

Payments to Foreign Vendors

Updated 7/13/2016

Philosophy:

Foreign vendors must provide USF with appropriate Form W-8 described below (forms and instructions are available on the [IRS web site](#)).

Process:

IRS Forms W-8 are collected via [AP Supplier Management](#) process.

The table below provides guidance for processing payments to foreign vendors.

Questions should be directed to:

[Purchasing](#) – SVC 1073 or USFPurchasing@usf.edu

[Payroll](#) - SVC 1039 or UCO_Payroll_Processing@usf.edu

Recipient Classification	USF Paying For	Vendor Documents Required	Initiate Transaction via
All foreign entities	Goods	Appropriate W-8 (BEN, BEN-E, ECI or EXP)	Purchasing - AOC 200 or USFPurchasing@usf.edu *
Foreign corporation or partnership	Services entirely performed outside U.S.**	W-8BEN-E or W-8ECI	Purchasing - AOC 200 or USFPurchasing@usf.edu *
Foreign corporation, partnership, trust, private foundation or estate	All or a portion of services performed in the U.S.**	W-8BEN-E or W-8 ECI	Purchasing - AOC 200 or USFPurchasing@usf.edu * Payroll review memo must be attached
Foreign Government or Exempt Organization	All or a portion of services performed in the U.S.**	W-8EXP	Purchasing - AOC 200 or USFPurchasing@usf.edu * Payroll review memo must be attached

Recipient Classification	USF Paying For	Vendor Documents Required	Initiate Transaction via
Foreign Individual	All or a portion of services performed in the U.S.**	Appropriate W-8 (BEN or ECI) Independent Contractor Consulting & Professional Services Worksheet and Instructions (links at top of page)	Purchasing - AOC 200 or USFPurchasing@usf.edu * Payroll review memo must be attached
Foreign Individual	Services entirely performed outside U.S.**	Appropriate W-8 (BEN or ECI) Independent Contractor Consulting & Professional Services Worksheet and Instructions (links at top of page)	Purchasing - AOC 200 or USFPurchasing@usf.edu *

*- USF departments initiating a [requisition](#) for foreign vendors must note on the requisition header comments (for internal purposes only) whether services are performed (1) inside the U.S. (2) outside the U.S. or (3) both inside and outside the U.S. and provide documentation outlining exactly what USF is paying for.

** - Questions about whether services are performed inside or outside the U.S. should be directed to Payroll* - ALN 147 or [UCO Payroll Processing@usf.edu](mailto:UCO_Payroll_Processing@usf.edu) (POs for equipment or software purchases including installation or other services to be performed in the U.S. must include Payroll review memo)

IRS Forms W-8

W-8 BEN - used by foreign person who is the beneficial owner of an amount subject to withholding to establish that you are not a U.S. person and, if applicable, claim a reduced rate of, or exemption from, withholding as a resident of a foreign country with which the U.S. has an income tax treaty. If you become a U.S. citizen or resident alien after you submit Form W-8BEN you must notify USF within 30 days of becoming a U.S. citizen or resident alien. Form W-8BEN expires on the last day of the third succeeding calendar year after the date the form is signed.

W-8 BEN-E – used by foreign entities to document their status as a beneficial owner under chapter 3 and, if applicable, claim a reduced rate of, or exemption from, withholding as a resident of a foreign country with which the U.S. has an income tax treaty and document status as a payee under chapter 4 (FATCA) for withholding purposes. If a change in circumstances makes any information on the Form W-8BEN-E incorrect for purposes of either chapter 3 or chapter 4, you must notify the withholding agent or financial institution maintaining your account within 30 days of the change in circumstances and you must file a new Form W-8BEN-E (or other appropriate form as applicable). Form W-8BEN expires on the last day of the third succeeding calendar year after the date the form is signed.

W-8 ECI - used by a foreign person who is the beneficial owner of U.S. source income that is (or is deemed to be) effectively connected with the conduct of a trade or business within the U.S. If a change in circumstances makes any information on the Form W-8ECI you have submitted incorrect, you must notify USF within 30 days of the change in circumstances and you must file a new Form W-8ECI or other appropriate form. Form W-8ECI expires on the last day of the third succeeding calendar year after the date the form is signed.

W-8 EXP - used by foreign government, international organization, foreign central bank of issue, foreign tax-exempt organization, foreign private foundation, or government of a U.S. possession. If you do not provide this form, USF may have to withhold tax at the 30% rate. If a change in circumstances makes any information on the Form W-8EXP you have submitted incorrect, you must notify USF within 30 days of the change in circumstances and you must file a new Form W-8EXP or other appropriate form. Generally, form W-8EXP expires on the last day of the third succeeding calendar year after the date the form is signed.