). Participant in a common trust fund. Patron of a subchapter T cooperative organization. In the case of a dividend equivalent, because the dividend equivalent is determined on a gross basis, there may be a payment for reporting purposes even when there is no transfer of funds. See Regulations section 1.871-15(i). Students,
teachers, and researchers. Amounts paid to foreign students, trainees, teachers, or researchers as scholarship or fellowship income, and compensation for personal services (whether or not exempt from tax under an income tax treaty) must be reported. However, amounts that are exempt from tax under section 117 are not subject to reporting.
Amounts paid to foreign governments, foreign central banks of issue, and international organizations. These amounts are subject to reporting even if they are exempt from chapter 3 withholding under section 892 or 895. Foreign targeted registered obligations. Interest paid on registered obligations targeted to foreign markets paid by a U.S. person
to a foreign person other than a financial institution or a member of a clearing organization is an amount subject to reporting. OID from the redemption of the foreign beneficial owner of the income, if known. Otherwise, the withholding
Publicly Traded Trusts and Qualified Investment Entities, later. Dividend equivalents. Dividend equivalents (income code reporting categories. Substitute dividend equivalents with respect to transactions that are dividend equivalents (income code reporting categories. Substitute dividend equivalents with respect to transactions that are dividend equivalents (income code 34 or 53). Dividend equivalents with respect to transactions that are dividend equivalents.
result of combining transactions under Regulations section 1.871-15(n) (income code 56). All other dividend equivalents (income code 56). All other dividend equivalents (income code 56). All other dividend equivalents (income code 56).
U.S. corporation or by any foreign person if the amounts are effectively connected with the conduct of a U.S. trade or business. Report these amounts using income code 41. Specified federal procurement payments of ECI attributables.
to PTP interests (described earlier) are subject to reporting on Form 1042-S. See Publicly Traded Partnerships (Sections 1446(a) and (f) Withholding Tax), later, for additional information. Reporting will be required on interest paid on any registered obligation (regardless of whether targeted to foreign markets) if the registered obligation is issued
after December 31, 2015. Withholding is required on interest paid on any bearer obligation is issued after March 18, 2012. You must file Form 1042-S to report this interest paid on an obligation is issued after that date. Look-through rule for QIEs. In most cases, any distribution from a QIE to a nonresident
alien, foreign corporation, or other QIE that is attributable to the QIE's gain from the sale or exchange of a U.S. real property interest is treated as gain recognized by the nonresident alien, foreign corporation, or other QIE from the sale or exchange of a U.S. real property interest. A distribution by a QIE to a nonresident alien or foreign corporation
that is treated as gain from the sale or exchange of a U.S. real property interest by the shareholder is subject to withholding at 21%. Certain exceptions apply to the look-through rule for distribution by a QIE with respect to stock regularly traded on an established securities market in the United States is not treated as gain
from the sale or exchange of a U.S. real property interest if the shareholder did not own more than 5% of that stock (or 10% of that stock in the case of REITs) at any time during the 1-year period ending on the date of the distribution. A distribution by a REIT is generally not treated as gain from the sale or exchange of a U.S. real property interest if
the shareholder is a qualified shareholder (as described in section 897(k)(3)). These distributions may be included in the shareholder's gross income as a dividend (income code 06) from the QIE, not as long-term capital gain. In addition, a qualified foreign pension
fund is generally not subject to the look-through rule for distributions by QIEs for purposes of section 897(h). Use Forms 1042-S and 1042 to report and pay over the withholding required under section 897(h). Use Forms 1042-S and 1042 to report and pay over the withholding required under section 897(h).
Persons, and Form 8288-A. For more information on reporting income from real property interests, see U.S. Real Property Interest in Pub. 515. Although a PTP is a withholding agent for a distribution it makes to its partners, an entity receiving the distribution and acting as a nominee for the distribution is also treated as a withholding agent for the
distribution and is required to withhold and report on Form 1042-S with respect to the amounts subject to withholding attributable to the distribution paid to foreign person and that is a domestic person, a U.S. branch of a foreign corporation
treated as a U.S. person for the distribution, or a QI assuming primary withholding responsibility for the distribution, enter the PTP's name and other required information in boxes 16a through 16e with respect to the PTP on a Form 1042-S to report the amount of a
distribution subject to section 1446(a) (income code 57), or when income code 58 applies to the distribution under section 1446(f) (income code 57), or when income code 58 applies under Regulations
section 1.1446-4(d). For a payment reported with income code 27 or 57, or income code 58 when withholding is at the rate under section 1446(a), report chapter 4 exemption code 21 (other
payment not subject to chapter 4 withholding). See Regulations section 1.1446-4(d)(1). For income attributable to the distribution that is subject to withholding under chapter 3 or 4, report using the income code that would otherwise apply to report the payment to the recipient on a Form 1042-S for the year. Thus, unlike for other payments described
in this paragraph, you need not associate the income subject to chapter 3 or 4 withholding with the PTP making the distribution paid to a QI except that you need not associate any income attributable to a PTP distribution with the PTP
making the distribution for reporting on Form 1042-S when you report to the QI as the recipient with respect to a withholding rate pool. As a result of the above reporting for PTP distributions, in certain cases a nominee may need to issue several Forms 1042-S with respect to a foreign partner based on the income codes associated with PTP
distributions paid to the partner during the year and (in certain cases) the PTP making the distribution. For purposes of section 1446(f), a broker is generally required to report on Form 1042-S an amount realized from the transfer of a PTP interest that is the transfer of a PTP interest that is the transfer or of the interest or to an NQI (other than when the
broker agrees to report the NQI's account holders on Form 1042-S), a QI (other than a disclosing QI), or a U.S. branch or territory FI that is treated as a U.S. person for the payment. A broker should report the aggregate of the amounts realized from sales of PTP interests paid to each of these recipients using income code 57 and chapter 4 exemption
code 14 (effectively connected income). For the reporting of amounts attributions (including distributions or amounts realized and PTP distributions paid to QIs, see Payment to QI of PTP distributions or amounts realized.
later. For further information on reporting of amounts realized and PTP distributions, later. For when an amount realized is reportable on Form 1042-S for section 1446(f) purposes, see Regulations section 1.1461-1(c)(2)
(i). In a case in which a partner that is a U.S. person was treated as a foreign partner for purposes of withholding under section 1446(a) or (f) (including an allocation of a payment to the person was treated as a foreign partner for purposes of withholding statement), a Form 1042-S may be used to report the payment to the person was treated as a foreign partner for purposes of withholding under section 1446(a) or (f) (including an allocation of a payment to the person was treated as a foreign partner for purposes of withholding under section 1446(a) or (f) (including under section 1446(a) or (f) (including an allocation of a payment to the person was treated as a foreign partner for purposes of withholding under section 1446(a) or (f) (including under se
1099 must also be furnished when otherwise required of the withholding agent with respect to the payment but should not report the withholding that was applied under section 1446(a) or (f). For reporting requirements for Form 1099, see the General Instructions for Certain Information Returns. Partnerships (other than PTPs) that have effectively
connected gross income allocable to foreign partners must file Form 8804, Annual Return for Partnerships have effectively connected taxable income allocable to foreign partners, they must also pay a withholding tax under section 1446 and report these amounts on Form 8804 and the partners'
allocable shares of these amounts on Form 8805. Payments directly to beneficial owners or partners. A U.S. withholding agent making a payment subject to withholding under chapter 3 or 4 directly to a beneficial owner must complete Form 1042-S and treat the beneficial owner as the recipient. Boxes 15a through 15i should be left blank. The Form
1042-S must also include the appropriate chapter 3 and chapter 4 exemption codes, if applicable, in boxes 3a and 4a, as well as the appropriate recipient codes for the chapter 3 and chapter 4 exemption codes, if applicable, in boxes 3a and 4a, as well as the appropriate recipient codes for the chapter 3 and chapter 3 and chapter 4 exemption codes, if applicable, in boxes 3a and 4a, as well as the appropriate recipient codes for the chapter 3 and chapter 3 and chapter 4 exemption codes, if applicable, in boxes 3a and 4a, as well as the appropriate recipient codes for the chapter 3 and chapter 4 exemption codes, if applicable, in boxes 3a and 4a, as well as the appropriate recipient codes for the chapter 3 and chapter 3 and chapter 4 exemption codes, if applicable, in boxes 3a and 4a, as well as the appropriate recipient codes for the chapter 3 and chapter 4 exemption codes, if applicable, in boxes 3a and 4a, as well as the appropriate recipient codes for the chapter 3 and chapter 4 exemption codes, if applicable, in boxes 3a and 4a, as well as the appropriate recipient codes for the chapter 3 and chapter 4 exemption codes, if applicable, in boxes 3a and 4a, as well as the appropriate recipient codes for the chapter 3 and chapter 4 exemption codes, if applicable, in boxes 3a and 4a, as well as the appropriate recipient codes for the chapter 3 and chapter 4 exemption codes, if applicable, in boxes 3a and 4a, as well as the appropriate recipient codes for the chapter 3 and chapter 3 and chapter 4 exemption codes, if applicable, in boxes 3a and 4a, as well as the appropriate recipient codes for the chapter 3 and chapter 3 and chapter 3 and chapter 3 and chapter 4 exemption codes, if applicable, in boxes 3a and 4a, as well as the appropriate recipient codes for the chapter 3 and chap
16a through 16e only if it is completing Form 1042-S as a paying agent acting pursuant to an agreement to act as an authorized agent for filing and reporting Forms 1042-S. In the case of foreign joint owners, you may provide a single Form 1042-S made out to the owner whose status you relied upon to determine the applicable rate of
withholding (the owner subject to the highest rate of withholding). If, however, any one of the owners requests its own Form 1042-S was filed reporting the payment and tax withheld to only one of the joint owners, you should amend the
originally filed Form 1042-S to allocate the payment and tax withheld among the joint owners accordingly and provide copies of the amended forms to each recipient. If more than one Form 1042-S is issued for a single payment, the aggregate amount paid and tax withheld that is reported on all Forms 1042-S cannot exceed the total amounts paid to
joint owners and the tax withheld on those payments. In any event, each Form 1042-S can only list one of the joint owners as the recipient. In the case of joint owners, Form 1042-S can only list one of the owners
as the recipient in box 13a. Form 1042-S must not be completed with more than one of the joint owners as the recipient. Example 1. WA, a U.S. withholding agent, makes a withholding agent agent
withholding under a treaty. WA must file a Form 1042-S for A, enter "3" in box 3, "06" in box 1 (income code), "30.00" in box 4a (payee not subject to chapter 4 tax rate), "15" in box 4b (chapter 3 tax rate), "16" in box 13f (individual), and "23" in box 13g
(individual). See Appendix C for a comprehensive analysis of this Example 1 fact pattern, including a step-by-step guide on how to complete Form 1042-S in its entirety. A U.S. withholding agent making a payment directly to a foreign partner in a PTP and that is either acting as a nominee for a PTP distribution subject to withholding under section
1446(a) or as a broker paying an amount realized subject to reporting on Form 1042-S for section 1446(f) purposes must complete a Form 1042-S and treat the partner as a recipient. Thus, the withholding agent must treat a foreign upper-tier partnership in the PTP or a foreign simple trust as a recipient for reporting of these payments on Form 1042-S
S. With respect to an upper-tier partnership, the reporting described in the preceding sentence applies regulations to section 1446(a) or (f) for determining the
rate of withholding). Payments to a QI (including a QDD), WP, or WT under chapter 3 or 4. A U.S. withholding responsibility), a QI acting as a QDD with respect to a payment, a WP, or a WT should complete Form 1042.
