

NIREIN FAQ's

What does NIREIN stand for?

Northern Illinois Real Estate Information Network (NIREIN). The mission of NIREIN is to service you and the consumer with the most unique and creative real estate opportunities available.

What is NIREIN?

NIREIN is a real estate referral and holding company in the State of Illinois whose purpose is to hold real estate licenses. It is a wholly owned subsidiary of the Chicago Association of REALTORS® meant as a service to our member brokers who do not have access to a holding company of their own. While in the holding company licensees no longer have to pay state, national, or local dues. However, they are no longer able to practice real estate, but instead work on a referral basis only. Placing an agent's license in NIREIN takes their license out of active REALTOR® practice.

If my license is in a holding company, do I still need to take CE courses?

Yes. Although you are unable to actively practice real estate while in a holding company, you still need to maintain an active license to refer transactions and receive compensation for it.

Will I still have access to the MLS/MRED service?

No. Once in holding you are no longer a REALTOR® and lose the benefits of being a REALTOR® such as having access to the MLS/MRED service.

What is the referral process?

- The referral is given to the Designated Managing Broker of NIREIN, who is currently Dave Naso.
- Dave will then find an agent to represent the customer unless the agent already has someone in mind they want the referral to go to.
- Dave will negotiate a referral fee with the agent and once accepted the referral information is given to that agent.
- Once the transaction has closed, the negotiated referral fee will be split between the agent being sponsored by NIREIN and NIREIN. Please refer to our Independent Contractor Agreement for this commission split.

What is the process for when I want to transfer my license to another broker?

The process is the same as with any broker. Upon request, your license will be signed off on and given to you via email.

Can I work for my current managing broker while I have my license on hold with NIREIN?

The License Act does not allow for a licensed agent to work for more than one managing broker at the same time. Therefore, you will only be able to work under your current managing broker or have your license with NIREIN.

How do I join?

In order to join NIREIN, send the following items to NIREIN by uploading these documents to www.chicagorealtor.com/upload.

- 1) Signed Independent Contractor Agreement (located below)
- 2) Completed Information Form (located below)
- 3) If you are applying for your license, please submit a copy of your AMP/PSI Scorecard which indicates you passed the Illinois licensing exam.
- 4) If you are currently sponsored, please provide a copy of your signed off license or proof of termination from IDFPR's online portal. Should signed off license or proof of termination not be available, please provide written explanation as to why not.
- 5) Include credit card information for appropriate fees to NIREIN.
- 6) Once your NIREIN application is processed, you will receive a welcome email from NIREIN confirming sponsorship and giving you permission to complete the next steps with IDFPR. Be prepared to submit payment to IDFPR for appropriate fees: if currently being sponsored and you are in good standing, the cost should be \$25 to transfer your license. If you have not yet been sponsored, the cost will be \$125. To confirm the amount that you owe, please contact IDFPR at 800.560.6420.

Should you have any questions, please contact Membership at 312.803.4900.

APPLICATION PACKAGES WHICH DO NOT INCLUDE THE ITEMS ABOVE WILL NOT BE PROCESSED.

Information Form

Please provide your information below for proper license processing and record keeping.

Name: _____

Member ID#: _____

Current Company you are with: _____

Do they have a holding company of their own? Yes No

Your Current Address: _____

Social Security # _____

License # _____

Contact phone #s: _____

Home: _____

Cell: _____

Work: _____

Fax: _____

E-mail: _____

REAL ESTATE BROKER INDEPENDENT CONTRACTOR AGREEMENT

This **REAL ESTATE BROKER INDEPENDENT CONTRACTOR AGREEMENT** is dated as of the ____ day of _____, 20__ ("**Effective Date**"), and is by, between, and among the **Northern Illinois Real Estate Information Network**, an Illinois corporation and wholly-owned subsidiary of the Chicago Association of Realtors® ("**NIREIN**"); and _____ ("**Broker**") (NIREIN and Broker are sometimes hereinafter collectively referred to as the "**Parties**").

IN CONSIDERATION OF the recitals and the mutual covenants and agreements set forth herein, and pursuant to the powers and authority set forth in the Real Estate License Act of 2000, as amended, 225 ILCS 454/1 *et seq.* ("**License Act**"), and all other applicable laws, the Parties agree as follows:

Section 1. Recitals.

A. NIREIN is a duly licensed "Sponsoring broker" as that term is defined by, and pursuant to, the provisions and conditions of the License Act.

B. Broker is a duly licensed "Broker" as that term is defined by, and pursuant to, the provisions and conditions of the License Act.

C. Broker has no current employment with, or sponsorship by, any other broker, and Broker desires to be sponsored by and associated with NIREIN as an independent contractor in order to continue to participate in real estate activities on a limited basis as authorized under the License Act and as provided in this Agreement.

D. NIREIN desires to enter into this Agreement with Broker to provide for, among other things, the establishment of Broker's association with, and sponsorship by, NIREIN, and the financial terms pursuant to which NIREIN will continue to sponsor Broker under the License Act in connection with the sale, rent, trade, or leasing of real estate.

