

Understanding W-8BEN Certification

What is a Form W-8BEN?

A Form W-8BEN is a certificate of foreign status of beneficial owner for the United States tax withholding and reporting. It is used by non-US persons to identify their country of legal residence. The forms describe some of the tax issues and exemptions for non-US persons.

Why is important to complete or recertify?

You have a brokerage account with Charles Schwab (Schwab) that is used to hold your company equity awards and any resulting company stock and cash. The Internal Revenue Service (IRS) requires that Schwab have on record a current Form W-8BEN for clients who are not U.S. citizens or resident aliens.

A W-BEN is missing or incomplete can result in additional tax withholding. It's important to have your account in good standing and avoid collection **of up to 24% of gross proceeds** from any sales and certain redemptions and up to 35% of dividends, interest, and other U.S. source payments (e.g., certain annuity payments) from your account. By keeping your account in good standing this ensures you are taxed at the appropriate rate.

How do I certify or recertify?

- Log in to your Schwab account at www.schwab.com.
- Upon log in, you will receive a prompt stating that your Form W-8BEN has expired.
- **Click on Recertify Now** to obtain a current Form W-8BEN as well as to receive your sign-on personal identification number (PIN), required for completion of your form submission. Make sure to write down this PIN as you will be required to enter it when you log back in.

What else should I know?

Once certified, your W-8BEN is valid for three calendar years, unless a change in circumstances makes info on the W-8BEN incorrect.

The IRS now requires that all non-U.S. resident clients provide a Foreign Taxpayer Identification Number with their Form W-8BEN in order to claim treaty benefits. If you reside in a country that does not issue Taxpayer Identification Numbers, you'll need to complete a Letter of Explanation. The following, third party website*, can help you find country specific tax identifying number (TIN) for individuals:

www.oecd.org/tax/automatic-exchange/crs-implementation-and-assistance/tax-identification-numbers/

How else can I get help?

Review W-8BEN Resource Center for video tutorials at content.schwab.com/w8.



Contact a **Stock Plan Professional** at Charles Schwab:

Call: **(800) 654-2593**

International Dial Instructions: eac.schwab.com/eac/custsvc/internationalDialingInfo.do

Chat or Email: **Click Contact Us** in the Equity Award Center®

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