

Indian Tribal Governments – Sports Wagering Tax Requirements Webinar Transcript

Carole > I just want to welcome everybody to today's webinar entitled Sports Wagering Tax Requirements.

Today's webinar is hosted by the Office of Indian Tribal Governments. The webinar will be recorded and it will be posted to the IRS video portal in a few weeks.

The video portal is located at irsvideos.gov.

If you have a topic-specific question today, please submit it in the chat box by clicking on the chat bubble in the top line.

Please do not enter any sensitive or taxpayer-specific information and if time allows, we will try and answer questions at the end of this presentation.

Stan, I'm going to turn it over to you to introduce yourself please.

Stanley > Hi my name's Stan Wiatros. I'm an Indian Tribal Government Specialist with the Internal Revenue Service Office of Indian Tribal Governments.

Today, this webinar will cover the wagering and occupational taxes, filing requirements, and withholding requirements that tribal casinos need to know in regard to accepting sports wagers in a sports book or through online sports wagering.

This webinar is a repeat of the webinar we hosted back in October of 2021. If you attended then, this will be a refresher for you. If not, we are hoping that this webinar provides you with valuable information. Carole.

Carole > Thank you, Stan. My name is Carole Oller. I'm also an Indian Tribal Government Specialist.

In 2000, the IRS launched the Office of Indian Tribal Governments. Our mission is to provide tribal entities top quality customer service by helping them understand and comply with their tax responsibilities.

Before we begin, I do have a few additional announcements. First, we're not going to be offering a certificate of completion for attendance in this webinar. And the information contained in this presentation is current as of the date it was presented and should not be considered official guidance.

Again, I'm going to remind you this program is being recorded and will be maintained in accordance with federal record keeping laws. It will be archived for later viewing on our website, irsvideos.gov.

Now our objectives today for this session is to define sports wagering, explain applicable excise taxes if accepting sports wagering or sports wagers, identifying the information reporting requirements and withholding requirements, describe the differences and the similarities between sports wagering and fantasy sports wagering, and provide you with available resources.

Now I'm going to turn it over to Stan, let him take control and get us started.

Stanley > OK. Thank you, Carole.

Sports gambling is not defined in the Internal Revenue Code. However, according to the Professional and Amateur Sports Protection Act, sports gambling is a lottery, sweepstakes, or other betting, gambling, or wagering scheme based directly or indirectly, through the use of geographical references or otherwise, on one or more competitive games in which amateur or professional athletes participate, or are intended to participate, or on one or more performances of such as athletes in such games.

Now, according to Wikipedia, sports betting is the activity of predicting sports results and placing a wager on the outcome.

Sports betting can also extend to non-human contests such as horse racing and greyhound racing, and even to non-athletic events such as reality show contests and political elections. It's also not uncommon for wagers to be placed on entertainment events such as the Grammy Awards, the Oscars and the Emmy Awards.

Wagering taxes are an excise tax imposed by the Internal Revenue Code, often abbreviated or referenced as IRC. It's under Section 4401 and it covers both legal and illegal gaming transactions.

The tax is required if you're in the business of accepting wagers or conduct a wagering pool or lottery.

Occupational taxes are an excise tax imposed by IRC Section 4411 and it's imposed on principals or agents who accept taxable wagers and is required to register with the Internal Revenue Service.

Various court cases, including *Choctaw Nation of Oklahoma v. the United States* and *Chickasaw Nation v. the United States*, as well as Revenue Ruling 94-81, confirm that Indian tribal governments are subject to the wagering excise tax and the occupational tax.

Many tribes are familiar with the wagering and occupational taxes because they currently file them for various gaming activities offered in their casinos.

Wagering taxes apply based on the gaming activities offered, including but not limited to:

- Paper pull tabs,
- Keno - if over 20 games on a single bet, in which the patron has over 24 hours to claim a prize, are placed
- Wagering pools, which include any method or scheme for giving prizes to one or more winning betters based on the outcome of a sports event, contest or combination or series of these events or contests,
- A lottery, which includes any method or scheme for the distribution of prizes among persons who have paid or promised to pay for a chance to win the prize, such as a numbers game, punch boards and raffles. For purposes of the wagering excise tax, this doesn't include any game in which the wagers are placed, the winners are determined, and the prizes are awarded in the presence of all persons who placed wagers in the lottery.
- And a sports event, which includes every type of amateur, scholastic or professional sports competition.