Section 2. Transfer of Broker License to NIREIN.

Within 30 days after the execution of this Agreement, the Parties shall each individually and collectively, as the case may be, take all actions necessary, including specifically, but without limitation, all of the actions required pursuant to the License Act to establish Broker's association with, and sponsorship by, NIREIN.

Section 3. Broker Restrictions and Requirements.

The following restrictions shall apply from and after (i) the date on which Broker's employment and association with, and sponsorship by, any broker other than NIREIN has been terminated pursuant to the terms and conditions of this Agreement and the License Act; and (ii) the date on which Broker's association with, and sponsorship by, NIREIN has been established pursuant to the terms and conditions of this Agreement and the License Act (collectively, "**Transfer Date**"):

A. Except through NIREIN and pursuant to this Agreement, Broker shall not perform any activities or functions in connection with or related to the sale, rent, trade, or leading of real estate, including, without limitation, any personal purchase or sale real estate transaction or For Sale By Owner transactions.

B. Broker shall not perform any activities or functions on behalf of any broker other than NIREIN in connection with or related to the sale, rent, trade, or leasing of real estate.

C. Other than the compensation from NIREIN as provided in this Agreement, Broker shall not accept compensation from any other broker or real estate professional for the performance of any activities under the License Act in connection with or related to the sale, rent, trade, or leading of real estate, including, without limitation, any secretarial, computer, or any work for which federal income taxes are reported or withheld.

D. Broker shall not enjoy or utilize (i) use of the term REALTOR®; (ii) access to the office, equipment, or computer link to the Multiple Listing Service (“**MLS**”) of any broker other than NIREIN; and (iii) any other rights, privileges, or benefits obtained or held by Broker as a result of Broker’s employment and association with, and sponsorship by, any broker other than NIREIN prior to the Transfer Date.

E. Broker shall engage in real estate activities only on a limited basis and shall not be actively involved in real estate activities on a full-time basis.

F. All correspondence and forms used by Broker, or presented to clients, related to any real estate transaction under this Agreement shall be subject to NIREIN's review and approval.

G. Broker shall not use Broker's real estate license to directly list or show property for sale, rent, trade or lease. Broker shall submit to NIREIN any prospects and/or referrals for the purchase, rent, trade or lease of real estate.

Section 4. Real Estate License and Dues.

A. Broker shall pay the entire cost of Broker's Illinois license required under the License Act. Broker shall also comply with all continuing education requirements, and shall pay all costs relating to all continuing education, necessary to comply with the License Act.

B. Broker shall pay to NIREIN on the Effective Date of the Agreement and on each annual anniversary date of the Effective Date a non-refundable sponsoring broker fee (“**Sponsoring Broker Fee**”). The Sponsoring Broker Fee as of the Effective Date is \$90.00. The Sponsoring Broker Fee may be increased or decreased in NIREIN's sole discretion. Any increase or decrease shall not change Broker's obligation to pay the Sponsoring Broker Fee as provided in this Subsection.

C. Broker shall pay any fees or costs related to any associations, membership organizations or trade associations to which Broker belongs.

D. Broker shall not furnish to any person, firm, company, or corporation any information related to NIREIN's clients, customers, properties, prices, terms of negotiations, policies or relationships with clients and customers, or any other information concerning NIREIN or its business operations. Broker shall not remove from the files or from the office of NIREIN any maps, books, or publications, cards, or records, investor or prospect lists, or any other material, files or data. Broker acknowledges that these records and information are the sole property of NIREIN. NIREIN will provide Broker upon request Photostats of certain instruments pertaining to transactions in which Broker materially participated and has a bona fide interest. The terms of this Subsection shall survive the termination of this Agreement.

Section 5. Referrals and Commissions.

A. At all times after the Transfer Date, Broker shall forward to NIREIN any referral or lead that Broker obtains relating to a prospective buyer or seller of real estate, or the rental or leasing of real estate (“**Referral**”). All Referrals forwarded to NIREIN shall include as much detailed information about the Referral as is reasonably available and shall be administered in accordance with this Agreement. NIREIN may reject any Referral submitted by Broker in NIREIN's sole discretion.

B. NIREIN will pay to Broker a referral fee (“**Referral Fee**”) equal to 70 percent of the referral fee that NIREIN is entitled to and actually receives for its part in the completion of a real estate transaction resulting from a Referral (“**Real Estate Transaction**”). Subject to the provisions of this Section, the Referral Fee under this Subsection when earned and paid to NIREIN, shall be divided between NIREIN and Broker, after deduction of all expenses, as specified in this Section. NIREIN shall notify Broker of any change in the Referral Fee schedule.

C. If one or more other salespeople have agreements like this Agreement and have the right to a Referral Fee for a Referral related to a Real Estate Transaction for which Broker under this Agreement has the right to a Referral Fee, the amount of the Referral Fee for the Real Estate Transaction (50 percent), shall be

divided equally among the salespeople or as otherwise agreed by the salespeople pursuant to a written agreement with NIREIN.

