

MEMO# 10531

December 3, 1998

IRS RELEASES NEW FORM W-8 WITHHOLDING CERTIFICATE

[10531] December 3, 1998 TO: OPERATIONS MEMBERS No. 35-98 TAX MEMBERS No. 42-98
TRANSFER AGENT ADVISORY COMMITTEE No. 82-98 RE: IRS RELEASES NEW FORM W-8
WITHHOLDING CERTIFICATE

The Internal Revenue Service ("IRS") has released the attached Form W-8BEN, and instructions, that will be used by fund shareholders to establish foreign status, to establish beneficial ownership of income and, if applicable, to claim reduced withholding tax benefits provided by treaty. The IRS also has released new Forms W-8ECI (Certificate of Foreign Person's Claim for Exemption From Withholding on Income Effectively Connected With the Conduct of a Trade or Business in the United States), W-8IMY (Certificate of Foreign Intermediary, Foreign Partnership, or Certain U.S. Branches for United States Tax Withholding) and W-8EXP (Certificate of Foreign Government or Other Foreign Organization for United States Tax Withholding). The new Form W-8 withholding certificates, which will replace current IRS Forms W-8, 1001, 4224 and 8709 ("existing certificates"), were issued in connection with final withholding tax regulations that will apply to certain U.S. source income paid to foreign persons after December 31, 1999. Under transition rules provided in the attached IRS Notice 98-16 (April 13, 1998): (1) existing certificates that were valid on January 1, 1998 and expire during 1998 may be treated as valid until December 31, 1998, (2) existing certificates that 1 For example, if an existing Form W-8 was valid on January 1, 1998 and expires on December 15, 1998, it may be treated as valid until December 31, 1998 and may be replaced with either (1) an existing Form W-8 certificate that would remain valid until December 31, 2000 or (2) a new Form W-8BEN that generally would remain valid until December 31, 2001, assuming no change in circumstances that would make the information provided on the existing Form W-8 or new Form W-8BEN incorrect. expire in 1999 will not be valid after their expiration and (3) existing certificates that are valid on December 31, 1999 may be treated as valid until the earlier of their expiration or December 31, 2000.1 Deanna J. Flores Assistant 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: 10531.