

Lesson 4: Form 8966 Walkthrough Part 2

Next, the filer will check a box if the Form 8966 is a corrected report, amended report, or voided report. These first three boxes will be used only in the case where the filer submitted an original Form 8966 and now is correcting, amending, or voiding that original file.

You will also notice a check box for no accounts to report. Sometimes we call these filings or submissions with nothing to report a 'nil report' or 'nil return.' It is basically telling the IRS or tax authorities exactly that – that the file does not have anything to report. Some countries or jurisdictions require nil reports from their filers. Under chapter 4, Direct Reporting NFFEs or Sponsoring Entities reporting on behalf of a Sponsored Direct Reporting NFFE that has no substantial U.S. owners to report during the calendar year, will check this box and complete Part 1 of Form 8966 only.

For all other chapter 4 filers, this checkbox for nothing to report is optional.

Check if report is being corrected, amended, voided, or there are no accounts to report:

Corrected report Amended report Voided report Check if no accounts to report (see instructions)

Okay, now we can dig into the meat of the form. First, in Part 1, we have Identification of the filer. This is sort of similar to the Form 1042 and 1042-S where we have the withholding agent information or on the Forms 1099 where we have the payor information. Part 1 is used to provide identifying information about the filer of Forms 8966. All filers must complete Part 1 Lines 1a through 3c. We will talk about those in just a minute. For the remaining Lines 4 through 10, filers complete those as required by the instructions. Let's walk through those lines.

Part I **Identification of Filer**

Line 1a is pretty straightforward and one we have seen on every form. This is where the filer enters its name. Forms 8966 prepared for Direct Reporting NFFEs will reflect the name of the Direct Reporting NFFE on this line and provide the information on Lines 1a through 3c for that Direct Reporting NFFE. Similarly, a Sponsoring Entity or trustee that has agreed to assume the

reporting obligations of a Sponsored FFI, a Sponsored Direct Reporting NFFE, or Trustee-Documented Trust must identify itself as filer and provide its identifying information on lines 1a through 3c.

We will talk more about the information for Sponsored FFIs, Sponsored Direct Reporting NFFEs, and Trustee-Documented Trusts which are identified on Line 6.

1a Name of filer

Line 1b is sort of similar to the Form 1042-S withholding agent chapter 3 and chapter 4 codes. Here, the filer only has one filer category that is two digits and it will enter the code here on Line 1b in the two boxes.

The filer codes are based on the types of persons that will be required to file Forms 8966. We talked about most of them a bit ago when we mentioned the handy IRS table of filers and the sections they need to complete on this form. Let's talk about the filer codes for a moment. Don't worry about trying to remember these codes. They can be found in the instructions to the form!

Filer Code 01 is for Participating FFIs that are not Reporting Model 2 FFIs. Reporting Model 2 FFIs have their own code. Filer Code 01 is also for all branches, including a U.S. branch, of PFFIs that are not treated as U.S. persons.

Filer Code 02 is for Registered Deemed Compliant FFIs

Filer Code 03 is for Limited Branches, Limited FFIs, and related entities or branches.

Filer Code 04 is for Reporting Model 2 FFIs.

Filer Code 05 is for our Qualified Intermediaries, Withholding Partnerships, and Withholding Trusts.

Filer Code 06 is for Direct Reporting NFFEs.

Filer Code 07 is for Sponsoring Entities of Sponsored FFIs.

Filer Code 08 is for Sponsored Entities of Sponsored Direct Reporting NFFEs.

Filer Code 09 is for Trustees of a Trustee Documented Trusts.

Filer Code 10 is for Withholding Agents. This includes U.S. branches of Participating FFIs, Reporting Model 1 FFI, Reporting Model 2 FFIs, Registered Deemed Compliant FFIs treated as U.S. persons, U.S. Branches of Reporting Model 1 FFIs, all other Registered Deemed Compliant FFIs, and Limited FFIs that are not treated as U.S. persons.

And finally, Filer Code 11 for Territory Financial Institutions treated as U.S. persons.

1b Enter the filer category (see instructions) ►

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Next, we have Lines 2 through 3c. This is where the filer enters its mailing address, country, and postal code. Filers that are Participating FFIs will provide the mailing address of the office or branch that maintains the account that they are reporting in Part II of this form. If the post office does not deliver to a street address and the filer has a post office box number then the filer may enter a post office box number instead of a street address. You will remember that many forms prohibit the use of a PO Box as a residence address. Here the instructions are telling us that a PO Box is permitted as a filer address on Form 8966.

One interesting item to note is that each of the parts of the address are parsed, whereas on the Form 1099, there is one big textbox. This is likely due to the way the IRS accepts and exchanges information with other countries under chapter 4 or FATCA and the CRS. XML files work better for querying and analysis when the information is parsed rather than all together in one big text box.

3a City or town	3b State, province, or region	3c Country, including postal code
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Line 4 is for the Global Intermediary Identification Number or GIIN of the filers. Generally, most filers will have a GIIN that the IRS assigned to it when it registered as an FFI. Similar to the name and address instructions, filers should use the GIIN of the branch of an FFI that maintains the account. Filers that are Direct Reporting NFFEs enter their own GIIN, regardless of whether or not the account is maintained by a branch. For Sponsoring Entities or trustees filing Form 8966 on behalf of Sponsored FFIs, Sponsored Direct Reporting NFFEs, or Trustee-Documented Trusts, they would enter the GIIN of the Sponsoring Entities or trustees.

Sponsoring Entities should enter their own GIIN in this capacity and not a separate GIIN that it might receive when registering as a Participating FFI or Registered Deemed Compliant FFI. This might happen when an FFI registers itself as a Participating FFI and then agrees to be a sponsoring entity for another FFI. In that case it would have to register again and separately as a Sponsoring Entity. So, on Form 8966 when filing on behalf of the Sponsored Entity, it would enter the GIIN that it received when it registered as a Sponsoring Entity. Similarly, a trustee should enter the GIIN that it receives when it registers to act as a trustee of a Trustee-Documented Trust, not a separate GIIN that it might have received when it registered itself as a Participating FFI or Registered Deemed Compliant FFI.

4 Global intermediary identification number (GIIN)																	
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