D. NIREIN will not be responsible for any Referral Fee unless and until the Referral Fee that NIREIN is entitled to is actually received by NIREIN and unchallenged. NIREIN will pay Broker the Referral Fee required under this Section as soon as practicable after actual receipt by NIREIN of the Referral Fee related to the Real Estate Transaction and after the conclusion of any proceeding challenging in any way NIREIN's right to the Referral Fee related to the Real Estate Transaction.

E. The Referral Fee is subject to reduction by NIREIN in an amount necessary for NIREIN to be reimbursed for any expenses that NIREIN incurs in the collection of the commission or fee that NIREIN is entitled to with regard to any Real Estate Transaction that resulted from a Referral.

Section 6. Broker Status.

A. This Agreement does not constitute a hiring by either Party. The Parties are and shall remain independent contractors bound only by the provisions of this Agreement. This Agreement shall not be construed as a partnership, and neither Party shall be liable for any obligation incurred by the other Party except as explicitly provided in this Agreement.

B. NIREIN shall not withhold from Broker's Referral Fee any amounts for withholding or employment taxes or any other amounts except as provided in this Agreement. Broker shall not be treated as an employee for federal and state tax purposes and is responsible for the payment of any and all federal and state taxes based upon any money or value received under the terms of this Agreement. NIREIN will not make any premium payments or contributions for any workmen's compensation or unemployment compensation for or on behalf of Broker.

Section 7. Compliance.

NIREIN and Broker shall comply with all law, regulations, codes of conduct, and ethical rules applicable to real estate transactions, including, without limitation, the License Act and all rules and regulations issued under the License Act. Broker shall also specifically comply with all applicable fair housing, anti-discrimination, and anti-trust laws, rules, and regulations.

Section 8. Term; Termination; Pre-Termination Referrals.

A. Effective Date. This Agreement will be effective as of _____, 20__.

B. Term. This Agreement will continue in full force and effect from the Effective Date until terminated by either Party. Either Party may terminate this Agreement at any time with 10 days advance written notice to the other Party.

C. Upon any termination of this Agreement, NIREIN will sign off and return Broker's license to the appropriate State of Illinois agency as provided in the License Act and applicable regulations. If NIREIN has not received Broker's license upon termination of this Agreement, then NIREIN will send a "letter of termination" or other required correspondence to the appropriate State of Illinois agency as provided in the License Act and applicable regulations in order to officially notify the agency of, and to effectuate, the termination of NIREIN's sponsorship of Broker and Broker's license.

D. After any termination of this Agreement, NIREIN shall continue to own and work on any referrals that Broker has submitted to NIREIN prior to the termination of this Agreement ("***Pre-Termination Referrals***"). Broker shall provide reasonable assistance to NIREIN with regard to any Pre-Termination Referrals. Broker will be entitled to compensation pursuant to Section 5 of this Agreement with regard to Pre-Termination Referrals notwithstanding the termination of this Agreement.

E. Except for Pre-Termination Referrals under Subsection D of this Section, Broker shall not be entitled to any compensation for any real estate transactions, including, without limitation, those transactions referred to NIREIN, initiated, or completed after the termination of this Agreement.

Section 9. General NIREIN Assistance.

NIREIN shall use its good faith and best efforts to regularly inform and educate Broker regarding the benefits of generating Referrals. NIREIN also agrees to use its good faith and best efforts to regularly inform Broker regarding Broker's licensure and continuing education requirements under the License Act, regulations promulgated under the License Act, and other applicable NIREIN rules and regulations. Broker shall be responsible for compliance with all applicable licensure and continuing education requirements under the License Act, regardless of NIREIN's compliance or non compliance with this Section.

Section 10. Litigation and Defense of Agreement.

A. If, during the term of this Agreement, any lawsuits or proceedings are filed or initiated against any or all of the Parties before any court, commission, board, association, bureau, agency, unit of government or sub-unit thereof, arbitrator, or other instrumentality, that may invalidate this Agreement or materially affect or inhibit the ability of any or all of the Parties to perform their respective obligations under, or otherwise to comply with, this Agreement ("**Litigation**"), the party or parties against which the Litigation is filed or initiated shall promptly deliver a copy of the complaint or charge relating thereto to the other parties and shall thereafter keep the other parties fully informed concerning all aspects of the Litigation. Such other parties may join in the Litigation in the manner and to the extent provided by law. The Parties shall use their respective best efforts to defend against all Litigation and to otherwise defend the validity of this Agreement, and all agreements executed pursuant to this Agreement, plus every portion of any such agreement and every approval given, and every action taken, pursuant thereto.

