

Filers of Form 8233, Exemption From Withholding on Compensation for Independent Personal Services of a Nonresident Alien Individual

Announcement 96-44

Under Internal Revenue Code section 1441, payments made to nonresident alien independent contractors, students, professors, teachers, and researchers are normally subject to 30% Federal income tax withholding. However, some payments may be exempted from withholding because of a tax treaty or the personal exemption amount. Form 8233 is used to establish that the amounts concerned qualify for the exemption from withholding.

Form 8233 is being revised and should be available by January 1997. Until then, filers can still apply for exemption from withholding using the current Form 8233 (Rev. April 1993) that has an (OMB) expiration date of April 30, 1996. You can order Form 8233 by calling 1-800-TAX-FORM (1-800-829-3676).