

## Explanation of Codes

### Box 1. Income code.

	<b>Code</b>	<b>Types of Income</b>
<b>Interest</b>		
	01	Interest paid by U.S. obligors-general
	02	Interest on real property mortgages
	03	Interest paid to controlling foreign corporations
	04	Interest paid by foreign corporations
	05	Interest on tax-free covenant bonds
	29	Deposit interest
	30	Original issue discount (OID)
	31	Short-term OID
	33	Substitute payment--interest
<b>Dividend</b>		
	06	Dividends paid by U.S. corporations-general
	07	Dividends qualifying for direct dividend rate
	08	Dividends paid by foreign corporations
	34	Substitute payment--dividends
<b>Other</b>		
	09	Capital gains
	10	Industrial royalties
	11	Motion picture or television copyright royalties
	12	Other royalties (e.g. copyright, recording, publishing)
	13	Real property income and natural resources royalties
	14	Pensions, annuities, alimony, and/or insurance premiums
	15	Scholarship or fellowship grants
	16	Compensation for independent personal services <sup>1</sup>
	17	Compensation for dependent personal services <sup>1</sup>
	18	Compensation for teaching <sup>1</sup>
	19	Compensation during study and training <sup>1</sup>
	20	Earnings as an artist or athlete <sup>2</sup>
	24	Real estate investment trust (REIT) distributions of capital gains
	25	Trust distributions subject to IRC section 1445
	26	Unsevered growing crops and timber distributions by a trust subject to IRC section 1445
	27	Publicly traded partnership distributions subject to IRC section 1446
	28	Gambling winnings <sup>6</sup>
	32	Notional principal contract income <sup>3</sup>
	35	Substitute payment-- other
	36	Capital gains distributions
	37	Return of capital
	39	Distributions from a nongrantor trust subject to IRC section 877A(f)(1)
	50	Other income

### Box 6. Exemption code (applies if the tax rate entered in box 5 is 00.00).

<b>Code</b>	<b>Authority for Exemption</b>
01	Income effectively connected with a U.S. trade or business
02	Exempt under an Internal Revenue Code section (income other than portfolio interest)
03	Income is not from U.S. sources <sup>4</sup>
04	Exempt under tax treaty

<b>05</b>	Portfolio interest exempt under an Internal Revenue Code section
<b>06</b>	Qualified intermediary that assumes primary withholding responsibility
<b>07</b>	Withholding foreign partnership or withholding foreign trust
<b>08</b>	U.S. branch treated as a U.S. person
<b>09</b>	Qualified intermediary represents income is exempt

**Box 13b.** Recipient code.

<b>Code</b>	<b>Type of Recipient</b>
<b>01</b>	Individual <sup>2</sup>
<b>02</b>	Corporation <sup>2</sup>
<b>03</b>	Partnership other than withholding foreign partnership <sup>2</sup>
<b>04</b>	Withholding foreign partnership or withholding foreign trust
<b>05</b>	Trust
<b>06</b>	Government or international organization
<b>07</b>	Tax-exempt organization (IRC section 501(a))
<b>08</b>	Private foundation
<b>09</b>	Artist or athlete <sup>2</sup>
<b>10</b>	Estate
<b>11</b>	U.S. branch treated as U.S. person
<b>12</b>	Qualified intermediary
<b>13</b>	Private arrangement intermediary withholding rate pool-general <sup>5</sup>
<b>14</b>	Private arrangement intermediary withholding rate pool-exempt organizations <sup>5</sup>
<b>15</b>	Qualified intermediary withholding rate pool-general <sup>5</sup>
<b>16</b>	Qualified intermediary withholding rate pool-exempt organizations <sup>5</sup>
<b>17</b>	Authorized foreign agent
<b>18</b>	Public pension fund
<b>20</b>	Unknown recipient

<sup>1</sup>If compensation that otherwise would be covered under Income Codes 16-19 is directly attributable to the recipients occupation as an artist or athlete, use Income Code 20 instead.

<sup>2</sup>If Income Code 20 is used, Recipient Code 09 (artist or athlete) should be used instead of Recipient Code 01 (individual), 02 (Corporation), or 03 (partnership other than withholding foreign partnership).

<sup>3</sup>Use appropriate Interest Income Code for embedded interest in a notional principal contract.

<sup>4</sup>Non-U.S. source income received by a nonresident alien is not subject to U.S. tax. Use Exemption Code 03 when entering an amount for information reporting purposes only.

<sup>5</sup>May be used only by a qualified intermediary.

<sup>6</sup>Subject to 30% withholding rate unless the recipient is from one of the treaty countries listed under *Gambling winnings (Income Code 28)* in Pub. 515.