B. If any Real Estate Transaction under this Agreement results in a dispute, litigation, or any legal expense to NIREIN ("**Dispute**"), Broker shall cooperate fully with NIREIN and NIREIN will control all actions with regard to the Dispute. Broker shall notify NIREIN immediately of any transaction in which Broker is involved and where Broker has reason to believe may result in a Dispute. NIREIN, in its sole discretion, shall determine whether any such Dispute shall be prosecuted, defended, compromised or settled, and the terms and conditions of any compromise or settlement, or whether legal expense shall be incurred with regard to the Dispute. Broker, by this Agreement, grants to NIREIN the right and power of attorney in Broker's name to institute an action on behalf of NIREIN and/or Broker in a court of competent jurisdiction concerning commissions or other matters related to the conduct of the real estate business of NIREIN or any Real Estate Transaction under this Agreement.

C. Broker will, and does hereby, release NIREIN from, and agrees that NIREIN will not be liable for, and indemnifies and holds NIREIN harmless against, any liabilities, losses, or damages, or claims therefore, arising out of the terms and conditions of this Agreement, or the performance of the rights and obligations under this Agreement ("**Covered Claims**"). If any Covered Claims are asserted, Broker will give prompt written notice to NIREIN.

Section 11. Enforcement.

It is expressly understood and agreed that each of the Parties may, in law or in equity, by suit, action, mandamus, or any other proceeding, including specifically, but without limitation, specific performance, enforce or compel the performance of this Agreement. In the event of a judicial proceeding brought by either Party against the other for enforcement or for breach of any provision of this Agreement, the prevailing party in the judicial proceeding shall be entitled to reimbursement from the unsuccessful party of all costs and expenses, including any and all attorneys fees, incurred in connection with the judicial proceeding.

Section 12. General Provisions.

A. **Notices.** All notices and other communications in connection with this Agreement shall be in writing, and any notice or other communication hereunder shall be deemed delivered to the addressee thereof

when delivered in person at the address set forth below, or three business days after deposit thereof in any main or branch United States post office, postage prepaid, properly addressed to the parties, respectively, as follows:

For notices and communications to NIREIN:

Northern Illinois Real Estate Information Network
430 North Michigan Avenue
Suite 800
Chicago, IL 60611
Attention: Dave Naso – Designated Managing Broker
dnaso@chicagorealtor.com

For notices and communication to Broker:

Name: _____
Address: _____

Email: _____

By notice complying with the foregoing requirements of this Subsection, each party shall have the right to change the address or addressee or both for all future notices and communications to such party, but not notice of a change of address shall be effective until actually received.

B. Time of the Essence. Time is of the essence in the performance of all terms and provisions of this Agreement.

C. Rights Cumulative. Unless expressly provided to the contrary in the Agreement, each and every one of the rights, remedies and benefits provided by this Agreement shall be cumulative and shall not be exclusive of any other such rights, remedies and benefits allowed by law.

D. Non-Waiver. NIREIN shall be under no obligation to exercise any of the rights granted to it in this Agreement except as it shall determine to be in its best interest from time to time. The failure of NIREIN to exercise at any time any such right shall not be deemed or construed a waiver thereof, nor shall such failure void or affect NIREIN's right to enforce such right or any other right.

E. Consents. Whenever the consent or approval of any party hereto is required in this Agreement such consent or approval shall be in writing and shall not be unreasonably withheld or delayed, and, in all matters contained herein, all parties shall have an implied obligation to reasonableness, except as may be expressly set forth otherwise.

F. Governing Law. This Agreement shall be governed by, construed, and enforced in accordance with the internal laws, but not the conflicts of laws rules, of the State of Illinois.

G. Entire Agreement. This Agreement shall constitute the entire agreement of the parties to this Agreement; all prior agreements between the parties, whether written or oral, are merged in this Agreement and shall be of no force and effect.

H. Interpretation. This Agreement shall be construed without regard to the identity of the party who drafted the various provisions of this Agreement. Moreover, each and every provision of this Agreement shall be construed as though all parties to this Agreement participated equally in the drafting of this Agreement. As a result of the foregoing, any rule or construction that a document is to be construed against the drafting party shall not be applicable to this Agreement.

I. Headings. The headings, titles, and captions in this Agreement have been inserted only for convenience and in no way define, limit, extend, or describe the scope or intent of this Agreement.

J. **Amendments and Modifications.** No modifications, addition, deletion, revision, alteration, or other change to this Agreement shall be effective unless and until such change is reduced to writing and properly executed by all parties hereto.

K. **Calendar Days and Time.** Any reference herein to “day” or “days” shall mean calendar and not business days. If the date for giving of any notice required to be given hereunder or the performance of any obligation hereunder falls on a Saturday, Sunday or Federal holiday, then said notice or obligation may be given or performed on the next business day after such Saturday, Sunday or Federal holiday.

L. **No Third Party Beneficiaries.** No claim as a third party beneficiary under this Agreement by any person, firm or corporation shall be made, or be valid, against NIREIN or Broker.

M. **Assignment.** Broker will not assign or transfer this Agreement or any rights or interests in this Agreement without the advance written consent of NIREIN.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized representatives as of the date first above written.

NIREIN

Signature: _____

Name: _____

Date: _____

BROKER

Signature: _____

Name: _____

Date: _____

NIREIN Payment Agreement

I hereby authorize Northern Real Estate Information Network (NIREIN) to charge the credit card indicated below for the appropriate NIREIN holding company fee.

