



MANUAL TRANSMITTAL

Department of the Treasury
Internal Revenue Service

5.24.2

SEPTEMBER 8, 2017

EFFECTIVE DATE

(09-08-2017)

PURPOSE

- (1) This transmits obsolete IRM 5.24.2, *Central Withholding Agreement (CWA) Program, Case Development*.

BACKGROUND

- (1) IRC 1441 requires a withholding tax rate of 30% on U.S. sourced gross income for independent personal services of nonresident aliens (NRAs) such as athletes and entertainers.
- (2) The CWA program provides an alternative to IRC 1441 by reducing the amount of tax withholding to be more in line with the NRAAE's annual projected tax liability.
- (3) Part of the program involves tax specialists and internal revenue agents verifying income and expense items related to a tour or event claimed by the NRAAE. This IRM section was therefore moved to Part 4, *Examining Process*, which more accurately describes program activities.

MATERIAL CHANGES

- (1) The material previously contained in IRM 5.24.2.1 is incorporated into new IRM 4.64.1.3 and IRM 4.64.1.8.
- (2) The material previously contained in IRM 5.24.2.2 is incorporated into the new IRM 4.64.1.3 and IRM 4.64.1.8.
- (3) The material previously contained in IRM 5.24.2.3 is incorporated into the new IRM 4.64.1.3 and IRM 4.64.1.8.
- (4) The material previously contained in IRM 5.24.2.4 is incorporated into the new IRM 4.64.1.4 and IRM 4.64.14.2.
- (5) The material previously contained in IRM 5.24.2.5 is incorporated into the new IRM 4.64.1.4 and IRM 4.64.1.10.
- (6) The material previously contained in IRM 5.24.2.6 is incorporated into the new IRM 4.64.1.10.9.
- (7) The material previously contained in IRM 5.24.2.7 is incorporated into the new IRM 4.64.1.10.
- (8) The material previously contained in IRM 5.24.2.8 is incorporated into the new IRM 4.64.1.8.3 and IRM 4.64.1.10.
- (9) The material previously contained in IRM 5.24.2.9 is incorporated into the new IRM 4.64.1.11.1.
- (10) The material previously contained in IRM 5.24.2.10 is not incorporated.
- (11) The material previously contained in IRM 5.24.2.11 is not incorporated.
- (12) The material previously contained in IRM 5.24.2.12 is incorporated into the new IRM 4.64.1.11.1.
- (13) The material previously contained in IRM 5.24.2.13 is incorporated into the new IRM 4.64.1.2.
- (14) The material previously contained in IRM 5.24.2.14 is incorporated throughout the new IRM 4.64.1

- (15) The material previously contained in IRM 5.24.2.15 is incorporated into the new IRM 4.64.1.14.6.
- (16) The material previously contained in IRM 5.24.2.16 is incorporated into the new IRM 4.64.1.2.1.
- (17) The material previously contained in IRM 5.24.2.17 is incorporated into the new IRM 4.64.1.4 and IRM 4.64.1.12.11.
- (18) The material previously contained in IRM 5.24.2.17.1 is incorporated into the new IRM 4.64.1.5.2.
- (19) The material previously contained in IRM 5.24.2.17.2 is incorporated into the new IRM 4.64.1.5.3.
- (20) The material previously contained in IRM 5.24.2.17.3 is incorporated into the new IRM 4.64.1.5.4.
- (21) The material previously contained in IRM 5.24.2.17.4 is incorporated into the new IRM 4.64.1.5.5.
- (22) The material previously contained in IRM 5.24.2.17.5 is incorporated into the new IRM 4.64.1.5.8.
- (23) The material previously contained in IRM 5.24.2.17.6 is incorporated into the new IRM 4.64.1.5.
- (24) The material previously contained in IRM Exhibits 5.24.2-1 and 5.24.2-2 are not incorporated.

EFFECT ON OTHER DOCUMENTS

IRM 5.24.2 dated July 28, 2009 is now obsolete. The guidance in this IRM section has been moved to IRM 4.64.1, *Central Withholding Agreement (CWA) Program, Case Development and Processing Guidelines*.

AUDIENCE

LB&I tax specialists, internal revenue agents, tax examiners, and management assistants, working in the CWA program.

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