S in most cases, treating the QI, QDD, WP, or WT as the recipient. If a payment is being made to a QI that is acting as a QDD with respect to the payment, a U.S. withholding agent should report the QDD as the recipient showing the 
which should include a branch identifier, if applicable) and using recipients ode 35 (qualified derivatives dealer) as the chapter 3 status code. See Payments allocated, or presumed made, to U.S. nonexempt recipients of later, for exceptions. A QI that does not assume primary withholding responsibility for chapters 3 and 4 purposes is required to
provide information regarding the allocations of income subject to a particular withholding agent on the withholding agent must complete a separate Form 1042-S for each withholding rate pool associated with the QI. For purposes of chapter 4, a
QI may provide a single pool of recalcitrant account holders (rather than separate pools for each class). In such a case, the withholding responsibility, a WP, or a WT is not required to provide withholding rate pool information to a
withholding agent but will report such information directly to the IRS. A U.S. withholding agent making a withholding responsibility and is not acting as a QDD with respect to the payment, a WP, or a WT must use recipient code 12 (qualified intermediary), 09 (withholding foreign
partnership), or 11 (withholding foreign trust) as the chapter 3 status code and must use recipient code 05 (participating FFI—reporting Model 1 FFI), 09 (registered deemed-compliant FFI—other) for an FFI treated as deemed-compliant under an IGA, 31
(nonreporting IGA FFI), or, for a payment to a QI, 27 (exempt beneficial owner) as the chapter 4 status code. A U.S. withholding rate pool of U.S. payees of a QI and report the chapter 3 recipient code 12 (qualified
intermediary). A U.S. withholding agent must not use any chapter 3 pooled reporting code (codes 27 through 32), as such codes are only to be used by a withholding agent that is a QI, WP, or WT. See Amounts Paid by QIs, later, and the instructions for boxes 13f and 13g, later. Use of an inappropriate recipient code may cause a notice to be
registered deemed-compliant FFI, or an FFI treated as deemed-compliant under an IGA. A U.S. withholding agent that receives a Form W-8IMY on which the foreign person as a recipient except as otherwise provided in these instructions. A withholding agen
must not use the EIN that a QI provides in its capacity as such to report payments that are treated as made to an entity in its capacity as an NQI. In that case, use the GIIN, if any, and EIN that is provided by the entity on its Form W-8IMY in which it claims that it is acting as an NQI or a flow-through entity. A withholding agent is required to use
chapter 4 reporting pool codes as the chapter 4 status code in the case of withholdable payments made to: A QI that does not assume primary withholding responsibility; A participating FFI or registered deemed-compliant FFI that is an NQI, NWP, or NWT; or An NQI, NWP, or NWT (other than a nonparticipating FFI) that provides a pool of
nonparticipating FFIs, if the QI, NQI, NWP, or NWT provides chapter 4 withholding rate pool information in the withholding statement associated with its Form W-8IMY. See Amounts paid to an NQI or a flow-through entity of withholding statement associated with its Form W-8IMY. See Amounts paid to an NQI or a flow-through entity of withholding statement associated with its Form W-8IMY. See Amounts paid to an NQI or a flow-through entity of withholding statement associated with its Form W-8IMY. See Amounts paid to an NQI or a flow-through entity of withholding statement associated with its Form W-8IMY. See Amounts paid to an NQI or a flow-through entity of withholding statement associated with its Form W-8IMY. See Amounts paid to an NQI or a flow-through entity of withholding statement associated with its Form W-8IMY. See Amounts paid to an NQI or a flow-through entity of withholding statement associated with its Form W-8IMY. See Amounts paid to an NQI or a flow-through entity of withholding statement associated with its Form W-8IMY. See Amounts paid to an NQI or a flow-through entity of withholding statement associated with its Form W-8IMY. See Amounts paid to an NQI or a flow-through entity of withholding statement associated with its Form W-8IMY. See Amounts paid to an NQI or a flow-through entity of withholding statement associated with its Form W-8IMY. See Amounts paid to an NQI or a flow-through entity of withholding statement associated with its Form W-8IMY. See Amounts paid to an NQI or a flow-through entity of withholding statement associated with its Form W-8IMY. See Amounts paid to an NQI or a flow-through entity of withholding statement associated with its Form W-8IMY. See Amounts paid to an NQI or a flow-through entity of withholding statement associated with its Form W-8IMY. See Amounts paid to an NQI or a flow-through entity of withholding statement associated with the NQI or a flow-through entity of withholding statement associated with the NQI or a flow-through entity of withholding statement as th
provided for a withholdable payment made to an entity. WA, a U.S. withholding agent, makes a withholding responsibility and that is a participating FFI. QI provides WA with a valid Form W-8IMY with which it associates a
 withholding statement that allocates 95\% of the payment to a chapter 3, 15\% withholding rate pool with a single chapter 4 exemption code, and 5\% of the payment to a chapter 4, 30\% withholding rate pool of recalcitrant account holders. WA must complete a Form 1042-S for the dividends allocated to the chapter 3, 15\% withholding rate pool of recalcitrant account holders.
showing "3" in box 3, "00" in box 3, "00" in box 3 (chapter 4 exemption code 15 (payee not subject to chapter 4 exemption code 15 (qualified intermediary) as the chapter 3 status code, and
recipient code 05 (participating FFI—other) as the chapter 4 status code. WA must also complete a Form 1042-S for the dividends allocated to the chapter 4 withholding in box 3a, "00.00" in box 3b (chapter 3 tax rate), "00" in box 4a
(chapter 4 exemption code), and "30.00" in box 4b with QI as the recipient code 49 (QI-recalcitrant pool—general) as the chapter 3 status code. A QI may provide Forms W-9 or other information regarding U.S. nonexempt recipients that the QI (or chapter 4 status code) and "30.00" in box 4b with QI as the recipient code 49 (QI-recalcitrant pool—general) as the chapter 3 status code.
other entity maintaining the account) is required to report under chapter 61 and for which the QI does not assume primary Form 1099 reporting responsibility. A QI may also provide information regarding U.S. nonexempt recipients on whom the QI elects to backup withhold under section 3406 instead of withholding under chapter 4 on payments
made to an account holder. If Forms W-9 or other information is provided together with information allocating all or a part of the payment to U.S. nonexempt recipients on the appropriate Form 1099 and not on Form 1042-S even though you are paying that income to a QI. The QI
may also provide information regarding U.S. nonexempt recipients in a chapter 4 withholding rate pool that the withholding agent must report on Form 1042-S. You may also be required under the presumption rules to treat a payment made to a QI as made to a payee that is a U.S. nonexempt recipient from which you must withhold on the paymen
under the backup withholding provisions. In this case, you must report the payment on the appropriate Form 1099. See the General Instructions. WA, a U.S. withholding agent, makes a withholding provisions. In this case, you must report the payment of U.S. source dividends to QI, a qualified intermediary and
registered deemed-compliant FFI that is a local FFI described in Regulations section 1.1471-5(f)(1)(i)(A). OI provides WA with a valid Form W-8IMY certifying that it is transmitting Forms W-9 for U.S. nonexempt recipients and with which it associates a withholding statement that allocates 95% of the payment to a chapter 3, 15% withholding rate
a chapter 4 withholding rate pool of U.S. payees. See Regulations section 1.6049-4(c)(4). WA must complete a Form 1042-S, showing QI as the recipient code 09 (registered deemed-compliant FFI—other) as the chapter 4 status code for form 1042-S, showing QI as the recipient code 12 (qualified intermediary) as the chapter 3 status code for form 1042-S, showing QI as the recipient code 12 (qualified intermediary) as the chapter 3 status code for form 1042-S, showing QI as the recipient code 12 (qualified intermediary) as the chapter 3 status code for form 1042-S, showing QI as the recipient code 12 (qualified intermediary) as the chapter 3 status code and recipient code 12 (qualified intermediary) as the chapter 3 status code for form 1042-S, showing QI as the recipient code 12 (qualified intermediary) as the chapter 3 status code for form 1042-S, showing QI as the recipient code 12 (qualified intermediary) as the chapter 3 status code 12 (qualified intermediary) as the chapter 3 status code 12 (qualified intermediary) as the chapter 3 status code 12 (qualified intermediary) as the chapter 3 status code 12 (qualified intermediary) as the chapter 3 status code 12 (qualified intermediary) as the chapter 3 status code 12 (qualified intermediary) as the chapter 3 status code 12 (qualified intermediary) as the chapter 3 status code 12 (qualified intermediary) as the chapter 3 status code 12 (qualified intermediary) as the chapter 3 status code 12 (qualified intermediary) as the chapter 3 status code 12 (qualified intermediary) as the chapter 3 status code 12 (qualified intermediary) as the chapter 3 status code 12 (qualified intermediary) as the chapter 3 status code 12 (qualified intermediary) as the chapter 3 status code 12 (qualified intermediary) as the chapter 3 status code 12 (qualified intermediary) as the chapter 3 status code 12 (qualified intermediary) as the chapter 3 status code 12 (qualified intermediary) as the chapter 3 status code 12 (qualified intermediary) as the chapter 3 status code 12 (qualified inte
the dividends allocated to the 15% withholding rate pool. WA must also complete a Form 1099-DIV issued to C reporting the dividends to QI, a qualified intermediary that is a reporting Model 1 FFI. QI provides WA with a valid Form W-8IMY
with which it associates a withholding rate pool. QI does not provide any withholding rate pool information regarding the remaining 20% of the payment. WA must apply the presumption rule to the payment of the payment
(20%) that has not been allocated. Under the presumption rules of Regulations section 1.1471-3(f) for a withholding, showing "3" in box 3, "00" in box 3 and 100 in box 3 in box 3 in box 3. "00" in box 3 in box 
(chapter 3 exemption code), "15.00" in box 3b (chapter 3 tax rate), Chapter 4 exemption code 15 (payee not subject to chapter 4 exemption code 12 (qualified intermediary) as the chapter 3 status code, and recipient code 07 (registered deemed-compliant FFI—
reporting Model 1 FFI) as the chapter 4 status code (because the payment is a withholding, showing "3" in box 3, "00" in box 3a (chapter 3 exemption code), "30.00" in box 3b (chapter 3 tax rate), chapter 4 exemption code 15 (payee not subject to chapter 4 withholding) in
box 4a, "00.00" in box 4b (chapter 4 tax rate), OI as the recipient code 07 (registered deemed-compliant FFI—reporting Model 1 FFI) as the chapter 3 status code, and recipient code 07 (registered deemed-compliant FFI—reporting Model 1 FFI) as the chapter 3 status code, and recipient code 07 (registered deemed-compliant FFI—reporting Model 1 FFI) as the chapter 3 status code.
chapter 3 exemption code 12 (payee subjected to chapter 4 withholding) in box 3a, "00.00" in box 3a, "00.00" in box 3b (chapter 3 tax rate), "Unknown Recipient code 21 (unknown recipient) as the chapter 3 status code, and recipient code 29
(unknown recipient) as the chapter 4 status code. Also, OI's name, status code, address, GIIN, and OI-EIN must be entered in boxes 15a through 15i. Payment to a OI that is subject to withholding on a PTP distribution or an amount realized
subject to reporting for section 1446(f) purposes should generally treat the QI as the recipient and report as described directly above for a U.S. withholding agent making payments to a QI for chapters 3 and 4 purposes (including when the QI does not assume primary withholding responsibility and provides withholding rate pool information). In a
case of a QI acting as a disclosing QI for a payment of a PTP distribution or an amount realized subject to reporting under section 1446(f), however, a U. S. withholding agent should report the account holder of the QI as a disclosing QI (using chapter 3 status code 39 and reporting the QI's information in boxes 15a through
15i, including its QI-EIN). In a case in which a U.S withholding agent makes a payment of a PTP distribution or amount realized through multiple QIs acting as disclosing QI maintaining a direct account for the partner in the PTP. For payments of PTP
distributions made to a QI, the U.S. withholding Tax), earlier. Although a payment to a disclosing QI is reported as made to a specified account holder of the QI
(as the recipient), a U.S. withholding agent is required to provide a recipient copy of the Form 1042-S to the disclosing QI maintaining the direct account holder of the QI receiving the payment). Substitute dividends paid to qualified securities lenders (QSLs). A
withholding agent that makes payments of substitute dividends to a QSL should complete Form 1042-S treating the QSL as the recipient code 34 or 53. Use recipient code and include the applicable chapter 4
status code of the QSL. The withholding agent is not required to withholding agent is not required to withholding agent is not required to withholding agent, a certificate from the QSL that includes a statement with the following information. The recipient of the substitute dividend is a QSL. With respect to the substitute dividend it receives from the withholding agent, and a certificate from the policy agent.
the QSL states that it will withhold and remit or pay the proper amount of U.S. gross-basis tax. If the withholding agent receives a certificate from the QSL is also a QI with primary withholding responsibility, use chapter 3 exemption code 11.