NIREIN fees (prorated based on join date) are shown below:

- October - December: \$ 90.00
- January - March: \$ 67.50
- April - June: \$ 45.00
- July - September: \$ 22.50

*Note that NIREIN membership renews every October at the full annual rate.

NAME: _____

ADDRESS: _____

PHONE: _____ E-MAIL: _____

CARD TYPE: VISA / MASTERCARD / AMERICAN EXPRESS / DISCOVER EXP. DATE: _____

Credit Card #: _____

Signature

Date

Please include completed form with the NIREIN Application Package and upload to www.chicagorealtor.com/upload



NORTHERN
ILLINOIS
REAL ESTATE
INFORMATION
NETWORK

A wholly owned subsidiary of the
Chicago Association of REALTORS®

N.I.R.E.I.N.

430 N. Michigan Ave., Ste. 800

Chicago, IL 60611

T 312.803.4900

F 312.803.4905

E membership@chicagorealtor.com

Request for Taxpayer Identification Number and Certification

**Give Form to the
 requester. Do not
 send to the IRS.**

▶ Go to www.irs.gov/FormW9 for instructions and the latest information.

Print or type. See Specific Instructions on page 3.	1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.	
	2 Business name/disregarded entity name, if different from above	
	3 Check appropriate box for federal tax classification of the person whose name is entered on line 1. Check only one of the following seven boxes.	4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):
	<input type="checkbox"/> Individual/sole proprietor or single-member LLC <input type="checkbox"/> C Corporation <input type="checkbox"/> S Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Trust/estate	Exempt payee code (if any) _____
	<input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=Partnership) ▶ _____ Note: Check the appropriate box in the line above for the tax classification of the single-member owner. Do not check LLC if the LLC is classified as a single-member LLC that is disregarded from the owner unless the owner of the LLC is another LLC that is not disregarded from the owner for U.S. federal tax purposes. Otherwise, a single-member LLC that is disregarded from the owner should check the appropriate box for the tax classification of its owner.	Exemption from FATCA reporting code (if any) _____
	<input type="checkbox"/> Other (see instructions) ▶ _____	(Applies to accounts maintained outside the U.S.)
	5 Address (number, street, and apt. or suite no.) See instructions.	Requester's name and address (optional)
6 City, state, and ZIP code		
7 List account number(s) here (optional)		

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN*, later.

Note: If the account is in more than one name, see the instructions for line 1. Also see *What Name and Number To Give the Requester* for guidelines on whose number to enter.

Social security number									
-				-					
or									
Employer identification number									
-									

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
3. I am a U.S. citizen or other U.S. person (defined below); and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.

Sign Here	Signature of U.S. person ▶	Date ▶
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General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to www.irs.gov/FormW9.

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following.

- Form 1099-INT (interest earned or paid)

- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)
- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See What is backup withholding, later.

By signing the filled-out form, you:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income, and
4. Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct. See *What is FATCA reporting*, later, for further information.

Note: If you are a U.S. person and a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien;
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States;
- An estate (other than a foreign estate); or
- A domestic trust (as defined in Regulations section 301.7701-7).

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax under section 1446 on any foreign partners' share of effectively connected taxable income from such business. Further, in certain cases where a Form W-9 has not been received, the rules under section 1446 require a partnership to presume that a partner is a foreign person, and pay the section 1446 withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid section 1446 withholding on your share of partnership income.

In the cases below, the following person must give Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States.

- In the case of a disregarded entity with a U.S. owner, the U.S. owner of the disregarded entity and not the entity;
- In the case of a grantor trust with a U.S. grantor or other U.S. owner, generally, the U.S. grantor or other U.S. owner of the grantor trust and not the trust; and
- In the case of a U.S. trust (other than a grantor trust), the U.S. trust (other than a grantor trust) and not the beneficiaries of the trust.

Foreign person. If you are a foreign person or the U.S. branch of a foreign bank that has elected to be treated as a U.S. person, do not use Form W-9. Instead, use the appropriate Form W-8 or Form 8233 (see Pub. 515, *Withholding of Tax on Nonresident Aliens and Foreign Entities*).

Nonresident alien who becomes a resident alien. Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the payee has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items.

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
2. The treaty article addressing the income.
3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.
4. The type and amount of income that qualifies for the exemption from tax.
5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

Example. Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity, give the requester the appropriate completed Form W-8 or Form 8233.

Backup Withholding

What is backup withholding? Persons making certain payments to you must under certain conditions withhold and pay to the IRS 24% of such payments. This is called "backup withholding." Payments that may be subject to backup withholding include interest, tax-exempt interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, payments made in settlement of payment card and third party network transactions, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

Payments you receive will be subject to backup withholding if:

1. You do not furnish your TIN to the requester,
2. You do not certify your TIN when required (see the instructions for Part II for details),
3. The IRS tells the requester that you furnished an incorrect TIN,
4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or
5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See *Exempt payee code*, later, and the separate Instructions for the Requester of Form W-9 for more information.

