



# TaxNewsFlash

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## KPMG report: Origin of the qualified intermediary (QI) program

In the 1990s, the IRS acknowledged that sophisticated tax avoidance schemes and administrative burdens had resulted in extensive noncompliance, causing the withholding system to fall short of its goals. The IRS sought to revamp the system by standardizing and simplifying the reporting process, but needed to guarantee that responsible entities would be fully aware of their obligations and equipped to handle their compliance burdens. Thus, the qualified intermediary (QI) program was born.

Read an [August 2023 report](#) [PDF 209 KB] prepared by KPMG LLP that reviews the developments that led to the emergence of the program and the creation of the QI agreement: *Back to Basics: The Origin of the Qualified Intermediary Program*

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