and not exemption code 06 for chapter 3 purposes. Disregarded entities and hybrid entities and hybrid entities and hybrid entities are disregarded entity, the withholding agent makes a payment to a disregarded entity that is not a hybrid entity making a treaty claim, and receives a valid Form W-8BEN-E or W-8ECI from a foreign person that is the single owner of the disregarded entity, the withholding
agent must file a Form 1042-S in the name of the foreign single owner. The TIN on the Form W-8BEN-E if the owner is an FFI. Example 5. WA, a withholding agent, makes a withholdable payment of
interest to LLC, a foreign limited liability company that is not an FFI. LLC is wholly owned by FC, a foreign corporation that is an excepted nonfinancial foreign entity. WA has a Form W-8BEN-E from FC on which it states that it is the beneficial owner of the income paid to LLC. WA reports the interest payment
on Form 1042-S showing FC as the recipient. The result would be the same if LLC was a domestic entity. A disregarded entity can, however, claim to be the beneficial owner of a payment if it is a hybrid entity claims on a valid Form W-8BEN-E
to be the beneficial owner, the U.S. withholding agent must complete a Form 1042-S treating the disregarded entity as a recipient code for the chapter 3 status code of the single owner when the payment is a withholdable payment
and chapter 4 withholding does not apply. A hybrid entity with multiple owners may also claim treaty benefits on a valid Form W-8BEN-E associated
with a withholdable payment (and chapter 4 withholding does not apply with respect to any of its owners to such payment), the U.S. withholding does not apply with respect to any of its owners to such payment or portion of such payment), the U.S. withholding agent should complete a Form 1042-S treating the hybrid entity as a recipient, use code 26 (hybrid entity making treaty claim) as the chapter 3 recipient status code, and leave
blank the chapter 4 recipient status code. To the extent, however, that a portion of a withholding agent must be applied, the U.S. withholding must be applied, the U.S. withholding must be applied, the applied, the u.s. withholding must be applied, the u.s. withholding agent must issue a separate Form 1042-S to such owner of the hybrid entity for which chapter 4 withholding must be applied, the u.s. withholding agent must be applied to an owner of the hybrid entity for which chapter 4 withholding must be applied to an owner of the hybrid entity for which chapter 4 withholding must be applied to an owner of the hybrid entity for which chapter 4 withholding must be applied to an owner of the hybrid entity for which chapter 4 withholding must be applied to an owner of the hybrid entity for which chapter 4 withholding must be applied to an owner of the hybrid entity for which chapter 4 withholding must be applied to an owner of the hybrid entity for which chapter 4 withholding must be applied to an owner of the hybrid entity for which chapter 4 withholding must be applied to an owner of the hybrid entity for which chapter 4 withholding must be applied to an owner of the hybrid entity for which chapter 4 withholding must be applied to an owner of the hybrid entity for which chapter 4 withholding must be applied to an owner of the hybrid entity for which chapter 4 withholding must be applied to an owner of the hybrid entity for which chapter 4 withholding must be applied to an owner of the hybrid entity for which applied to an owner of the hybrid entity for which applied to an owner of the hybrid entity for which applied to an owner of the hybrid entity for which applied to an owner of the hybrid entity for which applied to an owner of the hybrid entity for which applied to an owner of the hybrid entity for which applied to an owner of the hybrid entity for which applied to an owner of the hybrid entity for which applied to a second entity for which applied to a second entity for which applied to a second entity for 
status codes and report the hybrid entity as the intermediary. The withholding agent must do so for each such owner for which chapter 4 withholding applies and must exclude amounts allocable to such owner for which chapter 4 withholding applies and must exclude amounts allocable to such owner for which chapter 4 withholding applies and must exclude amounts allocable to such owners from the Form 1042-S issued to the hybrid entity.
W-8BEN (and chapter 4 withholding does not apply with respect to the payment to the recipient, using the applicable recipient, using the applicable recipient codes for the chapters 3 and 4 status codes, and report the
reverse hybrid entity as the intermediary in boxes 15a through 15i. In such a case, the U.S. withholding applies with respect to
the payment to the reverse hybrid entity, the U.S. withholding agent must instead issue a Form 1042-S to the reverse hybrid entity for the entire payment of interest to FP, a hybrid entity organized in Country X. FP is treated as a partnership under the
Internal Revenue Code but is treated as a company resident in Country X for Country X 
and FC2 is a nonparticipating FFI. The attached withholding statement allocates 80% of the payment to FC1 and 20% of the payment to FC2. WA must issue a Form 1042-S for 80% of the payment to FC1 and 20% of the payment to FC2 and 20% of the payment to FC2. WA must issue a Form 1042-S for 80% of the payment to FC2 and 20% of the payment to FC2 and 20% of the payment to FC2. WA must issue a Form 1042-S for 80% of the payment to FC2 and 20% of the payment 
chapter 4 status code. WA must withhold under chapter 4 on the remaining 20% of the payment allocated to FC2 and issue a Form 1042-S to FC2 as the recipient code 15 (corporation) as the chapter 4 status code and must report FP as the intermediary in boxes
15a through 15i. Amounts paid to an NQI or a flow-through entity (other than a nonparticipating FFI) with respect to a withholdable payment, it must complete a separate Form 1042-S for each recipient on whose behalf the NQI or flow-through entity (other than a nonparticipating FFI) with respect to a withholdable payment, it must complete a separate Form 1042-S for each recipient on whose behalf the NQI or flow-through
entity acts as indicated by its withholding statement and the documentation associated with its Form W-8IMY. If a payment is made through tiers of NQIs or flow-through entities, the withholding agent must nevertheless complete Form 1042-S for a
recipient that receives a payment through an NQI or a flow-through entity must include in boxes 15a through 15i of Form 1042-S the name, country code, address, TIN (if any), and status codes of the NQI or flow-through entity from whom the recipient directly receives the payment. If, however, a U.S. withholding agent makes
withholdable payments to an NQI or a flow-through entity that is a participating FFI or registered deemed-compliant FFI that is allocable to a chapter 4 withholding statement, the U.S. withholding agent should complete a separate Form 1042-S for each chapter 4 reporting pool (that is, pool of
recalcitrant account holders, pool of nonparticipating FFIs, or pool of payees that are U.S. persons) treating the participating FFI or registered deemed-compliant FFI as the recipient and must include the GIIN and chapter 3 status code of the FFI and the applicable chapter 4 reporting pool code as the chapter 4 status code. If a payment is made
through tiers of NOIs or flow-through entities that are participating FFIs or registered deemed-compliant FFIs, the withholding agent must nevertheless complete Form 1042-S for each chapter 4 reporting pool to which the payments are allocated and must report, as the recipient, the FFI from whom the recipients included in the chapter 4 reporting
pool directly receive the payment. Example 7. WA, a withholding agent, makes a withholding statement to FFI1, a reporting Model 1 FFI. FFI1 provides WA with a valid Form W-8IMY with which it associates a withholding statement that allocates 80% of the payment to FFI2, a participating FFI, and 20% of the payment to a pool of
nonparticipating FFIs. FFI1 also provides WA with FFI2's Form W-8IMY with which it associates a withholding statement that allocates 100% of the payment to recalcitrant pool-no U.S. indicia. WA must complete a nother Form
1042-S for the interest allocated to a pool of recalcitrant account holders—no U.S. indicia with FFI2 as the recipient. If a U.S. withholding agent makes a withholding agent 
withholding statement, or to the extent required, a valid withholding certificate (Form W-8 or W-9) or other valid appropriate documentation from a recipient, the withholdable payment which, if the payment is a withholdable payment, will generally require the withholding agent to withholding agent to withhold appropriate documentation from a recipient, the withholding agent must follow the appropriate presumption rules for that payment which, if the payment is a withholding agent must follow the appropriate documentation from a recipient, the withholding agent must follow the appropriate documentation from a recipient which, if the payment which, if the payment which, if the payment which is a withholding agent must follow the appropriate presumption rules for that payment which, if the payment which is a withholding agent must follow the appropriate documentation from a recipient, the withholding agent must follow the appropriate presumption rules for that payment which is a withholding agent must follow the appropriate presumption rules for the payment which is a withholding agent must follow the appropriate presumption rules for the payment which is a withholding agent must follow the appropriate presumption rules for the payment which is a withholding agent must follow the appropriate presumption rules for the payment which is a withholding agent must follow the appropriate presumption rules for the payment which is a withholding agent must follow the appropriate presumption rules for the payment which is a withholding agent must follow the appropriate presumption rules for the payment which is a withholding agent must follow the appropriate presumption rules for the payment which is a withholding agent must follow the appropriate presumption rules for the payment which is a withholding agent must follow the appropriate presumption rules for the payment which is a withholding agent which is a 
30% under chapter 4 because such payment is presumed made to a nonparticipating FFI. See Regulations section 1.1471-3(f)(5). For this purpose, if the allocation information provided to the withholding agent indicates an allocation information provided to the withholding agent indicates an allocation information provided to the withholding agent indicates an allocation information provided to the withholding agent indicates an allocation information provided to the withholding agent indicates an allocation information provided to the withholding agent indicates an allocation information provided to the withholding agent indicates an allocation information provided to the withholding agent indicates an allocation information provided to the withholding agent indicates an allocation information provided to the withholding agent indicates an allocation information provided to the withholding agent indicates an allocation information provided to the withholding agent indicates an allocation information provided to the withholding agent indicates an allocation information provided to the withholding agent indicates an allocation information provided to the withholding agent indicates an allocation information provided to the withholding agent indicates an allocation information provided to the withholding agent indicates an allocation information provided to the withholding agent indicates an allocation information provided to the withholding agent indicates an allocation information provided to the withholding agent indicates are allocation information provided to the withholding agent indicates are allocation information provided to the withholding agent indicates are allocation information provided to the withholding agent indicates are allocation information provided to the withholding agent indicates are allocation information provided to the withholding agent indicates are allocation information and allocation information are allocation and allocation are allocation and allocation are allocation and allocation 
8, Form W-9, or other appropriate documentation. The Form 1042-S should be completed by entering "Unknown recipient" in box 13a and recipient code 21 (unknown recipient) as the chapter 3 status code and recipient code 29 (unknown recipient) as the chapter 3 status code and recipient code 29 (unknown recipient) as the chapter 3 status code and recipient code 29 (unknown recipient) as the chapter 3 status code and recipient code 29 (unknown recipient) as the chapter 3 status code and recipient code 29 (unknown recipient) as the chapter 3 status code and recipient code 29 (unknown recipient) as the chapter 3 status code and recipient code 29 (unknown recipient) as the chapter 3 status code and recipient code 29 (unknown recipient) as the chapter 3 status code and recipient code 29 (unknown recipient) as the chapter 3 status code and recipient code 29 (unknown recipient) as the chapter 3 status code and recipient code 29 (unknown recipient) as the chapter 3 status code and recipient code 29 (unknown recipient) as the chapter 3 status code and recipient code 29 (unknown recipient) as the chapter 3 status code and recipient code 29 (unknown recipient) as the chapter 3 status code and recipient code 29 (unknown recipient) as the chapter 3 status code and recipient code 29 (unknown recipient) as the chapter 3 status code and recipient code 30 status code and recipient code 30 status cod
status codes of the FFI should be entered in boxes 15a through 15i. If a U.S. withholding agent must treat the payment to an NQI or a flow-through entity that is a nonparticipating FFI, the withholding agent must treat the payment to an NQI or a flow-through entity that is a nonparticipating FFI, the withholding agent must treat the payment to an NQI or a flow-through entity that is a nonparticipating FFI, the withholding agent must treat the payment to an NQI or a flow-through entity that is a nonparticipating FFI, the withholding agent must treat the payment to an NQI or a flow-through entity that is a nonparticipating FFI, the withholding agent must treat the payment to an NQI or a flow-through entity that is a nonparticipating FFI, the withholding agent must treat the payment to an NQI or a flow-through entity that is a nonparticipating FFI, the withholding agent must treat the payment to an NQI or a flow-through entity that is a nonparticipating FFI, the withholding agent must treat the payment to an NQI or a flow-through entity that is a nonparticipating FFI.
payment, with a valid withholding certificate (Form W-8 or W-9) or other valid appropriate documentation from a recipient (see Regulations section 1.1471-3(d)(8)). The withholding agent should complete a Form 1042-S showing "Unknown Recipient" in box 13a and recipient code 21 (unknown recipient) as the chapter 3 status code and recipient
code 29 (unknown recipient) as the chapter 4 status code. Also, the name, country code, address, chapter 4 status code, and TIN (if any) of the nonparticipating FFI should be entered on Form 1042-S in boxes 15a through 15i. If, however, an NQI or a flow-through entity that is a nonparticipating FFI provides documentation described in Regulations
section 1.1471-3(d)(8)(ii) to establish that the withholding agent should complete a Form 1042-S for each exempt beneficial owner, then the withholding agent should complete a Form 1042-S for each exempt beneficial owner, then the withholding agent should complete a Form 1042-S for each exempt beneficial owner.
