

Lesson 2 - 8233 Walkthrough Part 2

Line 2 is for a U.S. taxpayer identification number or TIN. Individuals completing Form 8233 must furnish a U.S. TIN. In most cases, they will enter their Social Security Number or SSN on Line 2. If they do not have an SSN or are not eligible for one, they must request and enter their Individual Taxpayer Identification Number or ITIN. For those individuals who have applied for either SSN or ITIN and have not yet received one, they can attach a copy of their completed request on Form W-7, the application for an ITIN from the IRS, or SS-5, the application for a social security card from Social Security Administration, evidencing that they have applied for a U.S. TIN.

One important note here on ITINs issued after December 31, 2012. Generally, these ITINs will remain in effect as long as the individual to whom the ITIN was issued filed a tax return in the United States at least one time in the last three years. Otherwise, the ITIN will expire at the end of the third consecutive tax year in which the individual did not file a tax return. For ITINs issued prior to January 1, 2013, they will begin to expire according to an annual schedule posted by the IRS. As an example, ITINs issued in 2008 expired on December 31, 2017. ITINs issued in 2009 and 2010 expired on December 31, 2018. ITINs issued in 2011 and 2012 expired on December 31, 2019. Because of these expirations, it is important for withholding agents and individuals to confirm that ITINs are still valid and not expired. For more information please visit the IRS website.

2 U.S. taxpayer identification number
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Next, Line 3 is for the non-U.S. or foreign TIN. If the country of residence of the individual completing Form 8233 has issued a TIN, then the individual would enter it here. Each country issuing TINs may have different terminology. As an example, a resident of Canada would enter a or SIN.

Line 4 is a familiar one for us. It is the permanent residence address of the individual. Here, we have instructions that the permanent residence address is the country in which the individual claims to be a resident for income tax purposes in that country. For this Form 8233, the individual must determine his or her residency in the manner required by the treaty. This is a very complicated determination, so these folks should consult with a legal or tax professional.

Now, the individual must not enter the address of a financial institution, a post office box, or an address used solely for mailing purposes. We learned in our lesson on Form W-8BEN that these addresses are not permanent residence addresses for an individual or human. Individuals that do not have a tax residence in any country would enter the address where they normally reside.

As we have been learning, most tax treaties with provisions for students, trainees, teachers, and researchers require that the individual must be a resident of that country at the time of, or immediately before, entry to the United States. Generally, a student or researcher can claim the withholding exemption even if he or she is no longer has a permanent residence address in the treaty country after entry to the United States. This is likely because the individual has moved to the United States and left his or her home country. In this instance, it would be acceptable for an individual to enter a U.S. permanent residence address on Line 4. This would not preclude the individual from being eligible for any withholding exemptions as long as he or she still meets all other conditions required by the tax treaty. The corresponding information to this Line 4 is found in Lines 12a and 13b. On those lines, the individual will indicate the tax treaty country of which he or she was a resident at the time of, or immediately before, he or she entered the United States – but we will see those lines in just a bit.

4 Permanent residence address (street, apt. or suite no., or rural route). Do not use a P.O. box.	
City or town, state or province. Include postal code where appropriate.	Country (do not abbreviate)

Line 5 is for the individual to enter his or her address while in the United States. One interesting note here is that the individuals are not allowed to use a P.O. box. This is because of the same

reason we remember from the permanent residence address line. The individual cannot live at a P.O. box in the United States, so he or she must include an actual street address.

5 Address in the United States (street, apt. or suite no., or rural route). **Do not use a P.O. box.**

City or town, state, and ZIP code
