

IRS Seeks Public Comments on Form Used to Request Exemption from Withholding on Compensation of Non-Resident Aliens

9 February 2023

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The US Internal Revenue Service (IRS) is seeking public comments on the form used by non-resident alien individuals to request exemption from withholding on compensation paid. The IRS published a notice and request for comments in the [Federal Register](#) on 8 February 2023.

In general, section 1441 of the Internal Revenue Code (IRC) requires income tax withholding on compensation paid to a non-resident alien individual in the United States for independent personal services (i.e. self-employment) or certain dependent personal services (i.e. employment). However, compensation could be exempt from withholding because of a tax treaty. In requesting exemption from withholding, taxpayers use Form 8233 and report certain information, including:

- a description of personal services the taxpayer is providing;
- the total amount expected by the taxpayer for the services in the tax year;
- the tax treaty and treaty article on which the taxpayer is basing exemption from withholding;
- the total amount of compensation that is exempt from tax under the treaty;
- the taxpayer's country of residence; and
- sufficient facts to justify the exemption.

The IRS is requesting the public comments be submitted by 10 April 2023.