owner as the recipient in box 13a; and the name, country code, address, chapter 4 status code, and TIN (if any) of the nonparticipating FFI in boxes 15a through 15i. For any remaining portion of the payment, the withholding agent has
agreed that an NQI (other than a nonparticipating FFI) may provide information allocate more than 10% of the payment in a withholding rate pool to the specific recipients in
the pool or an applicable chapter 4 withholding rate pool, the withholding agent must file a Form 1042-S for each recipient in the pool on a pro-rata basis. The withholding rate pool that receives a $100 payment
and the NQI fails to allocate more than $10 of the payment, the withholding agent must file four Forms 1042-S, one for each account holder in the pool, showing $25 of the income to each and box 15 checked. If, instead, the NQI fails to timely allocate 10% or less of the payment in a withholding rate pool to the specific recipients in a pool, the
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withholding agent must file a Form 1042-S for each recipient for which it has allocation information and report the unallocated part of the payment on a Form 1042-S. You may be given Forms W-9 or other information regarding
U.S. nonexempt recipients from an NQI or a flow-through entity together with information allocating all or a part of the payment to U.S. nonexempt recipients from an NQI or a flow-through entity together with information allocating all or a part of the payment to U.S. nonexempt recipients. You must report income allocating all or a part of the payment to U.S. nonexempt recipients from an NQI or a flow-through entity together with information allocating all or a part of the payment to U.S. nonexempt recipients.
entity. If, however, a participating FFI or registered deemed-compliant FFI provides a withholding statement allocating all or part of the payment to a chapter 4 withholding rate pool of U.S. payees along with the certification provided on Form W-8IMY required for reporting such pool (as described in Regulations section 1.1471-3(c)(3)(iii)(B)), you
must report the income allocable to such pool on Form 1042-S. Example 8. FP is an NWP (flow-through entity) that is a certified deemed-compliant FFI. FP receives from WA, a U.S. withholding agent, a withholding agent, a
whom are individuals. FP provides WA with a Form W-8IMY certifying that it is transmitting Forms W-9 for U.S. nonexempt recipients and Forms W-8BEN from A and B and a Form W-8IMY that allocates the interest
payments among A, B, and C. WA must file two Forms 1042-S, one each for A and B, treating FP as the intermediary in boxes 15a through 15i. WA should also file a Form 1099-INT for C. Example 9. The facts are the same as in Example 8, except that FP does not provide any documentation from its partners. Because WA cannot reliably associate the
withholdable payment of interest with documentation from a payee, it must apply the presumption rules of Regulations section 1.1471-3(f) to treat the interest as paid to a nonparticipating FFI. A Form 1042-S should be completed by entering "4" in box 3, "Unknown Recipient" in box 13a, recipient code 21 (unknown recipient) as the chapter 3 status
code, and recipient code 29 (unknown recipient) as the chapter 4 status code. Also, the name, country code, address, status codes, and TIN (if any) of FP should be entered in boxes 15a through 15i. Example 10. The facts are the same as in Example 9, except that FP is a participating FFI and provides WA with a Form W-8IMY certifying that it is
reporting its U.S. accounts under chapter 4 and a withholding statement allocating 33% of the payment to a pool of U.S. payees. With respect to the U.S. pool of payees, WA must file a Form 1042-S showing FP as the recipient in box 13a and include FP's GIIN, recipient code 08 as the chapter 3 status code (partnership other than withholding foreign
partnership, publicly traded partnership, or partnership QDD), and recipient code 48 (U.S. payees pool) as the chapter indicator, leave boxes 3a and 3b blank, and enter exemption code 18 (U.S. payees of a participating FFI or registered deemed-compliant FFI) in box 4a, and "00.00" in box
4b. Amounts paid to an NQI or a flow-through entity of amounts realized and PTP distributions. A U.S. withholding agent making a payment to an NQI that is subject to withholding on a PTP distribution on Form 1042-S in accordance with the
requirements applicable to withholdable payments made to NQIs (described earlier). In the case, of a PTP distribution paid to a flow-through entity, however, the withholding agent should report the flow-through entity as the recipient for an amount subject to section 1446(a) unless it is a grantor trust (with the trust grantors or owners treated as the
recipients). In either case, the U.S. withholding agent must provide a Form 1042-S in accordance with Boxes 16a Through 16e—Payer's Name, TIN, GIIN, and Status Code, later, and as described under Publicly Traded
Partnerships (Sections 1446(a) and (f) Withholding Tax), earlier. A U.S. withholding agent making a payment to an NQI of an amount realized subject to reporting for purposes of section 1446(f) withholding applies to an NQI without
regard to the statuses of its account holders receiving the amount realized. A single Form 1042-S may be issued to the NQI account holders on Form 1042-S, however, it may report the amount realized and withholding applied under section
1446(f) with respect to each NQI account holder on Form 1042-S. See the instructions for Form W-8IMY for the requirements for such an agreement (including that the withholding agent issue a recipient copy of the Form 1042-S issued to an NQI account holder for an amount realized). A U.S. withholding
agent making a payment to a flow-through entity of an amount realized reportable on Form 1042-S must report the flow-through entity as the recipient to a flow-through entity of an amount realized reportable on Form 1042-S for payments
withheld under chapter 4 determined in accordance with the income codes used to file Form 1042-S. A QI that is a participating FFI or registered deemed-compliant FFI may use chapter 4 pooled reporting codes 42 through 48 to allocate payments made to its recalcitrant account holders, payees that are nonparticipating FFIs, and payees that are
U.S. persons. A QI should not use chapter 4 report its accounts but may use it to report accounts but may use it to report accounts but may use chapter 4 reporting pool
code 47 to report payments allocable to a pool of nonparticipating FFI. A QI may also use the chapter 4 pooled reporting codes to report payments allocable to account holders, payees, or owners of another participating FFI or registered deemed-compliant FFI that is an NQI, NWP, or NWT, and it must provide its chapter 4 withholding rate pools on
its withholding statement. In such case, the QI must include the NQI, NWP, or NWT as the recipient in box 13a and the applicable recipient code for such entity as the chapter 3 withholding that are exempt from chapter 4 withholding and made by the QI directly to foreign beneficial owners (or that are
treated as paid directly to beneficial owners), the QI may report on the basis of chapter 3 reporting pools, in most cases. A QI may not report on the basis of reporting pools in the circumstances described under Recipient-by-Recipient 4 withholding, a QI may use a single chapter 4
exemption code 15 (payee not subject to chapter 3 reporting pools, except for amounts paid to foreign tax-exempt recipients for which chapter 3 reporting pool code 28 should be used. Note, however, that a QI should use
recipient code 28 only for pooled account holders that have claimed an exemption based on their tax-exempt status and not some other exemption (tax treaty or other Internal Revenue Code section). If a QI uses a chapter 3 pooled reporting code (because chapter 4 withholding does not apply and the QI is not allocating the payment to a U.S. pool of
payees), it should leave blank the recipient code for the chapter 4 status code. Example 11. QI, a qualified intermediary and participating FFI, has four direct account holders, A and B, foreign individuals, and X and Y, foreign corporations. The withholding
because of the chapter 4 status of each account holder. A and X are residents of a country with which the United States has an income tax treaty and have provided documentation that establishes that they are entitled to a lower treaty and have provided documentation that establishes that they are entitled to a lower treaty and have provided documentation that establishes that they are entitled to a lower treaty and have provided documentation that establishes that they are entitled to a lower treaty and have provided documentation that establishes that they are entitled to a lower treaty and have provided documentation that establishes that they are entitled to a lower treaty and have provided documentation that establishes that they are entitled to a lower treaty and have provided documentation that establishes that they are entitled to a lower treaty and have provided documentation that establishes that they are entitled to a lower treaty and have provided documentation that establishes that they are entitled to a lower treaty and have provided documentation that establishes that they are entitled to a lower treaty and have provided documentation that establishes that they are entitled to a lower treaty and have provided documentation that establishes the entitled to a lower treaty and have provided documentation that establishes the entitled to a lower treaty and have provided documentation that establishes the entitled to a lower treaty and have provided documentation that establishes the entitled to a lower treaty and have provided documentation that establishes the entitled to a lower treaty and have provided documentation that establishes the entitled to a lower treaty and have provided documentation that establishes the entitled to a lower treaty and have provided documentation that establishes the entitled to a lower treaty and have provided documentation that establishes the entitled to a lower treaty and have provided documentation that establishes the entitled to a lower treaty and have provided to 
subject to 30% withholding on dividends. QI receives U.S. source dividends on behalf of its four customers. QI must file one Form 1042-S for the 15% withholding rate pool. This Form 1042-S must show income code 06 (dividends paid by U.S. corporations—general) in box 1, "00" in box 3a (chapter 3 exemption code), "15.00" in box 3b (chapter 3 tax
rate), chapter 4 exemption code 15 (payee not subject to chapter 4 withholding) in box 4a, "00.00" in box 4a, "00.00" in box 4b (chapter 4 tax rate), "Withholding rate pool—general) as the chapter 3 status code, and a blank chapter 4 status code. QI must also file one Form 1042-S
for the 30% withholding rate pool that contains the same information as the Form 1042-S filed for the 15% withholding rate pool, except that Y is an organization that has tax-exempt status in the United States and in the country in
which it is located, and B is a recalcitrant account holder with U.S. indicia. QI must file three Forms 1042-S (for amounts allocable to Y) will contain information for the withholding rate pool consisting of the amounts paid
to Y. This Form 1042-S will show income code 06 (dividends paid by U.S. corporations—general) in box 1, exemption code 15 (payee not subject to chapter 4 withholding) in box 4a, "00.00" in box 4b (chapter 4 tax rate), "Zero rate withholding pool-
exempt organizations" or similar designation in box 13g, and a blank chapter 3 code 28 (withholding rate pool—exempt organization) in box 13f, and a blank chapter 4 status code in box 13g. The third Form 1042-S will show income code 06
(dividends paid by U.S. corporations-general) in box 1, code 12 (payee subjected to chapter 4 exemption code), "30.00" in box 4b (chapter 4 tax rate), "recalcitrant pool—U.S. indicia" or similar designation in box 13a (recipient's name)
chapter 4 recipient code 43 (recalcitrant pool—U.S. indicia) as the chapter 4 status code in box 13f. Under the terms of its QI agreement with the IRS, a QI that is an FFI may be required to report the amounts paid to U.S. nonexempt recipients on Form 1099 or Form 8966 using the name, address, and
TIN of the payee to the extent those items of information are known. These amounts must be reported on Form 1042-S if allocated to a chapter 4 withholding rate pool of U.S. payees. A QI acting as a QDD must separately report on Forms 1042-S if allocated to a chapter 4 withholding rate pool of U.S. payees. A QI acting as a QDD must separately report on Forms 1042-S if allocated to a chapter 4 withholding rate pool of U.S. payees. A QI acting as a QDD must separately report on Forms 1042-S if allocated to a chapter 4 withholding rate pool of U.S. payees. A QI acting as a QDD must separately report on Forms 1042-S if allocated to a chapter 4 withholding rate pool of U.S. payees.
