

W-8BEN Form – Frequently Asked Questions

Why am I being asked to complete this form?

All Non US Persons are subject to US tax at a rate of 30% on income they receive from US sources, such as dividends on US securities. If you reside in a country that has a **double taxation treaty** agreement with the US, you can avail of a reduced rate of tax deducted, generally 15%. This US tax is also charged on sales of US securities for Non US Persons at a rate of 30%. For a person residing in a country, that has a **double taxation treaty** agreement with the US, the rate of tax is reduced to 0%. Ireland, the United Kingdom and most other EU countries are among the countries that have a double taxation treaty with the US. *(Full list available from www.irs.gov)*

To avail of this reduced rate of tax, we must ask clients to complete a US tax form (W-8BEN), also known as a 'Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding'. The purpose of the form is to "certify" the country you live in and to confirm you are not resident in the United States.

A Form W-8BEN provided by a Non US person will remain valid for a period starting on the date the form is signed and ending on the last day of the third succeeding calendar year, unless a change in circumstances makes any information on the form incorrect. For example, a Form W-8BEN signed on September 30, 2017, remains valid through to and including December 31, 2020.

How is the tax on US Dividends paid?

Tax on US dividends (commonly known as dividend withholding tax) is deducted at source; therefore it is paid before you receive the dividend. For example, if you are due a dividend of \$10, the amount you will be paid by Davy will be either \$7 (\$10 less 30% if you do not have a valid W-8BEN on file) or \$8.50 (\$10 less 15% if we do have a valid W-8BEN on file).

This is a joint account do we need to complete separate forms?

Yes, both account holders must complete and return separate W-8BEN forms.

What will happen to the form once I complete it and return it to Davy?

We will update your client file to record the information supplied on the W-8BEN form. We will retain the original form here, as we are not required to send a copy to the US or Irish tax authorities. However, we are required to have the forms available for inspection by our auditors.

What will happen if I do not complete and return the W-8BEN form?

In order to satisfy the US tax authorities that we are deducting the correct rate of tax from US dividends, we are required to have a form from you. If you do not return a W-8BEN form to us, we will be required to deduct US tax at the highest rate specified on dividends received on US securities and sales of US securities instructed by you.

Why do I need to complete this form, I am already supplying a certified copy of my passport or driving licence?

Your passport/driving licence is required to satisfy our Central Bank of Ireland's anti money laundering regulations to establish the identity of potential clients. Your passport or driving licence do not necessarily provide up to date information about the country you are ordinarily resident in, for example, you may hold an Irish passport but live in the United Kingdom.

Explanation of some of the terms used on the W-8BEN Form

US Person:

For the purposes of the form, this is someone whose normal place of residence is the United States and is required to file a tax return in the US.

Beneficiary:

For this purpose of tax being charged on US dividends, the beneficiary is the person who is entitled to the benefit of the dividend income received. Usually this is the person named on the account, but in some cases accounts are opened for the benefit of others such as Trusts or Corporate Accounts.

For more information regarding Form W-8BEN, please log on to www.irs.gov or contact our Client Data Management Team on +353 1 6149028.

Completing the W-8BEN Form

Part I: Identification of Beneficial Owner

- Line 1.
Name of individual that is the beneficial owner of the securities
Enter your name.
- Line 2.
Country of citizenship
Enter your country of citizenship.
- Line 3.
Permanent residence address
Your permanent residence address is the address in the country where you claim to be a resident for purposes of that country's income tax.
- Line 4.
Mailing address (if different from above)
Enter your mailing address only if it is different from the address you show on line 3.
- Line 6.
Foreign tax identifying number
Enter your resident tax identifying number eg PPSN.
- Line 8.
Date of Birth
Enter your date of birth.

Part II: Claim of Tax Treaty Benefits

- Line 9.
I certify that
9: Enter the country where you are tax resident
This section is mandatory, the form is invalid if this section is not completed.

Part III: Certification

- Sign and date this section*
- Capacity in which acting
If you are an authorised signatory, please complete this section, if you are signing on behalf of yourself this section does not apply.

Full Instructions for this form can be downloaded from www.irs.gov

Form **W-8BEN**

(Rev. July 2017)

Department of the Treasury
Internal Revenue Service

Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding and Reporting (Individuals)

- ▶ For use by individuals. Entities must use Form W-8BEN-E.
- ▶ Go to www.irs.gov/FormW8BEN for instructions and the latest information.
- ▶ Give this form to the withholding agent or payer. Do not send to the IRS.

OMB No. 1545-1621

Do NOT use this form if:

- You are NOT an individual W-8BEN-E
- You are a U.S. citizen or other U.S. person, including a resident alien individual W-9
- You are a beneficial owner claiming that income is effectively connected with the conduct of trade or business within the U.S. (other than personal services) W-8ECI
- You are a beneficial owner who is receiving compensation for personal services performed in the United States 8233 or W-4
- You are a person acting as an intermediary W-8IMY

Instead, use Form:

Note: If you are resident in a FATCA partner jurisdiction (i.e., a Model 1 IGA jurisdiction with reciprocity), certain tax account information may be provided to your jurisdiction of residence.

Part I Identification of Beneficial Owner (see instructions)

1 Name of individual who is the beneficial owner		2 Country of citizenship	
3 Permanent residence address (street, apt. or suite no., or rural route). Do not use a P.O. box or in-care-of address.			
City or town, state or province. Include postal code where appropriate.		Country	
4 Mailing address (if different from above)			
City or town, state or province. Include postal code where appropriate.		Country	
5 U.S. taxpayer identification number (SSN or ITIN), if required (see instructions)		6 Foreign tax identifying number (see instructions)	
7 Reference number(s) (see instructions)		8 Date of birth (MM-DD-YYYY) (see instructions)	

Part II Claim of Tax Treaty Benefits (for chapter 3 purposes only) (see instructions)

9 I certify that the beneficial owner is a resident of _____ within the meaning of the income tax treaty between the United States and that country.

10 Special rates and conditions (if applicable—see instructions): The beneficial owner is claiming the provisions of Article and paragraph _____ of the treaty identified on line 9 above to claim a _____ % rate of withholding on (specify type of income): _____

Explain the additional conditions in the Article and paragraph the beneficial owner meets to be eligible for the rate of withholding: _____

Part III Certification

Under penalties of perjury, I declare that I have examined the information on this form and to the best of my knowledge and belief it is true, correct, and complete. I further certify under penalties of perjury that:

- I am the individual that is the beneficial owner (or am authorized to sign for the individual that is the beneficial owner) of all the income to which this form relates or am using this form to document myself for chapter 4 purposes,
 - The person named on line 1 of this form is not a U.S. person,
 - The income to which this form relates is:
 - (a) not effectively connected with the conduct of a trade or business in the United States,
 - (b) effectively connected but is not subject to tax under an applicable income tax treaty, or
 - (c) the partner's share of a partnership's effectively connected income,
 - The person named on line 1 of this form is a resident of the treaty country listed on line 9 of the form (if any) within the meaning of the income tax treaty between the United States and that country, and
 - For broker transactions or barter exchanges, the beneficial owner is an exempt foreign person as defined in the instructions.
- Furthermore, I authorize this form to be provided to any withholding agent that has control, receipt, or custody of the income of which I am the beneficial owner or any withholding agent that can disburse or make payments of the income of which I am the beneficial owner. **I agree that I will submit a new form within 30 days if any certification made on this form becomes incorrect.**

Sign Here ▶

Signature of beneficial owner (or individual authorized to sign for beneficial owner) Date (MM-DD-YYYY)

Print name of signer Capacity in which acting (if form is not signed by beneficial owner)