



MANUAL TRANSMITTAL

Department of the Treasury
Internal Revenue Service

5.24.3

SEPTEMBER 8, 2017

EFFECTIVE DATE

(09-08-2017)

PURPOSE

- (1) This transmits obsolete IRM 5.24.3, *Central Withholding Agreement (CWA) Program, Case Processing Guidelines*.

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 5.24.3.1 is incorporated into the new Manual Transmittal of IRM 4.64.1.
- (2) The material previously contained in IRM 5.24.3.2 is incorporated into the new IRM 4.64.1.12.2.
- (3) The material previously contained in IRM 5.24.3.3 is incorporated into the new IRM 4.64.1.12.2.
- (4) The material previously contained in IRM 5.24.3.4 is incorporated into the new IRM 4.64.1.12.2.
- (5) The material previously contained in IRM 5.24.3.5 is incorporated into the new IRM 4.64.1.12.6.
- (6) The material previously contained in IRM 5.24.3.6 is incorporated into the new IRM 4.64.1.12.6.
- (7) The material previously contained in IRM 5.24.3.7 is incorporated into the new IRM 4.64.1.12.9.
- (8) The material previously contained in IRM 5.24.3.8 is incorporated into the new IRM 4.64.1.14.3.
- (9) The material previously contained in IRM 5.24.3.9 is incorporated into the new IRM 4.64.1.11.3.
- (10) The material previously contained in IRM 5.24.3.9.1 is incorporated into the new IRM 4.64.1.11.4.
- (11) The material previously contained in IRM 5.24.3.10 is incorporated into the new IRM 4.64.1.13.
- (12) The material previously contained in IRM 5.24.3.11 is incorporated into the new IRM 4.64.1.14.5.
- (13) The material previously contained in IRM 5.24.3.12 is incorporated into the new IRM 4.64.1.14.
- (14) The material previously contained in IRM 5.24.3.13 is incorporated into the new IRM 4.64.1.5.9.
- (15) The material previously contained in IRM 5.24.3.14 is incorporated into the new IRM 4.64.1.1.4 and IRM 4.64.1.14.7.
- (16) The material previously contained in IRM 5.24.3.14.1 is incorporated into the new IRM 4.64.1.2.2.

- (17) The material previously contained in IRM 5.24.3.14.2 is incorporated into the new IRM 4.64.1.8.1.
- (18) The material previously contained in IRM 5.24.3.15 is incorporated throughout.

EFFECT ON OTHER DOCUMENTS

IRM 5.24.3 dated July 31, 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.

Johanna McGeady-Murphy
Director, Field Operations, Foreign Payments Practice
Withholding and International Individual Compliance
Large Business and International Division