

Form W-8BEN-E – Guidance and Frequently Asked Questions

Frequently Asked Questions

Why am I being asked to complete this form?

The Form W-8BEN-E reflects changes made by the Foreign Account Tax Compliance Act (FATCA) and is for use by beneficial owners that are entities (i.e. not individuals).

All Non US entities are subject to US tax at a rate of 30% on income they receive from US sources, such as dividends on US securities. As Ireland has a double tax treaty with the US, Irish companies can avail of a reduced rate of withholding tax.

A Form W-8BEN-E 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.

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 the company receives the dividend. If the company has completed a W-8BEN-E the rate at which tax is withheld is lower.

How many directors of the company must complete and sign the W-8BEN-E form?

Just one director needs to complete and sign the form on behalf of the company.

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

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

What will happen if I do not complete and return the W-8BEN-E 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-E form to us, US tax will be deducted at the highest rate specified on dividends received on US securities and sales of US securities instructed by you.

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

Beneficiary: For this purpose of tax being charged on US dividends, the beneficiary is the entity that is entitled to the benefit of the dividend income received.

Active NFFE: A foreign entity that is not a financial institution, whose gross income comes more than 50% from non-passive sources and more than 50% of its assets are held for the production of non-passive income. This will be the most common choice, i.e. a normal nonfinancial foreign operating company.

Passive NFFE: Effectively the same as an Active NFFE but where *either* gross income comes more than 50% from passive sources *or* more than 50% of assets are held for the production of passive income.

Passive income: Includes dividends, interest, rents, royalties, annuities, and certain other forms of passive income.

For more information regarding Form W-8BEN-E, please visit www.irs.gov.

Completing the W-8BEN-E Form

The W-8BEN-E must be printed single-sided.

Page 1

Part I: Identification of Beneficial Owner

Line 1.

Name of the Account
Enter the Company Name

Line 2.

Country of incorporation or organisation
Enter relevant answer

Line 3.

Name of disregarded entity receiving the payment (if applicable)
Leave blank

Line 4.

Chapter 3 Status
Tick relevant box (e.g. Corporation for company status) – one box only

Line 5.

Chapter 4 Status
Tick the relevant Status – usually either Active NFFE or Passive NFFE. These terms are explained in sections 39 & 40a of the W-8BEN-E form.

Line 6.

Permanent residence address
The company's registered address.

Line 7.

Mailing address
The company's mailing address (if different).

Go to page 2

Part III: Claim of Tax Treaty Benefits

Line 14.

a. *Tick box and enter appropriate country name.*
b. *Tick box*

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Part XXV or Part XXVI

Tick the relevant box/boxes

Go to page 8

Part XXIX

Sign, print name, input date in US format.
Tick the box ("I Certify that I have...")