Also see *Special rules for partnerships*, earlier.

What is FATCA Reporting?

The Foreign Account Tax Compliance Act (FATCA) requires a participating foreign financial institution to report all United States account holders that are specified United States persons. Certain payees are exempt from FATCA reporting. See *Exemption from FATCA reporting code*, later, and the Instructions for the Requester of Form W-9 for more information.

Updating Your Information

You must provide updated information to any person to whom you claimed to be an exempt payee if you are no longer an exempt payee and anticipate receiving reportable payments in the future from this person. For example, you may need to provide updated information if you are a C corporation that elects to be an S corporation, or if you no longer are tax exempt. In addition, you must furnish a new Form W-9 if the name or TIN changes for the account; for example, if the grantor of a grantor trust dies.

Penalties

Failure to furnish TIN. If you fail to furnish your correct TIN to a requester, you are subject to a penalty of \$50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil penalty for false information with respect to withholding. If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a \$500 penalty.

Criminal penalty for falsifying information. Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Misuse of TINs. If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

Specific Instructions

Line 1

You must enter one of the following on this line; **do not** leave this line blank. The name should match the name on your tax return.

If this Form W-9 is for a joint account (other than an account maintained by a foreign financial institution (FFI)), list first, and then circle, the name of the person or entity whose number you entered in Part I of Form W-9. If you are providing Form W-9 to an FFI to document a joint account, each holder of the account that is a U.S. person must provide a Form W-9.

a. **Individual.** Generally, enter the name shown on your tax return. If you have changed your last name without informing the Social Security Administration (SSA) of the name change, enter your first name, the last name as shown on your social security card, and your new last name.

Note: ITIN applicant: Enter your individual name as it was entered on your Form W-7 application, line 1a. This should also be the same as the name you entered on the Form 1040/1040A/1040EZ you filed with your application.

b. **Sole proprietor or single-member LLC.** Enter your individual name as shown on your 1040/1040A/1040EZ on line 1. You may enter your business, trade, or “doing business as” (DBA) name on line 2.

c. **Partnership, LLC that is not a single-member LLC, C corporation, or S corporation.** Enter the entity’s name as shown on the entity’s tax return on line 1 and any business, trade, or DBA name on line 2.

d. **Other entities.** Enter your name as shown on required U.S. federal tax documents on line 1. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on line 2.

e. **Disregarded entity.** For U.S. federal tax purposes, an entity that is disregarded as an entity separate from its owner is treated as a “disregarded entity.” See Regulations section 301.7701-2(c)(2)(iii). Enter the owner’s name on line 1. The name of the entity entered on line 1 should never be a disregarded entity. The name on line 1 should be the name shown on the income tax return on which the income should be reported. For example, if a foreign LLC that is treated as a disregarded entity for U.S. federal tax purposes has a single owner that is a U.S. person, the U.S. owner’s name is required to be provided on line 1. If the direct owner of the entity is also a disregarded entity, enter the first owner that is not disregarded for federal tax purposes. Enter the disregarded entity’s name on line 2, “Business name/disregarded entity name.” If the owner of the disregarded entity is a foreign person, the owner must complete an appropriate Form W-8 instead of a Form W-9. This is the case even if the foreign person has a U.S. TIN.

Line 2

If you have a business name, trade name, DBA name, or disregarded entity name, you may enter it on line 2.

Line 3

Check the appropriate box on line 3 for the U.S. federal tax classification of the person whose name is entered on line 1. Check only one box on line 3.

IF the entity/person on line 1 is a(n) . . .	THEN check the box for . . .
• Corporation	Corporation
• Individual • Sole proprietorship, or • Single-member limited liability company (LLC) owned by an individual and disregarded for U.S. federal tax purposes.	Individual/sole proprietor or single-member LLC
• LLC treated as a partnership for U.S. federal tax purposes, • LLC that has filed Form 8832 or 2553 to be taxed as a corporation, or • LLC that is disregarded as an entity separate from its owner but the owner is another LLC that is not disregarded for U.S. federal tax purposes.	Limited liability company and enter the appropriate tax classification. (P= Partnership; C= C corporation; or S= S corporation)
• Partnership	Partnership
• Trust/estate	Trust/estate

Line 4, Exemptions

If you are exempt from backup withholding and/or FATCA reporting, enter in the appropriate space on line 4 any code(s) that may apply to you.

Exempt payee code.

- Generally, individuals (including sole proprietors) are not exempt from backup withholding.
- Except as provided below, corporations are exempt from backup withholding for certain payments, including interest and dividends.
- Corporations are not exempt from backup withholding for payments made in settlement of payment card or third party network transactions.
- Corporations are not exempt from backup withholding with respect to attorneys’ fees or gross proceeds paid to attorneys, and corporations that provide medical or health care services are not exempt with respect to payments reportable on Form 1099-MISC.

The following codes identify payees that are exempt from backup withholding. Enter the appropriate code in the space in line 4.

