



PROCUREMENT SERVICES Accounts Payable

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Foreign Vendor Reporting

The Internal Revenue Services requires withholding and reporting on applicable foreign vendors for services performed within the United States.

In an effort to ensure compliance, if the vendor is classified as foreign according to their W-9, all transactions are reviewed prior to releasing payment. As part of this process, departments entering into these transactions may be required to submit a completed [Foreign Transaction Form](#) with signature and the Form W-8 if applicable. The Form W-8 with instructions can be found on the IRS website at www.irs.gov/formspubs/article/0,,id=100621,00.html.

These documents will aid us in determining whether or not the vendor requires a 30% withhold and/or 1042-S reporting to the IRS. If the withhold is performed, these monies are forwarded to the IRS and a Form 1042-S is issued to the vendor at the end of the tax year. If these documents are not received in a timely manner, payment will be processed and 30% **will be** withheld.