

## EIN Procedure Instead of ITIN

*This article was compiled by David Gaughran and published on <http://catherineryanhoward.com/> on 24th February 2013.*

*For business section ring +1 267 941 1000 which is quicker with less waiting time if you are ringing from half way around the world. A man at the other number (below) gave this number to me. dlp)*

**1. Call the IRS at +1 267 941 1099** This is a direct line to the dedicated unit in Philadelphia that deals with foreign entities (that's you) who need an EIN. Press 2 on the computerized menu to get through to an operator. While I've heard it's possible to get your EIN through some embassies and consuls, that certainly doesn't apply to all of them and this number will work for *everyone*. Note: they won't take a call from anyone using a "speakerphone". If you are using Skype on your laptop, have a set of headphones plugged in before you call, to avoid an undignified scramble around your apartment. Finally, while there is an online facility for doing this, foreign entities *can't* use that.

**2. Tell them you're applying for an EIN for a foreign entity.** They may ask if you are a legal officer of the company or some such, I said that I was a sole proprietor, and the owner of the business, which satisfied them.

**3. There's a 50% chance that they will tell you that you need Form SS-4** *(I politely said I didn't have a fax machine and the lady said "that's fine, we don't need it." dlp)* You do not want to go down this path, which requires form-filling, fees, delays, and somehow locating a fax machine. If this is what they tell you, politely end the call, and call them back. I only had to do this once, and then got someone a little more helpful. *(see my comment above dlp)*

**4. Give your details** They will ask for your name, mailing address, phone number, the name of your company, and the country it was incorporated. This will involve a lot of spelling and repetition, but make sure all the details are correct. *(Just say you are a writer under your own name. I offered my N.Z tax number, but the lady didn't want it. Just to be assured I pay tax here.)*

**5. They will ask if this is for compliance with withholding** Say "yes".

**6. They will ask if this is for e-books** Say "yes".

**7. They will give you your EIN!!!** After confirming all your details, they will give you your EIN right there and then. Resist the urge to shower your helpful IRS employee with virtual kisses. Also, it's probably best not to try and sell them your book. Write your EIN down somewhere safe, then save it on your computer, upload it to Dropbox, copy it to a thumb drive, email it to yourself, carve it on the biggest tree in your garden, and consider getting it tattooed somewhere private.

Submitting the W8-BEN *(I printed out a copy from the IRS website, but my publisher sent me a W8-BEN, which I printed, filled out, signed, scanned and returned. dlp)* If you follow these

steps, you will save yourself time, money, and a whole load of heartache. All you have left to do is fill out the W8-BEN (you didn't really think you were going to avoid those forms altogether, did you?).

I have copied that advice here, as it requires a little modification now that you have an EIN rather than an ITIN.

First you need to download the W8-BEN form, and print it out. The official instructions for filling it out are here, but the below might be a little more helpful. Note: you will need one copy each for Amazon KDP, CreateSpace, and Smashwords.

### **Part I (You *must* fill out everything in blue ink)**

1. Your full legal name.
2. The country you live in/pay taxes in (don't abbreviate anything).
3. Type of beneficial owner: Check the box that says "Individual" (and nothing else).
4. Your physical address/street address (don't abbreviate).
5. Your mailing address (only if different).
6. Select the "EIN" box, and fill your number in.
7. Your foreign tax number (i.e. your tax number in your country of residence. I actually forgot to include this, and some say it doesn't matter, but there's no harm putting it in).
8. Fill in your KDP Publisher No. (in Account Settings, bottom right of screen) on one form, the email address associated with your Smashwords account on the second form, and your Createspace Member No. (on your dashboard) on the third.

### **Part II (only fill out the parts indicated)**

- 9a. Tick the box and write your country in the line provided (again, don't abbreviate).
- 9b. Tick the box and fill in your EIN.
10. This bit will vary depending on your country.
  - o **+++For N.Z write after Article... No. 7: then after type of income.. put "Business Profits."**
  - o \*For the first section (after "Article"), you will need the appropriate number for your country.+++ It's "XII" for Canada, "12" for the United Kingdom, and Ireland is "12" also. You will have to check the number for other countries here (and come back and tell us in the comments to save the next person doing so).

- o For the second section (the % withholding rate), fill in 0 (zero) for Canada, Ireland, or the United Kingdom. I believe Australia is 5, and you can check other countries here (Publication 515, Table 1). (*I left this blank.dlp*)
- o For the third section (specify type of income), write "Royalties-12, Other".
- o For the final section (Explain the reasons...) write "Beneficial Owner is a resident of..." and then write your country (and don't abbreviate, people have been rejected simply for writing "U.K.").

#### **Part IV (skip Part III altogether)**

Sign your name, date it, and write "Self" over "Capacity".

And you're done! While you might feel like cracking out the whiskey at this point, I recommend posting everything off right away. You will need to send a separate W8-BEN (an original, not a photocopy!) to each of the following that you have published with:

- o **Amazon KDP:** Attn. Vendor Maintenance, PO Box 80683, Seattle, WA 98108-0683, USA.
- o **Smashwords:** Tax Compliance Dept., 15951 Los Gatos Blvd., Ste 16 Los Gatoes, CA 95032, USA.
- o **CreateSpace:** 8329 West Sunset Road, Suite 200, Las Vegas, NV, 89113, USA.

I sent the forms off, by express post, with a simple cover letter stating I had attached the W8-BEN for compliance with withholding. It takes them a few weeks to process, but within a month or so, they should stop withholding your royalties (hooray!).

Under the old way, the advice was to wait until you had accrued a certain amount of royalties. That no longer applies, and you are recommended to apply for an EIN right away. Many self-publishers (like me) were so aghast at the laborious process that they put it off, knowing that they could apply for a refund of the taxes withheld at a future point. Apparently, new legislation means that you will no longer be able to do this. As such, **you are advised to commence this process as soon as possible.**

I would like to thank Roz Morris, Sally Clements, and my gracious host for doing all the real legwork on this issue, and whoever first discovered that you could simply phone up and get an EIN. This post merely builds on their hard-won knowledge.

Finally, if you are reading this at some time in the future, first of all, sorry for screwing up the planet, and second, you might want to check you are using the up-to-date W8-BEN form on the IRS website."

And thank YOU, David!