

DOING BUSINESS WITH A FOREIGN VENDER

What is a W-8 Form?

Form W-8 is filled out by foreign entities (citizens and corporations) in order to claim exempt status from certain tax withholdings. The form is used to declare an entity's status as non-resident alien or foreign national who works outside of the United States. There are many different types of W-8 forms. The most commonly used forms the District will be utilizing are the W-8BEN and W-BEN-E.

The W-8BEN form is to be used if you are doing business with an individual. The W-8-BEN-E form is to be used if you are doing business with an entity such as a corporation.

The W-8 is required as part of the purchase requisition process. It must be filled out before work begins, and submitted with other backup, such as contracts, in order for a requisition to be processed.

If you have any questions regarding contracting with a Foreign Vendor, please contact General Services.

For an Individual use the following Form;

W-8BEN: <http://www.irs.gov/pub/irs-pdf/fw8ben.pdf>

** When using a W-8BEN if service is **in the United States** the Vendor is subject to 30% back up withholding to the IRS.

For an Entity use the following Form;

W-BEN-E: <http://www.irs.gov/pub/irs-pdf/fw8bene.pdf>

** When using a W-8BEN-E if service is **in the United States** the Vendor is subject to 30% back up withholding to the IRS.

Preparing the Requisition

Once the appropriate backup has been received, General Services will provide a G# for the individual or entity to the requisitioner.

The requisitioner should include the following information in the item text of the requisition:

“100% of the services provided under this agreement will be performed in countries outside the United States”

Other types of W-8's

If you receive other types of W-8's please forward a copy to General Services who will coordinate with Accounting to determine whether it is acceptable.