If a casino changes the gaming activities offered by their casino, they need to be aware of the possibility that the new activity might be subject to wagering and occupational taxes.

Now wagering taxes do not apply to:

- Coin operated devices, which includes slot machines, pinball machines, or video games.
- State sweepstakes, wagering pools or lotteries. Note that tribal sweepstakes, wagering pools or lotteries are not covered currently by this exception,
- Exempt organization drawings such as raffles held by an organization exempt from tax under Sections 501 or 521 of the Internal Revenue Code as long as the net proceeds don't benefit a private shareholder or individual,

- And parimutuel wagering which includes horse racing, dog racing, or jai alai when licensed by state law.

Now you may wonder, does this exception for parimutuel wagering apply to sports wagering?

The answer is no, because when placing parimutuel wagers, you don't get fixed odds.

Payouts depend on two factors: how many people placed a wager on an event and how many people picked the winner. Payouts are officially calculated after the betting has closed.

In sports wagering, generally, you are offered fixed odds when you place the wager. Once your bet is placed, the odds applicable to your wager can't change.

Let's just take a moment here to try answering this question.

Wagering taxes apply to:

- A. Coin operated devices.
- B. Parimutuel wagering
- C. Lotteries
- D. Keno
- E. Both A & B or
- F. Both C & D

Like you to take a moment to think about this, take a look at the question and put your answer in text chat if you would.

Once again, we're looking to see which one of these transaction or types of wagers, I should say, the wagering taxes apply, whether it be coin operated devices, parimutuel wagering, lotteries, Keno or a combination of coin operated devices and parimutuel wagering and final selection, a combination of lotteries and Keno.

Alison > Stan, we do have several answers that are coming in

Stanley > Alright.

Alison > and they've all been listening very carefully because it looks like they're all answering F.

Stanley > Well, this is a good thing, because the correct answer is F, both lotteries and Keno are subject to the wagering excise tax.

The reason that it's not coin operated devices is that there was a specific exception that was mentioned for it as well as for parimutuel wagers. However, with lotteries there is a small exception for state-operated or state-run lotteries. But in general, lotteries are subject to the wagering taxes and also with regard to Keno. Keno, in general, is going to be subject to the wagering tax if it's one of the larger games where the wagerer is able to place bets on 20 or more numbers on a single ticket and they're given additional time to redeem their winning ticket.

Alright, so occupational taxes. We're going to talk about those next. These taxes are imposed by Internal Revenue Code Section 4411 and they are imposed on any person who accepts taxable wagers on behalf of either themselves or another person, where taxable wagers are wagers reported under the wagering tax Form 730.

Now a cage cashier, who only pays winning tickets and does not accept wagers, does not need to file and pay this occupational tax. But an individual who sells pull tabs or who, with regard to sports book, would be responsible for accepting wagers with regard to the sports book, would be someone who would be subject to this occupational tax.

Under Internal Revenue Code Section 4412, each person required to pay the occupational tax must register with the IRS, and this registration and payment takes place on or is done rather, by filing the Form 11-C. The Form 11-C is an annual form that we'll be talking about a little bit more in just a few moments.

OK, speaking of forms, let's discuss the forms required to be filed for wagering and occupational taxes. Form 730, the Monthly Tax Return for Wagers, is used by those in business of accepting wagers to report and pay the federal excise tax on those same wagers.

Now the wagering tax is imposed on the gross amount of the wagers accepted, not on the net wager.

Also, the wager is taxed at the time it is accepted, not when the game occurs or not when a payout is made. Form 730 is due at the end of each month following the month that the taxable wagers were accepted.

So currently, for example, we're in the month of June. Any wagers accepted during this month, for instance, would be due on the monthly form filed by the end of July.

If you have a month where you have no taxable wagers to report, you still would file the return, but in the entry space for Line 6, Balance due, you would write "None" and you would sign and date the form.

Now the tax rate is generally going to be 1/4 of 1% for taxable wagers provided that they are authorized under state law.

