



Internal Revenue Service

Individual Taxpayer Identification Number (ITIN)





Purpose of ITINs

Individual Taxpayer Identification Numbers (ITIN) are used for federal tax purposes only and provide a means to efficiently process and account for tax returns and payments.



Changes Made to Program

All new ITIN applicants must show a federal tax purpose for seeking the ITIN. With some exceptions, this requires attaching a valid original individual income tax return

Reduced to 13 from 40 the number of documents acceptable as proof of identity to obtain an ITIN

Changed the appearance of the ITIN from a card to an authorization letter to avoid similarities to SSN card



An IRS ITIN is...

A tax processing number

A unique 9 digit tax processing number beginning with "9" with the middle two digits ranging from 70 to 88 (9XX-70-XXXX)

Issued to individuals required to pay tax or who have a tax reporting requirement to the IRS but do not qualify for a Social Security Number



An ITIN does NOT...

Entitle the recipient to Social Security benefits or
Earned Income Tax Credit (EITC)

Change an individual's immigration status

Give the individual the right to work in the U.S.
and is not valid for employment purposes

Serve as identification outside the tax system



Child Tax Credit – Reminder

A qualifying child for purposes of the child tax credit is a child who:

1. Is your son, daughter, stepchild, foster child, brother, sister, stepbrother, stepsister, or a descendant of any of them (for example, your grandchild, niece, or nephew)
2. Was under age 17 at the end of 2008
3. Did not provide over half of his or her own support for 2008
4. Lived with you for more than half of 2008 (see Exceptions to time lived with you)*, and
5. **Was a U.S. citizen, a U.S. national, or a resident of the United States.** If the child was adopted, see Adopted child*

* See Publication 17, Chapter 34 for more details



Who Needs an ITIN?

Any U.S. resident or non-resident alien individual who:

- Is required to file a U.S. federal income tax return
- Can be claimed as an exemption on a U.S. federal income tax return
- Does not have and cannot obtain an SSN
- Meets an exception to having to file a U.S. federal income tax return, but requires an ITIN for federal reporting purposes



There are Exceptions to the Return Filing Requirement ...

Exception 1: Passive Income -treaty benefits

Exception 2: Other Income (wages, salary, compensation)

Exception 3: Third party Reporting – Mortgage interest

Exception 4: Disposition by foreign person of U.S. Real Property Interest- withholding obligations

Exception 5: Filing under TD-9363 with registration Form 13350



How to Apply for an ITIN

The Form W-7/W-7SP must be attached to a U.S. federal income tax return or to the documentation which proves meeting the exception criteria

Attach an original, notarized or certified copies of identification documents

The applicant's name must be listed on the return as it appears on the Form W-7/W-7SP



The Documentation Required

Applicants must submit current (unexpired) documentation to prove their foreign status and identity. The following acceptable documentation must be submitted in original or certified copies.....

■ **Passport * only document that can be submitted by itself**

■ National identification card

■ Civil Birth Certificate

■ U.S. Driver's License

■ Foreign Driver's License

■ U.S. State Identification Card

■ Foreign Voter Registration Card

■ U.S. Military Identification Card

■ Foreign Military Identification Card

■ U.S. Visa

■ U.S. CIS Photo Identification Card

■ School Records (dependents only, under age 18 if a student)

■ Medical Records (dependents only, under age 18 if a student)



Common Applicant Errors

No return attached and no indication an exception is met

Form W-7 or W-7SP not signed

The delegate's relationship to applicant BOX is not checked

Foreign address (or country) not provided on Form W-7 or W-7SP (line 3), when required



Common Applicant Errors

Proper documentation is not attached

- Supporting documentation to meet exception not attached to Form W-7
- Original, notarized or certified identification documents not provided

Identification documents had expired (where applicable)

Applications not mailed to the ITIN PO Box or sent to the wrong Center



Where to Submit an ITIN Application

By Mail: Internal Revenue Service
ITIN Operation
P.O. Box 149342
Austin, TX 78714-9342

In Person: IRS Taxpayer Assistance Center

Through an Acceptance Agent:

To obtain a list of agents, visit the IRS website at www.IRS.gov, keyword search: *Acceptance Agent*



Where can you request help in completing Form W-7?

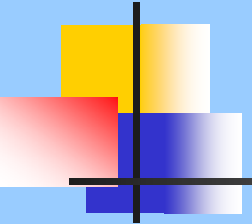
Publication 1915 *Understanding Your IRS Individual Taxpayer Identification Number (ITIN)*, contains step-by-step instructions

Call IRS at 1-800-829-1040

Visit an IRS Taxpayer Assistance Center

Visit a tax professional

Visit an IRS-authorized acceptance agent



Is there a fee involved in applying for an ITIN?

The IRS does not charge for this service or set any fees

Tax Professionals and IRS-authorized Acceptance Agents can charge for this service as a part of doing business



Acceptance Agents Process

Acceptance Agents (AA) are critical to the success of the ITIN program primarily because of their proximity and availability to those needing ITINs for tax purposes

AAs can include educational institutions, financial institutions, government entities/military installations, volunteer organizations and tax practitioners



Four Major Changes to the Acceptance Agent Program

Existing Acceptance Agent Agreements expired December 31, 2006, and you must have reapplied to retain AA status

AA agreements must be renewed every fourth year. They can end before then by mutual agreement or IRS decision to terminate

All AA applicants are required to submit to suitability checks, which consist of FBI background and tax compliance checks

Form 13551 is required to participate in the Acceptance Agent Program



Reference

Go to www.IRS.gov keyword search "ITIN"

Publication 1915 & 1915 (SP) - *Understanding Your IRS Individual Taxpayer Identification Number*

Publication 4327 (ENG/SP) – *ITIN - Facilitating Participation in the Tax System*

Publication 4393 (ENG/SP) - *What is an IRS ITIN Acceptance Agent?*

Revenue Procedure 2006-10 (Jan. 9, 2006)



Contact Information

Speaker name

Title

Contact info