payment as the withholding agent in box 12d (following the naming protocol used for applying to be a QDD) and should use withholding agent code. Similarly, if the QDD is a partnership or branch of a partnership, that QDD must separately report allocations to its partners of QDD items on Forms 1042-S, entering the
name of the QDD as the withholding agent in box 12d (following the naming protocol). A QI acting as a QDD with respect to a payment may only use chapter 3 or 4 made to each PAI (defined under Definitions, earlier) as if the PAI's
direct account holders were its own. For purposes of chapter 4, a QI that is a participating FFI, a registered deemed-compliant FFI, or an FFI treated as deemed-compliant under an applicable IGA (as described in Regulations section 1.1441-1(e)(5)(ii)(A)) may use chapter 4 reporting pool code 47 to allocate payments made to the PAI's payees that are
nonparticipating FFIs, and may treat the PAI as the recipient on Form 1042-S with respect to each such pool. For chapter 3 purposes, if the payment is made directly by the PAI to the recipient, the QI may report the payment is made directly by the PAI to the recipient, the QI may report to each such pool. For chapter 3 purposes, if the payment on a pooled basis as described in the preceding sentence when acting as a
QDD because, under the QI agreement, a QI may not enter into a private arrangement with any account holder for which it acts as a QDD. A separate Form 1042-S is required for each withholding rate pool of each PAI (unless the QI is acting as a QDD. A separate Form 1042-S is required for each withholding rate pool of each PAI and address of the PAI addre
use pooled reporting code 29 (PAI withholding rate pool—exempt organization) as the chapter 3 status code. If the PAI is providing recipient information from an NQI or a flow-through entity, the QI may not report the payments on a pooled basis for chapter 3 purposes. Instead, it must follow the same
procedures as a U.S. withholding agent making a payment to an NQI or a flow-through entity. Example 13. QI, a qualified intermediary, pays U.S. source dividends to two private arrangement intermediaries, PAI1 and PAI2. The
PAIs pay the dividends they receive from QI to foreign persons that are beneficial owners and direct account holders of PAI1 or PAI2. All payees are exempt from chapter 4 statuses and the dividends paid to its
own direct account holders that are beneficial owners. QI must also file two Forms 1042-S, one for the dividends paid to the direct account holders of PAI1 and PAI2. Each of the Forms 1042-S, one for the dividends paid to the direct account holders of each of PAI1 and PAI2. Each of the Forms 1042-S, one for the dividends paid to the direct account holders of each of PAI1 and PAI2. Each of the Forms 1042-S, one for the dividends paid to the direct account holders of each of PAI1 and PAI2. Each of the Forms 1042-S, one for the dividends paid to the direct account holders of each of PAI1 and PAI2. Each of the Forms 1042-S, one for the dividends paid to the direct account holders of each of PAI1 and PAI2. Each of the Forms 1042-S, one for the dividends paid to the direct account holders of each of PAI1 and PAI2. Each of the forms 1042-S, one for the dividends paid to the direct account holders of each of PAI1 and PAI2. Each of the forms 1042-S, one for the dividends paid to the direct account holders of each of PAI1 and PAI2. Each of the forms 1042-S, one for the dividends paid to the direct account holders of each of PAI1 and PAI2. Each of the forms 1042-S, one for the dividends paid to the direct account holders of each of PAI1 and PAI2. Each of the dividends paid to the dividend
general) as the chapter 3 status code, and a blank chapter 4 status code, and should use chapter 4 exemption code 15 (payee not subject to chapter 4 withholding) in box 4a. A QI that is applying the special pool reporting allowance provided in the QI agreement for certain partnerships or trusts (Agency Option) must file separate Forms 1042-S
reflecting reporting pools for each partnership or trust that has provided reporting pool information in its withholding statement. A QDD cannot use the Agency Option. For purposes of chapter 4, a QI that is an FFI may use chapter 4 reporting pool information in its withholding statement.
and should report the partnership or trust as the recipient on Form 1042-S. For chapter 3 purposes, if the payment is made directly by the partnership or trust to the recipient, the QI may use reporting pool code 31 (agency withholding rate pool—exempt organization) as the chapter 3 status code (unless
the QI is acting as a QDD with respect to the payment). However, to the extent required in the QI agreement, the QI must file separate Forms 1042-S for partners, beneficiaries, or owners of such partnership or trust that are indirect partners, beneficiaries, or owners of such partnership or trust that are indirect partners, beneficiaries, or owners of such partnership or trust that are indirect partnershi
are intermediaries or flow-through entities. If a QI is not permitted to report on the basis of reporting pools, it must follow the same rules that apply to a U.S. withholding agent. For chapter 3 purposes, a QI may not report the following payments on a reporting pool basis, but rather must complete Form 1042-S for each appropriate recipient and must
provide the applicable chapter 4 exemption code. Payments made by QIs to another QI, QDD, QSL, WP, or WT. The QI must complete a Form 1042-S treating the other QI is acting as a QDD with respect to a payment), QSL, WP, or WT as the recipient. A QI must not treat a QI as a recipient, however, when the other QI is acting as a
disclosing QI. See Payment to QI of PTP distributions or amounts realized, earlier, for information on reporting of PTP distributions and amounts realized paid to disclosing QIs. Payment from the flow-through entity for purposes of
chapters 3 and 4. A QI that is completing a Form 1042-S for a recipient that receives a payment through entity must include in boxes 15a through entity from which the recipient directly receives the payment. For chapter 4 purposes
and in the case of a flow-through entity that is a participating FFI or registered deemed-compliant FFI (other than a WP or WT), the QI must include the name, address, and
GIIN of the flow-through entity as the recipient and the applicable chapter 3 status code for the flow-through entity and use pooled reporting codes 42 through entity as the recipient and the applicable chapter 3 status code for the flow-through entity and use pooled reporting codes 42 through entity as the recipient and the applicable chapter 3 status code for the flow-through entity and use pooled reporting codes 42 through entity as the recipient and the applicable chapter 3 status code for the flow-through entity and use pooled reporting codes 42 through entity as the recipient and the applicable chapter 3 status code for the flow-through entity and use pooled reporting codes 42 through entity as the recipient and the applicable chapter 3 status code for the flow-through entity and use pooled reporting codes 42 through entity and use pooled reporting cod
pays interest that is a withholdable payment described by income code 01 (interest paid by U.S. obligors—general) to FP. FP has three partners, A, B, and C, all of whom are exempt from withholding under chapter 4 based on their respective chapter
each of A, B, and C. In addition, FP provides a complete withholding statement in association with its Form W-8IMY that allocates the interest payments among A, B, and C. QI must file three Forms 1042-S must show information relating to FP in boxes 15a through 15i along with the chapters 3 and 4 status and C. The Forms 1042-S must file three Forms 1042-S must show information relating to FP in boxes 15a through 15i along with the chapters 3 and 4 status and C. The Forms 1042-S must show information relating to FP in boxes 15a through 15i along with the chapters 3 and 4 status and C. The Forms 1042-S must show information relating to FP in boxes 15a through 15i along with the chapters 3 and 4 status and C. The Forms 1042-S must show information relating to FP in boxes 15a through 15i along with the chapters 3 and 4 status and C. The Forms 1042-S must show information relating to FP in boxes 15a through 15i along with the chapters 3 and 4 status and C. The Forms 1042-S must show information relating to FP in boxes 15a through 15i along with the chapters 3 and 4 status and C. The Forms 1042-S must show information relating to FP in boxes 15a through 15i along with the chapters 3 and 4 status and C. The Forms 1042-S must show information relating to FP in boxes 15a through 15i along with the chapters 3 and 4 status and C. The Forms 1042-S must show information relating to FP in boxes 15a through 15i along with the chapters 3 and C. The Forms 1042-S must show information relating to FP in boxes 15a through 15i along with the chapters 3 and C. The Forms 1042-S must show information relating to FP in boxes 15a through 15i along with the chapters 3 and C. The Forms 1042-S must show information relating to FP in boxes 15a through 15i along with the chapters 3 and C. The Forms 1042-S must show information relating to FP in boxes 15a through 15i along with the chapters 3 and C. The Forms 1042-S must show information relating to FP in boxes 15a through 15i along with the chapters 3 and C. The Forms 1042-S must show informa
codes and chapter 4 exemption code 15 (payee not subject to chapter 4 withholding) for A, B, and C. See section 8 of the 2023 QI agreement in Rev. Proc. 2022-43 for information on Form 1042-S reporting required to report
on Form 1042-S with respect to its foreign partners. For when a QI pays a PTP distribution or amount realized to a partner through more than one disclosing QI and the QI is required to issue a Form 1042-S under section 8 of the 2023 QI agreement to report the payment, see Payment to QI of PTP distributions or amounts realized, earlier, for the
disclosing QI to which the QI is required to issue a recipient copy of Form 1042-S. In general. For chapter 4 purposes, payments that are made by a WP or WT that is a participating FFI or a registered deemed-compliant FFI directly to its partners, owners, or beneficiaries that are recalcitrant account holders, payees that are nonparticipating FFIs,
and payees that are U.S. persons may be reported on the basis of chapter 4 reporting pools. A WP or WT may also use the chapter 4 pooled reporting pools. A WP or WT may also use the chapter 4 pooled reporting pools. A WP or WT may also use the chapter 4 pooled reporting pools.
withholding rate pools on its withholding statement when the WP or WT applies section 9.03 of its agreement to such entity. In such case, the WP or WT must include the NQI, NWP, or NWT as the recipient in box 13a. If a WP or WT must include the NQI, NWP, or NWT as the recipient in box 13a. If a WP or WT must include the NQI, NWP, or NWT as the recipient in box 13a. If a WP or WT must include the NQI, NWP, or NWT as the recipient in box 13a. If a WP or WT must include the NQI, NWP, or NWT as the recipient in box 13a. If a WP or WT must include the NQI, NWP, or NWT as the recipient in box 13a. If a WP or WT must include the NQI, NWP, or NWT as the recipient in box 13a. If a WP or WT must include the NQI, NWP, or NWT as the recipient in box 13a. If a WP or WT must include the NQI, NWP, or NWT as the recipient in box 13a. If a WP or WT must include the NQI, NWP, or NWT as the recipient in box 13a. If a WP or WT must include the NQI, NWP, or NWT as the recipient in box 13a. If a WP or WT must include the NQI, NWP, or NWT as the recipient in box 13a. If a WP or WT must include the NQI, NWP, or NWT as the recipient in box 13a. If a WP or WT must include the NQI, NWP, or NWT as the recipient in box 13a. If a WP or WT must include the NQI is a second to the NQI is a second to
each direct partner, beneficiary, or owner that is exempt from chapter 4 withholding and to whom the WP or WT distributes, or in whose distributive share is included, an amount subject to withholding under chapter 3, in the same manner as a U.S. withholding agent. However, if the WP or WT has made a pooled reporting election in its WP or WT
agreement, the WP or WT may instead report payments to such direct partners, beneficiaries, or owners on the basis of chapter 4 exemption code 15 (payee not subject to chapter 4 exemption code 15 (payee not subject to chapter 4
withholding) and a single chapter 3 reporting pool code 27 (withholding rate pool—general) as the chapter 3 reporting pools, except for amounts paid to foreign tax-exempt recipient includes any organization that is not
subject to withholding and is not liable to tax in its country of residence because it is a charitable organization, pension fund, or foreign government. See the WP and WT agreements for when a WP and WT agreement. An NQI and a flow-through
entity are withholding agents and must file Form 1042-S for amounts paid to recipients. However, an NQI or a flow-through entity is not required to file Form 1042-S under the Multiple Withholding Agent Rule, later. An NQI or a flow-through entity may report payments made to recipients to the extent it has
failed to provide to another withholding statement for either chapter 3 or 4 purposes or when an NQI receives a payment of an amount realized subject to section 1446(f) withholding from a broker that does not agree to report on Form 1042-S the NQI account holders receiving the
payment. See the instructions for Form W-8IMY for the requirements for such an agreement. If the NQI or flow-through entity must also file Form 1042-S, as described above, the NQI or flow-through entity must also file Form 1042-S, as described above, the NQI or flow-through entity must also file Form 1042-S it received from the withholding agent to establish any credit for
amounts withheld by the withholding agent. See the Instructions for Form 1042. If another withholding agent applied the presumption rules because it did not receive proper documentation or other required information from the NQI or flow-
through entity), and the payee or beneficial owner will make a claim for refund, the NQI or flow-through entity must report on Form 1042-S the correct tax rate and the combined amount of U.S. federal tax withheld with respect to all recipients and should enter the applicable chapters 3 and 4 exemption codes. If another withholding agent
underwithholds, regardless of whether it received proper documentation from the NQI or flow-through entity, the NQI or flow-through entity must withhold additional amounts to bring the total withholding to the correct amount. If an NQI receives an amount realized withheld on under section 1446(f), it may issue Forms 1042-S to report the payment
and withholding even if the account holder is a U.S. Government for (1) the provision of goods that are
manufactured or produced in a country that does not have an international procurement agreement with the United States, or (2) the provision of services in a country that does not have an international procurement agreement with the United States. For purposes of section 5000C, a payer of a specified federal procurement payment to a foreign
person must complete a Form 1042-S for payments withholding under section 5000C. Box 2 should include the amount of the specified federal procurement payments subject to withholding, and box 7 should include the amount of tax withheld under
section 5000C. If you are reporting tax withheld under section 5000C, enter "3" in box 3 as if the tax were a chapter 3 tax, enter "00" in box 4a, box 4b, or any box for a chapter 3 or 4 status code. In boxes 13a through 13d, include the name and the address of the foreign
person withheld upon. If known, include the TIN (if any) in box 13e. A withholding agent is not required to file Form 1042-S reporting
responsibility in the following circumstances. Any withholding agent making a payment to a U.S. branch treated as a U.S. person must report the payment as made to that branch. Any withholding agent making a payment to a U.S. branch treated as a U.S. person must report the payment as made to that branch. Any withholding agent that withholds an
amount from a payment under chapter 3 or 4 must report that amount to the recipient from whom it was withheld. Furthermore, the multiple withholding agent rule does not relieve the following from Form 1042-S reporting responsibility. Any QI, WP, or WT required to report an amount to a chapter 4 withholding rate pool or chapter 3 withholding agent rule does not relieve the following from Form 1042-S reporting responsibility.