- 1—An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2)
- 2—The United States or any of its agencies or instrumentalities
- 3—A state, the District of Columbia, a U.S. commonwealth or possession, or any of their political subdivisions or instrumentalities
- 4—A foreign government or any of its political subdivisions, agencies, or instrumentalities
- 5—A corporation
- 6—A dealer in securities or commodities required to register in the United States, the District of Columbia, or a U.S. commonwealth or possession
- 7—A futures commission merchant registered with the Commodity Futures Trading Commission
- 8—A real estate investment trust
- 9—An entity registered at all times during the tax year under the Investment Company Act of 1940
- 10—A common trust fund operated by a bank under section 584(a)
- 11—A financial institution
- 12—A middleman known in the investment community as a nominee or custodian
- 13—A trust exempt from tax under section 664 or described in section 4947

The following chart shows types of payments that may be exempt from backup withholding. The chart applies to the exempt payees listed above, 1 through 13.

IF the payment is for . . .	THEN the payment is exempt for . . .
Interest and dividend payments	All exempt payees except for 7
Broker transactions	Exempt payees 1 through 4 and 6 through 11 and all C corporations. S corporations must not enter an exempt payee code because they are exempt only for sales of noncovered securities acquired prior to 2012.
Barter exchange transactions and patronage dividends	Exempt payees 1 through 4
Payments over \$600 required to be reported and direct sales over \$5,000 ¹	Generally, exempt payees 1 through 5 ²
Payments made in settlement of payment card or third party network transactions	Exempt payees 1 through 4

¹ See Form 1099-MISC, Miscellaneous Income, and its instructions.

² However, the following payments made to a corporation and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees, gross proceeds paid to an attorney reportable under section 6045(f), and payments for services paid by a federal executive agency.

Exemption from FATCA reporting code. The following codes identify payees that are exempt from reporting under FATCA. These codes apply to persons submitting this form for accounts maintained outside of the United States by certain foreign financial institutions. Therefore, if you are only submitting this form for an account you hold in the United States, you may leave this field blank. Consult with the person requesting this form if you are uncertain if the financial institution is subject to these requirements. A requester may indicate that a code is not required by providing you with a Form W-9 with "Not Applicable" (or any similar indication) written or printed on the line for a FATCA exemption code.

A—An organization exempt from tax under section 501(a) or any individual retirement plan as defined in section 7701(a)(37)

B—The United States or any of its agencies or instrumentalities

C—A state, the District of Columbia, a U.S. commonwealth or possession, or any of their political subdivisions or instrumentalities

D—A corporation the stock of which is regularly traded on one or more established securities markets, as described in Regulations section 1.1472-1(c)(1)(i)

E—A corporation that is a member of the same expanded affiliated group as a corporation described in Regulations section 1.1472-1(c)(1)(i)

F—A dealer in securities, commodities, or derivative financial instruments (including notional principal contracts, futures, forwards, and options) that is registered as such under the laws of the United States or any state

G—A real estate investment trust

H—A regulated investment company as defined in section 851 or an entity registered at all times during the tax year under the Investment Company Act of 1940

I—A common trust fund as defined in section 584(a)

J—A bank as defined in section 581

K—A broker

L—A trust exempt from tax under section 664 or described in section 4947(a)(1)

M—A tax exempt trust under a section 403(b) plan or section 457(g) plan

Note: You may wish to consult with the financial institution requesting this form to determine whether the FATCA code and/or exempt payee code should be completed.

Line 5

Enter your address (number, street, and apartment or suite number). This is where the requester of this Form W-9 will mail your information returns. If this address differs from the one the requester already has on file, write NEW at the top. If a new address is provided, there is still a chance the old address will be used until the payor changes your address in their records.

Line 6

Enter your city, state, and ZIP code.

Part I. Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN.

If you are a single-member LLC that is disregarded as an entity separate from its owner, enter the owner's SSN (or EIN, if the owner has one). Do not enter the disregarded entity's EIN. If the LLC is classified as a corporation or partnership, enter the entity's EIN.

Note: See *What Name and Number To Give the Requester*, later, for further clarification of name and TIN combinations.

How to get a TIN. If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local SSA office or get this form online at www.SSA.gov. You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at www.irs.gov/Businesses and clicking on Employer Identification Number (EIN) under Starting a Business. Go to www.irs.gov/Forms to view, download, or print Form W-7 and/or Form SS-4. Or, you can go to www.irs.gov/OrderForms to place an order and have Form W-7 and/or SS-4 mailed to you within 10 business days.

If you are asked to complete Form W-9 but do not have a TIN, apply for a TIN and write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

Note: Entering "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

Caution: A disregarded U.S. entity that has a foreign owner must use the appropriate Form W-8.

Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if item 1, 4, or 5 below indicates otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). In the case of a disregarded entity, the person identified on line 1 must sign. Exempt payees, see *Exempt payee code*, earlier.

Signature requirements. Complete the certification as indicated in items 1 through 5 below.

1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983.

You must give your correct TIN, but you do not have to sign the certification.

2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983.

