FAQs: New Supplier Tax Forms

New suppliers of goods and services to MIT are required to provide an appropriate tax form, along with their supplier registration form. Suppliers will be required to supplier either a Form W-8 or a Form W-9, depending on certain criteria. See below for answers to frequently asked questions concerning both types of forms. With questions, please contact procurement@mit.edu, 617-253-7241.

Form W-8 FAQs

1. When should an entity or individual provide a W-8?
   o Non-US suppliers should provide a W-8 if they are receiving payment for one of the following:
     i. A service provided inside the U.S.
     ii. A service provided both outside and inside the U.S.
     iii. A royalty

2. If a new foreign supplier is providing goods or services performed completely outside the US, what is required of them?
   o The new supplier is required to complete the International Supplier Registration Form, sign and date it, and submit it to newvendors@mit.edu.

3. Which form is used for individuals? Which is used for companies?
   o W-8BEN-E is used for companies. The W-8BEN is used for individuals.

4. If the supplier is located in Canada, is the W-8 still the correct form?
   o Yes. All entities located outside of the U.S. (including Canada and Mexico) are required to use a W-8.

5. For how long is a W-8 valid?
   o A W-8 expires three years after the end of the calendar year in which it is dated. For example, a W-8 that is dated on 10/30/14 would expire on 12/31/17). Before a supplier’s W-8 expires, we ask suppliers to send us a newly completed W-8.

6. Do instructions come with the W-8?
   o Yes, you can find the instructions on the IRS website.

7. The supplier is a U.S. citizen who is living abroad. What form should they fill out?
   o All U.S. citizens must fill out a W-9 regardless of whether or not they are providing a good or service.

8. Where can I locate the proper forms to create a foreign vendor?
   o The forms are available on the VPF Website.

9. Does the W-8 need to be signed and dated?
   o Yes. The signature is needed to assure the IRS that the supplier has filled out the form completely and truthfully. The date is needed to determine when the form will expire.

10. The W-8BEN-E is extremely long. Does the supplier need to fill out the entire form?
    o As stated on the W-8BEN-E, a supplier should check only one box in part 1.5 of the form. This means that the supplier is required to complete only the parts of the form that correspond to the selection made on part 1.5 (parts IV through XXVIII). This substantially decreases the length of the form for suppliers.

11. Can the W-8 form be emailed or do I need to sign in ink?
    o Yes, the W-8 form can be signed and then emailed or faxed. An original ink signature is no longer needed.
Form W-9 FAQs

1. The supplier is a native of a country other than the U.S. but is living in the U.S. Does this individual need to fill out a W-8 or W-9?
   o If a foreign supplier can be deemed a U.S. person, then he/she must complete a W-9. Otherwise, the supplier must complete a W-8BEN. A U.S. person can be defined as one of the following:
     i. U.S. Citizens
     ii. Resident Aliens
        1. Green Card
        2. Substantial Presence Test

2. Are there any exceptions that allow a supplier to bypass filling out a W-9?
   o All domestic entities and individuals are required to provide a W-9 with a legitimate Taxpayer Identification Number (TIN). If the individual or entity has recently been approved and given a TIN by the IRS, there is a possibility that the number is not yet registered in the IRS database. In this case, the supplier can provide the confirmation letter they received from the IRS as proof of their registered TIN.

3. The supplier has a separate address for remittance. Should they put list their physical or remittance address on the W-9?
   o The physical address should be put on the W-9. Accounts Payable will be able to send payments to the remittance address as long as this address is clearly stated on the supplier’s invoice.

4. The supplier uses a Doing Business As (DBA) that is different from its legal name. Which should be on the W-9?
   o Both. The supplier should enter its legal name (as it appears on tax returns) on the first line and any DBAs on the second line of the W-9.

5. Does this form need to be signed and dated?
   o Yes. A signature acknowledges that a supplier has carefully and truthfully completed the W-9.

6. If the supplier has a SSN and EIN, should he/she put both?
   o No. The supplier should list either the SSN or EIN on the form.

7. The supplier has moved to a different location. How do I update their address?
   o Suppliers are required to provide MIT with a new W-9 to update their address in the system. Once this is completed, the W-9 should be sent to newvendors@mit.edu to update the address.