

MEMO# 9700

February 20, 1998

IRS RELEASES DRAFT FORM W-8 WITHHOLDING CERTIFICATE

[9700] February 20, 1998 TO: TAX MEMBERS No. 8-98 OPERATIONS MEMBERS No. 6-98
TRANSFER AGENT ADVISORY COMMITTEE No. 9-98 RE: IRS RELEASES DRAFT FORM W-8
WITHHOLDING CERTIFICATE

The Internal Revenue Service has released in draft form for public comment proposed new withholding certificates for foreign investors (IRS Announcement 98-15, attached). Specifically, IRS has released proposed new Forms W-8 (Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding), W-8A (Foreign Person's Claim of Income Effectively Connected With the Conduct of a Trade or Business in the United States), W-8B (Certification for United States Tax Withholding for Foreign Governments and Other Foreign Organizations) and W-8C (Certificate of Intermediary for United States Tax Withholding). The proposed new Form W-8 would be used by fund shareholders to establish foreign status, to establish beneficial ownership and, if applicable, to claim reduced withholding rate benefits provided by treaty. Among other things, the new form provides six separate treaty benefit certifications that may be made, including that the payee is a resident of a particular country for treaty purposes. IRS has asked that all comments on the proposed draft forms be received by April 8, 1998. Please contact the undersigned (at 202-326-5832) by March 16 if you have any comments that you would like included in an Institute comment letter on these forms. Keith D. Lawson Associate Counsel Attachment Note: Not all recipients of this memo will receive an attachment. If you wish to obtain a copy of the attachment referred to in this memo, please call the Institute's Library Services Division at (202)326- 8304, and ask for this memo's attachment number: 9700.