You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

3. Real estate transactions.

You must sign the certification. You may cross out item 2 of the certification.

4. Other payments. You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments made in settlement of payment card and third party network transactions, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), ABLE accounts (under section 529A), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions. You must give your correct TIN, but you do not have to sign the certification.

What Name and Number To Give the Requester

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account) other than an account maintained by an FFI	The actual owner of the account or, if combined funds, the first individual on the account ¹
3. Two or more U.S. persons (joint account maintained by an FFI)	Each holder of the account
4. Custodial account of a minor (Uniform Gift to Minors Act)	The minor ²
5. a. The usual revocable savings trust (grantor is also trustee)	The grantor-trustee ¹
b. So-called trust account that is not a legal or valid trust under state law	The actual owner ¹
6. Sole proprietorship or disregarded entity owned by an individual	The owner ³
7. Grantor trust filing under Optional Form 1099 Filing Method 1 (see Regulations section 1.671-4(b)(2)(i)(A))	The grantor*
For this type of account:	Give name and EIN of:
8. Disregarded entity not owned by an individual	The owner
9. A valid trust, estate, or pension trust	Legal entity ⁴
10. Corporation or LLC electing corporate status on Form 8832 or Form 2553	The corporation
11. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
12. Partnership or multi-member LLC	The partnership
13. A broker or registered nominee	The broker or nominee

For this type of account:	Give name and EIN of:
14. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity
15. Grantor trust filing under the Form 1041 Filing Method or the Optional Form 1099 Filing Method 2 (see Regulations section 1.671-4(b)(2)(i)(B))	The trust

¹ List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

² Circle the minor's name and furnish the minor's SSN.

³ You must show your individual name and you may also enter your business or DBA name on the "Business name/disregarded entity" name line. You may use either your SSN or EIN (if you have one), but the IRS encourages you to use your SSN.

⁴ List first and circle the name of the trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.) Also see *Special rules for partnerships*, earlier.

*Note: The grantor also must provide a Form W-9 to trustee of trust.

Note: If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

Secure Your Tax Records From Identity Theft

Identity theft occurs when someone uses your personal information such as your name, SSN, or other identifying information, without your permission, to commit fraud or other crimes. An identity thief may use your SSN to get a job or may file a tax return using your SSN to receive a refund.

To reduce your risk:

- Protect your SSN,
- Ensure your employer is protecting your SSN, and
- Be careful when choosing a tax preparer.

If your tax records are affected by identity theft and you receive a notice from the IRS, respond right away to the name and phone number printed on the IRS notice or letter.

If your tax records are not currently affected by identity theft but you think you are at risk due to a lost or stolen purse or wallet, questionable credit card activity or credit report, contact the IRS Identity Theft Hotline at 1-800-908-4490 or submit Form 14039.

For more information, see Pub. 5027, Identity Theft Information for Taxpayers.

Victims of identity theft who are experiencing economic harm or a systemic problem, or are seeking help in resolving tax problems that have not been resolved through normal channels, may be eligible for Taxpayer Advocate Service (TAS) assistance. You can reach TAS by calling the TAS toll-free case intake line at 1-877-777-4778 or TTY/TDD 1-800-829-4059.

Protect yourself from suspicious emails or phishing schemes.

Phishing is the creation and use of email and websites designed to mimic legitimate business emails and websites. The most common act is sending an email to a user falsely claiming to be an established legitimate enterprise in an attempt to scam the user into surrendering private information that will be used for identity theft.

The IRS does not initiate contacts with taxpayers via emails. Also, the IRS does not request personal detailed information through email or ask taxpayers for the PIN numbers, passwords, or similar secret access information for their credit card, bank, or other financial accounts.

If you receive an unsolicited email claiming to be from the IRS, forward this message to phishing@irs.gov. You may also report misuse of the IRS name, logo, or other IRS property to the Treasury Inspector General for Tax Administration (TIGTA) at 1-800-366-4484. You can forward suspicious emails to the Federal Trade Commission at spam@uce.gov or report them at www.ftc.gov/complaint. You can contact the FTC at www.ftc.gov/idtheft or 877-IDTHEFT (877-438-4338). If you have been the victim of identity theft, see www.IdentityTheft.gov and Pub. 5027.

Visit www.irs.gov/IdentityTheft to learn more about identity theft and how to reduce your risk.

Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons (including federal agencies) who are required to file information returns with the IRS to report interest, dividends, or certain other income paid to you; mortgage interest you paid; the acquisition or abandonment of secured property; the cancellation of debt; or contributions you made to an IRA, Archer MSA, or HSA. The person collecting this form uses the information on the form to file information returns with the IRS, reporting the above information. Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation and to cities, states, the District of Columbia, and U.S. commonwealths and possessions for use in administering their laws. The information also may be disclosed to other countries under a treaty, to federal and state agencies to enforce civil and criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism. You must provide your TIN whether or not you are required to file a tax return. Under section 3406, payers must generally withhold a percentage of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to the payer. Certain penalties may also apply for providing false or fraudulent information.