rate pool. An NOI or a flow-through entity that knows, or has reason to know, that the correct amount has not been withholding agent rule, a withhol
must provide the name and EIN of the withholding agent that withholding Agent's Name and EIN). See the instructions for boxes 14a and 14b, later. Example 17. NQI, a foreign bank that is a participating FFI, acts as a nonqualified intermediary for four different foreign persons (A, B, C, and D) who own
securities from which they receive interest that is a withholdable payment. The interest is paid by a U.S. withholding agent (WA) as custodian of the securities for NQI. A, B, C, and D each own a 25% interest in the securities for NQI. A, B, C, and D each own a 25% interest in the securities.
and completes Forms 1042-S for A and for B as the recipients. WA includes information relating to NQI in boxes 15a through 15i on the Forms 1042-S for A and B. WA subjects the recipient in box 13a and uses chapter 3
status code 25 (nonqualified intermediary), chapter 4 status code 43 (recalcitrant pool—U.S. indicia), "30.00" in box 4b (chapter 4 tax rate), and $15 as the amount withheld in boxes 7 and 10. Under the multiple withholding agent rule, NQI is not required to file a Form 1042-S, but must file a Form 1042-S if, for example, C and D seek to make a claim
for refund and NQI has not filed a collective refund claim on behalf of C and D for the tax withheld under chapter 4 on the payment (see Regulations section 1.1471-4(h)). Example 18. WA, a U.S. withholding agent, makes a $100 dividend payment that is a withholdable payment to a foreign bank (NQI) that is a participating FFI and acts as a
nonqualified intermediary. NQI receives the payment on behalf of A, documented as a foreign individual exempt from chapter 4 withholding and a resident of a country that does
not have a tax treaty with the United States and who is subject to 30% withholding under chapter 3. NOI provides WA with its Form W-8IMY that certifies its status as a participating FFI to which it associates the Forms W-8BEN from both A and B and a complete withholding statement that allocates 50% of the dividend to A and 50% to B. A's Form
W-8BEN claims a 15% treaty rate of withholding. B's Form W-8BEN does not claim a reduced rate of withholding. WA, however, mistakenly withholds only 15%, $15, from the entire $100 payment. WA completes a Form 1042-S for each A and B as the recipients, showing on each form $50 of dividends in box 2, a withholding rate of "15.00" in box 3b
(chapter 3 tax rate), and $7.50 as the amount withheld in boxes 7 and 10. Under the multiple withholding agent rule, NQI is not required to file a Form 1042-S for A. However, because NQI knows (or should know) that B is subject to a 30% rate of withholding, and assuming it knows that WA only withheld 15%, the multiple withholding agent rule does
not apply to the dividend paid to B, and NQI must withhold an additional 15% from the payment to B. NQI must then file a Form 1042-S for B showing $50 of dividends in box 2, "00" in box 3a (chapter 3 exemption code), "30.00" in box 3b (the correct chapter 3 tax rate), $7.50 withheld by NQI in box 7, $7.50 withheld by WA in box 8, and $15 in box
10 (the combined amount withheld). NQI must also enter chapter 4 exemption code 15 (payee not subject to chapter 4 withholding) in box 4b (chapter 4 tax rate). See the instructions for box 3b, later. The following penalties apply to the person required to file Form 1042-S. The penalties apply to both paper filers and electronic
filers. To ensure that your Forms 1042-S can be correctly processed, be sure that you do the following. Carefully read the information provided in Pub. 515 and these instructions. Comply with the requirements in Pub. 1187 if you are an electronic filer. Complete all required fields. At a minimum, you must provide your unique form identifier at the top
of the form as well as the information requested in boxes 1, 2, 3, 7a, 12a, 12b, 12c, 12d, 12f, 12h, 12i, 13a, 13b, 13c, and 13d. Other boxes must be completed if the nature of the payment reported in box 2 is
an amount subject to chapter 3 withholding, you must enter information in box 2 is not subject to chapter 4 withholding or is not a withholding or is not subject to chapter 4 withholding or is not a withholding or is not subject to chapter 4 withholding or is not a with
and an amount subject to chapter 3 withholding and the tax rate in box 4b is 30.00, you must enter information in boxes 3a and 3b. If the rate entered in box 4b is 30.00, you must enter information in boxes 3a and 3b. If the rate entered in box 4b is 30.00, you must enter information in boxes 3a and 3b. If the rate entered in box 4b is 30.00, you must enter information in boxes 3a and 3b. If the rate entered in box 4b is 30.00, you must enter information in boxes 3a and 3b. If the rate entered in box 4b is 30.00, you must enter information in boxes 3a and 3b. If the rate entered in box 4b is 30.00, you must enter information in boxes 3a and 3b. If the rate entered in box 4b is 30.00, you must enter information in boxes 3a and 3b. If the rate entered in box 4b is 30.00, you must enter information in boxes 3a and 3b. If the rate entered in box 4b is 30.00, you must enter information in boxes 3a and 3b. If the rate entered in box 4b is 30.00, you must enter information in boxes 3a and 3b. If the rate entered in box 4b is 30.00, you must enter information in boxes 3a and 3b. If the rate entered in box 4b is 30.00, you must enter information in boxes 3a and 3b. If the rate entered in box 4b is 30.00, you must enter information in boxes 3a and 3b. If the rate entered in box 4b is 30.00, you must enter information in boxes 3a and 3b. If the rate entered in box 4b is 30.00, you must entered in box 4b i
entity's GIIN under the chapter 4 regulations or an applicable IGA for withholding purposes). Use only income, status, and exemption codes specifically listed in these instructions. Use only tax rates that are allowed by statute, regulations, or treaty. Do not attempt to "blend" rates. Instead, if necessary, submit multiple Forms 1042-S to show changes
in tax rate. See the Valid Tax Rate Table. All information you enter when reporting the payment must correctly reflect the intent of the statute and regulations. In most cases, you should rely on the withholding documentation you have collected (Form W-8 series, Form 8233, etc.) to complete your Form 1042-S submissions. Also note the following. The
gross income you report in box 2 cannot be zero. The income code you report in box 1 must correctly reflect the type of income you pay to the recipient. The withholding agent's name, address, chapters 3 and 4 status codes, EIN, QI-EIN, WT-EIN, and GIIN (if any) must be reported in boxes 12a through 12i. The recipient's name, country
code, address, U.S. TIN (if any), and GIIN (if any), and GIIN (if any) must be reported in boxes 13a through 13e and 13h. In most cases, you must report a foreign address. See the instructions for box 13, later. In the case of joint owners, Form 1042-S can only list one of the owners as the recipient in box 13a. Form 1042-S must not be completed with more than one of
the joint owners as the recipient. For direct account holders, you must report the recipient's account number in box 13i, a limitation on benefits (LOB) code (for an entity claiming treaty benefits) in box 13j, and the recipient's date of birth in box 13i, a limitation on benefits (LOB) code (for an entity claiming treaty benefits) in box 13i, and the recipient's date of birth in box 13i, a limitation on benefits (LOB) code (for an entity claiming treaty benefits) in box 13i, and the recipient's date of birth in box 13i, a limitation on benefits (LOB) code (for an entity claiming treaty benefits) in box 13i, a limitation on benefits (LOB) code (for an entity claiming treaty benefits) in box 13i, and the recipient's date of birth in box 13i, a limitation on benefits (LOB) code (for an entity claiming treaty benefits) in box 13i, and the recipient's date of birth in box 13i, a limitation on benefits (LOB) code (for an entity claiming treaty benefits) in box 13i, and the recipient's date of birth in box 13i, a limitation on benefits (LOB) code (for an entity claiming treaty benefits) in box 13i, a limitation on benefits (LOB) code (for an entity claiming treaty benefits) in box 13i, a limitation on benefits (LOB) code (for an entity claiming treaty benefits) in box 13i, a limitation on benefits (LOB) code (for an entity claiming treaty benefits) in box 13i, a limitation on benefits (LOB) code (for an entity claiming treaty benefits) in box 13i, a limitation on benefits (LOB) code (for an entity claiming treaty benefits) in box 13i, a limitation on benefits (LOB) code (for an entity claiming treaty benefits) in box 13i, a limitation on benefits (LOB) code (for an entity claiming treaty benefits) in box 13i, a limitation on benefits (LOB) code (for an entity claiming treaty benefits) in box 13i, a limitation on benefits (LOB) code (for an entity claiming treaty benefits) in box 13i, a limitation on benefits (LOB) code (for an entity claiming treaty benefits) in box 13i, a limitation on benefits (LOB) code (for an en
and box 13l, later). The exemption code you report in box 3a must correctly identify the proper tax status for the type of income you pay to the recipient or if exemption code 15 is used (payee not subject to chapter 4
withholding), the chapter 4 status code of the recipient must correctly reflect this exemption. When reporting to Unknown Recipients, ensure that 30% tax is withholding, remitted to the IRS, and correctly reported on Form 1042-S. In such cases, the recipient's name should be "Unknown Recipient." The
recipient's chapter 3 and 4 status codes should also reflect "Unknown Recipient," and the recipient country is Curacao. Foreign source income is generally not required to be reported on Form 1042-S. As a result,
exemption code 03 (income is not from U.S. sources) should be used for reporting income only in limited circumstances (for example, when withholding agent, are liable for the tax if you know, or should have known, that
underwithholding on a payment has occurred. All amounts must be reported in U.S. dollars. You must round off amounts to the nearest whole dollar. For example, $1.39 becomes $1 and $2.50 becomes $3. If you have to add
two or more amounts to figure the amount to enter on a line, include cents when adding and only round off the total. A withholding agent must provide a unique form identifier must: Be numeric (for example, 1234567891), Be exactly 10 digits, and
Not be the recipient's U.S. TIN or FTIN. If a withholding agent on the original Form 1042-S, it must include the same unique form identifier will be used to identify which information return is being corrected or amended
when multiple information returns are filed by a withholding agent with respect to the same recipient. The identifying number must be unique to each original form in a subsequent year. See Amended Forms, later. If you are filing an amended Form 1042-S,
you must provide an amendment number. The amendment number must be numeric and the length must be exactly one digit. Each time that you amend the same form (as determined by the unique form identifier), you must provide the amendment number in the box provided on the form (using "1" for the first amendment and increasing sequentially
for each subsequent amendment). All filers must enter the appropriate two-digit income code from the list in Appendix A , later. Use the income codes. Below are examples on how to use some of the income codes. Use code 06 for dividends, including any deemed
dividends (such as deemed dividends arising under section 305(c)). However, use other codes for dividends (including deemed dividends) paid on actively traded securities and for dividends (including deemed dividends) paid on actively traded securities and for dividends (including deemed dividends) paid on actively traded securities and for dividends (including deemed dividends) paid on actively traded securities and for dividends (including deemed dividends) paid on actively traded securities and for dividends (including deemed dividends) paid on actively traded securities and for dividends (including deemed dividends) paid on actively traded securities and for dividends (including deemed dividends) paid on actively traded securities and for dividends (including deemed dividends) paid on actively traded securities and for dividends (including deemed dividends) paid on actively traded securities and for dividends (including deemed dividends) paid on actively traded securities and for dividends (including deemed dividends) paid on actively traded securities and for dividends (including deemed dividends) paid on actively traded securities and for dividends (including deemed dividends) paid on actively traded securities and for dividends (including deemed dividends) paid on actively traded securities and for dividends (including deemed dividends) paid on actively traded securities and for dividends (including deemed dividends) paid on actively traded securities and for dividends (including deemed dividends) paid on actively traded securities and for dividends (including deemed dividends) paid on actively traded securities and for dividends (including deemed dividends) paid on actively traded securities and for dividends (including deemed dividends) paid on actively traded securities and for dividends (including deemed dividends) paid on actively traded securities and for dividends (including deemed dividends).
