



TaxNewsFlash

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Corrections to regulations on withholding, information reporting, backup withholding

The U.S. Treasury Department and IRS today released for publication in the Federal Register “correcting amendments” to regulations released in late December 2016 concerning withholding tax on certain U.S. source income paid to foreign persons; information reporting and backup withholding on payments made to certain U.S. persons; and portfolio interest treatment regulations relating to information reporting by foreign financial institutions and withholding on certain payments to foreign financial institutions and other foreign entities.

Read the [corrections](#) [PDF 246 KB] to the regulations.

Background

In late December 2016, [regulations](#) [PDF 522 KB] (T.D. 9808) were released for publication in the Federal Register.

These regulations specifically concern withholding of tax on certain U.S. source income paid to foreign persons; information reporting and backup withholding with respect to payments made to certain U.S. persons; and portfolio interest paid to nonresident alien individuals and foreign corporations, and including temporary regulations providing additional rules under chapter 3 of the Code.

Corrections and clarifications

The preamble to today’s release explains that T.D. 9808 contained “a number of items that needed to be corrected or clarified.” In general, the formal rules set out in these regulations conform to guidance that has been previously released in IRS notices.

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