election is made to treat those gains as income effectively connected with a U.S. trade or business. Gains on certain transfers of all
substantial rights to, or an undivided interest in, patents if the transfers were made before October 5, 1966. Certain gains from the sale or exchange of OID obligations issued after March 31, 1972. Use code 17 for payments for independent personal services performed by a foreign person (including payments made to an entity). This includes
payments that are subject to the business profits article of a treaty. Use code 29 (deposit interest, not code 01 (interest paid by U.S. obligors—general). Use code 24 (qualified investment entity (QIE) distributions of capital gains) for distributions of capital gains from a QIE. Use code 36 (capital gains
general) (use exemption code 02 (exempt under IRC) in box 3a). Use code 28 for gambling winnings. These are proceeds from a game other than blackjack, baccarat, craps, roulette, or big-6 wheel. For more information, see Pub. 515. Use code 33, 34, 35, 53, or 54 for all substitute payment transactions. For more information, see Regulations sections
 1.861-2(a)(7) and 1.861-3(a)(6). For payments of interest or substitute interest made by a withholding agent to a QI that assumes primary withholding responsibilities for substitute dividends, a withholding agent should use code 34 or 53. See Rev. Proc.
stock. Use codes 38 and 39 for payments to covered expatriates. Use code 38 for a payment of eligible deferred compensation subject to section 877A(d)(1). For more information, see Notice 2009-85, 2009-85, 2009-85, 2009-85, 2009-85, available at IRS.gov/irb/2020-03_IRB#NOT
2020-2. There are three categories of dividend equivalent codes. For substitute dividends, use code 34 or 53. See example 7 of this list for additional instructions related to substitute dividends. For dividend equivalents with respect to a transaction that is a section 871(m) transaction as a result of combining transactions under Regulations section
1.871-15(n) (including as modified by transition relief under Notice 2024-44, when applicable) (a "combined transaction"), use code 56 (dividend equivalents under IRC section 871(m)). Use code 56 (dividend equivalents under IRC section 871(m)).
41 (guarantee of indebtedness) for certain guarantee of indebtedness payments. These are amounts paid for the provision of a guarantee of indebtedness that was issued after September 27, 2010. Use either code 42 (earnings as an artist or athlete—no central withholding agreement) or 43 (earnings as an artist or athlete—central withholding
agreement) for payments to an artist or athlete. A central withholding agreement is Form 13930, Application for Central Withholding Agreement, plus additional information specified in the instructions for such form, that is entered into by the artist or athlete, a designated withholding agreement, and the IRS. For more details, see Pub. 515. Use code 50
(income previously reported under escrow procedure) with respect to a recalcitrant account for which a participating FFI was not required to deposit the tax withheld or determined that withholding was not required until the
current calendar year under an applicable escrow procedure. For additional information on the escrow procedure for undetermined
amounts of income and such withheld tax is now required to be deposited in the current calendar year. For additional information on the escrow procedure for undetermined amounts withheld during the current calendar year that you are not depositing pursuants.
to the escrow procedure, see the instructions for box 7, later. Use code 52 (dividends paid on certain actively traded or publicly offered securities), 53 (substitute payments—dividends paid from certain actively traded or publicly offered securities), 54 (substitute payments—
interest from certain actively traded or publicly offered securities), and 13 (royalties paid on certain publicly offered securities) if the income paid is described in Regulations section 1.1441-6(c)(2) and you have reduced the rate of withholding under an income tax treaty without the recipient providing a U.S. TIN or an FTIN. See codes 40 and 56 for
are taxable. Use income code 57 to report an amount realized under section 1446(f) (regardless of whether paid on a sale or PTP distribution). Use income attributable to a PTP distribution and apply Regulations section 1.1446-4(d)(1) to determine the withholding absent a qualified notice
indicating the amount. Use income code 59 (consent fees), 60 (loan syndication fees), or 61 (settlement payments) for payments described by one of those codes that a withholding agent concludes does not fit under another income code, excluding code 23 (other income). For tax year 2025 the use of the new income codes 59 through 61 is optional
Income code 23 (other income) should be used only to report U.S. source FDAP income to or on behalf of the same recipient, you must complete a separate Form 1042-S for each income type. Although income to or on behalf of the same recipient, you must complete a separate Form 1042-S for each income to or on behalf of the same recipient.
and notional principal contract income, those items are not always subject to reporting on Form 1042-S. For example, short-term OID may need to be reported by an NQI or a flow-through entity if those amounts under the presumption rules. Notional
principal contract income is reportable if it is effectively connected with the conduct of a trade or business in the United States or results in the payment of interest under Regulations section 1.446-3(g)(4) or a dividend equivalent under section 871(m) and the regulations thereunder (for which a Form 1042-S is required). For more information, see
the regulations under chapter 3 and Pub. 515. For each income type, enter the gross amount you paid (in whole dollars) to or on behalf of the recipient during the calendar year, including withheld tax. See, however, the instructions for boxes 16a through 16e, later, for when you must issue a separate Form 1042-S (or several Forms 1042-S) for
income attributable to a PTP distribution. The following other special procedures apply to the reporting of gross income. You must report the entire amount of withholding on the distribution is nontaxable or represents apply to the report the entire amount of withholding on the distribution is nontaxable or represents apply to the report the entire amount of withholding on the distribution made with respect to stock even if you elect to reduce the amount of withholding on the distribution is nontaxable or represents apply to the report to stock even if you elect to reduce the amount of withholding on the distribution made with respect to stock even if you elect to reduce the amount of withholding on the distribution is nontaxable or represents apply to the report to stock even if you elect to reduce the amount of withholding on the distribution is nontaxable or represents apply to the report to stock even if you elect to reduce the amount of withholding on the distribution is nontaxable or represents a possible or represents a pos
a capital gain dividend. You must report the entire amount of a payment if you do not know at the time of payment. If you applied the
escrow procedure under chapters 3 and 4, report the entire amount of a payment that you previously reported in a prior calendar year for which you withheld tax but did not deposit such tax under the escrow procedure if the liability is due in the current calendar year. You must report the entire amount of gains relating to the disposal of timber, coal
or domestic iron ore with a retained economic interest, and gains relating to contingent payments received from the sale or exchange of patents, copyrights, and similar intangible property. You must report only the amount of cash paid on notional principal contracts. If reporting payments to artists or athletes who have signed a central withholding
agreement (income code 43), you must report the gross amount paid to the artist or athlete in box 2 (without any consideration to the expenses to be taken into account for purposes of determining the amount of any dividend equivalent as
determined under Regulations sections 1.871-15(i) and (j). Either "3" or "4" (but not both) must be entered on each Form 1042-S. If you are reporting payments to U.S. payees, enter "3" and leave boxes 3a and 3b blank. In
most cases, if the tax rate you entered in box 3b or 4b is 00.00, you may be required to enter the appropriate exemption code (01 through 24) from Appendix B, later, as applicable for chapter 3 and 4 purposes. In certain cases, more than one exemption code will apply. See the instructions below for the applicable codes to determine which code to
use. If an amount was withheld under chapter 4 (the tax rate you entered in box 4b is greater than zero and is not due to backup withholding), enter "00" in box 4a. If an amount was withheld under chapter 3 (the tax rate you entered in box 4b is 00.00, you must enter the applicable exemption code (13 through 21) in box 4a. If the tax rate you entered in box 4b is 00.00, you must enter the applicable exemption code (13 through 21) in box 4a. If an amount was withheld under chapter 3 (the tax rate you entered in box 4b is 00.00, you must entered in box 4b is 00.
in box 3b is greater than zero and is not due to backup withholding), enter "00" in box 3a. If the tax rate you entered in come as effectively connected with a
U.S. trade or business. If the recipient's U.S. TIN is unknown or unavailable, you must withhold tax at the rate of 30% (30.00) and enter "00" in boxes 3a and 4a. A withholding agent should use exemption code
06 (QI that assumes primary withholding responsibility) only if it is making a payment to a QI that it is assuming primary withholding responsibility under chapters 3 and 4. However, if the payment is made to a QI that is assuming primary withholding responsibility under chapters 3 and 4.
exemption code 22 (QDD that assumes primary withholding agent should use exemption code 07 (WP or WT) only if it is making a payment to a foreign partnership or trust that has represented on its Form W-8IMY that it is a WP or WT. A withholding agent should use exemption code 08 (U.S. branch treated as U.S.
person) for chapter 3 purposes only if it is making a payment to a U.S. branch or to a territory FI and it has represented on its Form W-8IMY that it agrees to be treated as a U.S. person. A withholding agent should use exemption code 10 (QI represents that income is exempt) for chapter 3 purposes only if it makes a payment to a QI that has not
assumed primary withholding responsibility under chapters 3 and 4 or primary backup withholding responsibility, but has represented on a withholding statement associated with its Form W-8IMY that the income is exempt from withholding responsibility) for
chapter 3 purposes only if the withholding agent makes a substitute dividend payment to a financial institution (including a QI) that represented on its Form W-8IMY that it is acting as a QSL for the account associated with the form. A withholding agent should use exemption code 12 (payee subjected to chapter 4 withholding) for chapter 3 purposes in
the recipient has been withheld upon under chapter 3 withhelding does not apply. When reporting a payment subject to chapter 3 withhelding does not apply. When reporting a payment subject to chapter 3 withhelding does not apply. When reporting a payment subject to chapter 3 withhelding does not apply. When reporting a payment subject to chapter 3 withhelding does not apply.
should use chapter 3 exemption code 23 for distributions made by a QIE to a qualified foreign pension fund (or an entity all of the interests of which are held by a qualified foreign pension fund) that are exempt under section 897(l). A withholding agent should use chapter 3 exemption code 24 for income paid to a foreign government or an
international organization that is exempt under section 892. A withholding agent should use exemption code 13 (grandfathered obligation (as defined in Regulations section 1.1471-2(b)(2)) and exemption code 13 is the only exemption code that
applies. If another exemption code applies, it should be used instead of exemption code 13. A withholding agent should use exemption code 15 (payee not subject to chapter 4 purposes if the payment is a withholding agent should use exemption code 15.
because of the payee's chapter 4 status. Also, if the withholding agent applies the 90-day grace period for a withholding agent should use exemption code 16 (excluded nonfinancial payment) for chapter 4 purposes for
payments described in Regulations section 1.1473-1(a)(4)(iii). However, the withholding agent should only use exemption code 16 if it is the only exemption code 16. A withholding agent should use exemption code 17 (foreign entity that assumes primary
 withholding responsibility) for chapter 4 purposes only if it makes a payment to a QI that assumes primary withholding responsibility, a WP, or a WT. A withholding agent should use exemption code 18 (U.S. payees of participating FFI or
registered deemed-compliant FFI and only to the extent represented on such FFI's withholding statement associated with its Form W-8IMY that the payment is allocable to a chapter 4 withholding rate pool of U.S. payees and the FFI certifies on its withholding certificate that the FFI meets the requirements to include the account holder in a
withholding rate pool of U.S. payees. A withholding agent should use exemption code 20 (dormant account) for chapter 4 purposes only if it makes a withholding statement associated with its Form W-8IMY that the payment is allocable to a
dormant account holder for which the escrow procedure of Regulations section 1.1471-4(b)(6) applies. A withholding agent should use exemption code 21 (other payment not subject to chapter 4 purposes if the payment is exempt from chapter 4 withholding agent should use exemption code applies. A withholding agent should use exemption code 21 (other payment not subject to chapter 4 purposes if the payment is exempt from chapter 4 withholding agent should use exemption code applies. A withholding agent should use exemption code applies are not subject to chapter 4 purposes if the payment is exempt from chapter 4 withholding agent should use exemption code applies.
agent should also use exemption code 21 (other payment not subject to chapter 4 withholding) when using income code 37 (return of capital) to report nondividend payments. If you have failed to provide a withholding agent with appropriate information regarding the status of the person to whom you are making a payment, the other withholding
agent may be required to withhold on the payment based on the presumption rules. If the income is in fact exempt from withholding or subject to a reduced rate of withholding, and the account holder requests a corrected form, you must submit a Form 1042-S providing the correct information. In this situation, you must: Indicate the correct rate of
 withholding that should have been applied to the income in boxes 3b or 4b; Enter the appropriate exemption codes, if any, in boxes 3a and 4a; Enter the actual recipient in boxes 13a through 13d along with the other required
information for the recipient; Provide the name and EIN of the other withholding agent that actually withheld and deposited the tax (primary withholding agent) in boxes 14a and 14b; and Report the account holder's U.S. TIN, if provided. If you submit Form 1042-S to each
recipient (including any unknown recipient or U.S. payee) of the income to which withholding that applies to the income in box 2 (gross income) or box 6 (net income to withholding that applies to the income to withholding that applies to the income in box 2 (gross income) or box 6 (net income), as appropriate. In the case of a payment subject to chapter 4 withholding that applies to the income in box 2 (gross income) or box 6 (net income).
reported in box 2 is not subject to chapter 4 withholding or is not a withholding, see Valid Tax Rate Table. The correct tax rate should be included even if you withheld at a different rate. For example, if an NQI that
is a participating FFI is reporting dividends paid to a beneficial owner who is exempt from withholding under chapter 4 and a resident of a country with which the United States does not have a tax treaty and a U.S. withholding agent paid the dividend and incorrectly withheld only 15% under chapter 3 (rather than the required 30%) and the NQI
withholds an additional 15% under chapter 3, the NQI should report "30.00" in box 3b. See Example 18, earlier, under Multiple Withholding Agent Rule . The tax rate on dividends paid to a corporation created or organized in, or under the law of, the Commonwealth of Puerto Rico may be 10%, rather than 30%. See Pub. 515 for more information. In
the case of a specified federal procurement payment subject to section 5000C withholding, the correct rate of withholding is 2% or "02.00." For Form 1042-S purposes, report tax withheld under section 5000C in box 3b as if the tax were a chapter 3 tax. Enter the tax rate using the following format: two digits, a decimal point, and two digits (for
example, "30.00" for 30%). However, if the income is exempt from tax under a U.S. tax treaty or the Internal Revenue Code, enter "04.00" for 4%). If you withheld at more than one tax rate for a specific type of income that you paid to the same recipient, you must
file a separate Form 1042-S for each amount to which a separate rate was applied. Valid Tax Rate Table 00.00 10.00 24.00 02.00 17.50 37.00 07.00 20.00 This box should be completed only if the income code reported in box 1 is 16 (scholarship or fellowship).
grants), 17 (compensation for independent personal services), 18 (compensation for dependent personal services), 18 (compensation for teaching), 20 (compensation for teaching), 20 (compensation for dependent personal services), 18 (compensation for dependent personal services), 19 (compensation for dependent pe
to a specific amount. Report the amount exempt from withholding agreement with the IRS, leave this box blank and report the gross amount paid to the recipient in box 2. See Pub. 515 for more
information. Complete this box only if you entered an amount in box 5. Otherwise, leave it blank. The adjustment for amounts overwithheld applies to partnerships, brokers, or nominees requirements, the withholding agent may make
adjustments to overwithholding using either the reimbursement or set-off procedure until the extended due date for filing Form 1042-S (or, if earlier, the date on which the Form 1042-S is either filed or furnished). Additionally, a withholding agent may use the extended due date for filing a Form 1042-S (or, if earlier, the date on which the Form 1042-S is either filed or furnished).
overwithholding. You are required to enter your EIN. However, if you are filing Form 1042-S as a QI, WP, or WT, enter your QI-EIN, WP-EIN, or WT-EIN. The withholding agent's EIN cannot be truncated. If you don't have an EIN, you may apply for one online by going to IRS.gov/EIN. If you are outside the United States, you may also apply for an EIN
by calling 267-941-1099 (not a toll-free number). You may also apply for an EIN by faxing or mailing Form SS-4 to the IRS. File amended Forms S0-4 with your application for that status. (See the definitions for qualified intermediary (QI) and withholding foreign
partnership (WP) or withholding foreign trust (WT) under Definitions, earlier, for more information.) Enter the withholding agent status code(s) from the list of Recipient Status code regardless of the type of payment being made. If you are a U.S
financial institution, indicate your chapter 4 status code as 01, except when a foreign branch of a U.S. financial institution issues Form 1042-S (in such a case, indicate the chapter 4 status code as 50). Withholding agents that are U.S. governmental entities or U.S. tax-exempt entities, including colleges and universities, and other U.S. tax-exempt
entities under the Internal Revenue Code other than under section 501(c), may use chapter 3 status code 41 (U.S. government entity or tax exempt entity entity entity entity entity exempt entity entity exempt exempt entity exempt exempt exempt entity exempt exem
example, if a U.S. financial institution (which checks chapter 3 status code 01, as such, unless it is a foreign branch) is a corporation, it should use chapter 3 status code 40 (Partnership QDD). Enter
your name and address in the appropriate boxes. If your post office does not deliver mail to the street address, you must include the telephone number of a
person to contact. This number must provide direct access to an individual who can answer questions about the statement. The telephone number is a U.S. person, enter "US" in box 12f. Box 13b—Recipient's country
code. You must enter the code (from the list at IRS.gov/CountryCodes) for the country of which the recipient claims residence does not appear on the list or the payment is made to an international organization (for example, the United Nations). If the
recipient is unknown, leave box 13b blank and enter "Unknown Recipient" in box 13a. If you are making a payment to a OI, OSL, WP, or WT and are making a payment to a OI, OSL, WP, or WT. Also, if you are making a payment to a OI, OSL, WP, or WT and are making a payment to a OI, OSL, WP, or WT.
or registered deemed-compliant FFI's chapter 4 reporting pool, enter the country code of the participating FFI or registered deemed-compliant FFI or branch of or disregarded entity owned by such FFI receiving the withholdable payment to a U.S.
person on Form 1042-S, enter "US" as the country code. If exemption code 04 (exempt under tax treaty) appears in box 3b, the country with which the United States has entered into an income tax treaty. You must obtain and enter
a U.S. TIN for any of the following recipients. Any recipient whose income is effectively connected with the conduct of a trade or business in the United States. For these recipients (excluding a payment subject to section 1446(a) or (f) withholding), enter exemption code 14 in box 3a or exemption code 14 in box 4a. Any foreign
person claiming a reduced rate of, or exemption from, tax under a tax treaty between a foreign country and the United States, unless the recipient provides an FTIN (in such case, use box 13i), or unless the income is an unexpected payment (as described in Regulations section 1.1441-6(g)) or consists of dividends and interest from stocks and debt
obligations that are actively traded; dividends from any redeemable security issued by an investment company registered under the Investment trust that are (or were, upon issuance) publicly offered and are registered with the
Securities and Exchange Commission under the Securities Act of 1933; and amounts paid with respect to loans of any of the above securities. In the latter case, you must use income code 13, 51, 52, 53, or 54. Any nonresident alien individual claiming exemption from tax under section 871(f) for certain annuities received under qualified plans. A
foreign organization claiming an exemption from tax solely because of its status as a tax-exempt organization under section 501(c) or as a private foundation. Any QI other than a disclosing QI (which is not a recipient). Any WP or WT. Any nonresident alien individual claiming exemption from withholding on compensation for independent personal
services. Any U.S. branch of an FFI or territory FI that is treated as a U.S. person. Any QSL that was paid a substitute dividend. In all other cases, if you know the recipient's TIN or fa foreign person provides a TIN on Form 1042-S. A U.S. TIN is also required on a Form 1042-S used
by a recipient to claim credit for (or a refund of) the withholding. You must include a GIIN if you are required to collect a GIIN for the recipient under the requirements documenting the payee under chapter 4. If you make a payment to a disregarded entity or branch that is identified in Part II of Form W-8BEN-E, then report the GIIN of the
disregarded entity or branch provided in that section. Enter the recipient status code from the list of Recipient Status codes. If income code 42 (earnings as an artist or athlete—no central withholding agreement) or 43 (earnings as an artist or athlete—central
withholding agreement) is used in box 1, use recipient code 22 (artist or athlete) instead of recipient code 16 (individual), 15 (corporation), or 08 (partnership QDD). If you are making a payment to an NQI or a flow-through entity, in most cases you must use the
recipient code that applies to the type of recipient who receives the income from the NQI or flow-through entity. Use recipient code 08 (partnership QDD) only if you are reporting a payment of income that is effectively connected with the conduct of a trade or
business of an NWP in the United States or that is subject to reporting under section 1446(f). You may, however, use recipient code of recipient code with respect to a payment made to an NWP. See the instructions later for use of recipient codes when reporting pools. Otherwise, follow
the rules that apply to payments to flow-through entities. Use recipient code 21 (unknown recipient or you cannot determine how much of a payment is reliably associated with a specific recipient, or you pay an amount realized subject to section 1446(f)
withholding to an NQI and you do not agree with the NQI to report the NQI's account holders on Form 1042-S. Do not use this code because you cannot determine a recipient's status when a withholding agent does not have
the necessary information. Use recipient code 13 (qualified securities lender—qualified intermediary) or 14 (qualified securities lender—other) if you make a payment to a QSL. Only a QI may use recipient codes 29 (PAI withholding rate pool—exempt organizations). Only a QI, WP, or WT that made a pooled
reporting election for chapter 3 purposes may use recipient codes 31 (agency withholding rate pool—exempt organization), 27 (withholding rate pool—exempt organization), 27 (withholding rate pool—exempt organization), 27 (withholding rate pool—exempt organization), 28 (withholding rate pool—exempt organization), 29 (withholding rate pool—exempt organization), 29 (withholding rate pool—exempt organization), 20 (w
holders that have claimed an exemption based on their tax-exempt status and not some other exemption (for example, treaty or other Internal Revenue Code exception). A QI acting as a QDD, WP, WT, or QSL using a chapter 3 pooled reporting code with
respect to a payment, do not include a chapter 4 status code unless making such payment to a PAI or certain partnerships or trusts. See Amounts Paid to PAIs and 
the payment. A U.S. withholding agent making a payment to any other QI (other than a disclosing QI) should use recipient code 05 (U.S. branch—treated as U.S. person) if you make a payment to a U.S. branch or territory FI treated as a U.S.
person. A chapter 4 status code is required only if the payment is a withholding rate pool of U.S. payees. The chapter 4 status code may be determined under the applicable IGA by a withholding agent that is an FFI subject to such an
agreement. The following special instructions apply for chapter 4 status codes. If you are making a withholdable payment to a U.S. branch of an FFI, use the applicable chapter 4 status code for the country of residence for an entity that is a participating FFI or registered deemed-compliant FFI. Otherwise, use the chapter 4 status code for the country of residence for an entity that is a participating FFI or registered deemed-compliant FFI. Otherwise, use the chapter 4 status code for an entity that is a participating FFI or registered deemed-compliant FFI.
foreign branch of the entity that is a participating FFI or registered deemed-compliant FFI. Only use recipient code 15 (nonparticipating FFI) or 30 (recalcitrant account holder) if you are reporting the chapter 4
reporting pools of recalcitrant account holders of a participating FFI, registered deemed-compliant FFI, or QI, use codes 42 through 49. Only use chapter 4 reporting pool code 48 (U.S. payees pool) if a participating FFI or registered deemed-compliant FFI or re
holder in a withholding rate pool of U.S. payees and that is associated with a withholding rate pool of U.S. payees. Only use chapter 4 reporting pool code 49 (QI-recalcitrant pool—general) if you are reporting recalcitrant account holders of a QI. Use recipient
code 17 (U.S. branch—treated as U.S. person) if you are making a payment to a U.S. person (or recipient code 26 (excepted NFFE—other) if you are reporting to an NFFE treated as a U.S. person. Only use recipient code 29 (unknown recipient) if you have not
received a withholding certificate or other documentation with respect to a withholdable payment from an intermediary or a flow-through entity. Only use this code if you also used recipient code 21 (unknown recipient) as the chapter 3 status code. If you have not received a withholding certificate or other documentation from an intermediary or a
flow-through entity, you must include the entity's information in boxes 15a through 15i. You may also use recipient to a recip
(for example, an undocumented individual with no U.S. indicia). Use recipient code 33 (U.S. reportable account under the terms of a Model 1 IGA and the recipient does not meet the applicable requirements to be included in a pool of U.S. pavees because the account holder is
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