The rate for wagers that are not authorized under state law is 2%, so it's a higher rate for the unauthorized wagers.

Sports wagers could be authorized or unauthorized based upon state law and, whether or not with regard to tribal casinos, whether or not there's a compact between the tribe and the state.

Now under the Indian Gaming Regulatory Act, sports wagers are considered Class III gaming, which does require a compact. As a result, tribes or Indian casinos should not have to pay the 2% tax since accepting sports wagers should require a signed compact, meaning that it would be authorized under state law.

Form 11-C is the occupational tax and registration return for wagering. It must be filed by both the principal and the agent before taxable wagers are accepted and then it must be filed annually by July 1st, as long as wagers continue to be accepted.

Now, as with the excise tax itself, there are two different rates. The annual tax rate is \$50, if wagers are authorized under state law and the rate for wagers that are not authorized under state law is \$500. This tax is prorated for the first year that wagers are accepted.

So for example, if you just begin accepting wagers that are subject to the excise tax, and depending on what month of the year you begin accepting them, you may not pay the full \$50 amount.

If, for example, you started in the month of January, six months into the year, you'd essentially be paying half a year's worth of tax or in this case \$25 for ones that are legal under state law.

That being said, it's also required, as I mentioned before, that both the casino and any employees that you have that are accepting wagers on behalf of the casino are registered using this Form 11-C.

The business, in this case the casino, is considered the principal, while the employee accepting the wagers would be considered the agent.

With the occupational tax, in all likelihood, the casinos are going to be covered by state law, since a compact is normally required by the Indian Gaming Regulatory Act for accepting sports wagers.

Now a common question we receive is, "Can the casino file one 11-C form to encompass both the casino and their employees?" And the answer is no. Each party, the casino, as the principal, and each employee, as an agent, must file a separate Form 11-C.

We also tend to get questions about the employer identification number that's required on Form 11-C. Occasionally employees do not have an employer identification number, they have a Social Security number, perhaps, but not an employer ID number.

The Form 11-C is a business return and requires an employer identification number. So if the employee does not have a currently valid EIN, employer identification number, one must be obtained before filing the Form 11-C and this can be done online. You can do it at irs.gov/EIN.

That employer identification number, can be received within minutes of completing that online tool.

If those employees already have an employer identification number, perhaps they had a business before and have already been assigned an employer identification number for themselves individually, or if they, for example, worked at another casino or other gaming outlet where they sold taxable wagers before and so therefore they were issued an employer identification number before, that same number can be used. Currently, they do not have to apply for a new ID number.

The Internal Revenue Code and Treasury regulations require the payers of certain gambling winnings to report such winnings to the winner and to the IRS.

Now, Form W2-G, Certain Gambling Winnings, is generally used to report such gambling winnings.

Form W2-G instructions require the filing of the form, if the winnings, except for bingo, slot machines, Keno and certain poker tournaments, reduced at the option of the payer by the wager, are at least \$600 or more and also at least 300 times the amount the wager. If the winnings are subject to federal income tax withholding or

backup withholding, a Form W2-G is also required to be filed. We'll talk more about that on the next slide.

Certain gambling winnings paid to a non-resident alien are reported on Form 1042-S not Form W2-G.

Form 1042-S is the Foreign Person's U.S. Source Income—Subject to Withholding.

The Form 1042-S instructions provide that amounts subject to reporting on Form 1042-S includes most gambling winnings, to the extent they are from U.S. sources, and there is no dollar threshold. There's no, for example, \$600 threshold applicable. And also, there's no application of the 300-times-the-amount-of-the-wager that would be applicable either.

The current withholding rate for gambling winnings paid to a non-resident alien is 30% unless that non-resident alien provides documentation that demonstrates that they are entitled to a reduced rate or that they are exempt from this foreign income tax withholding.

This withholding and reporting requirement do not apply to amounts paid to a foreign person on the following: wagers placed with the game of blackjack, baccarat, craps, roulette or big six wheel. Wagers placed in one of any one of those five games, the winnings from that do not have to be reported to a non-resident alien or a foreign person on Form 1042-S, nor are they subject to any kind of gambling withholding.

Now, you withhold at this 24% rate if the winnings that you pay minus the amount wagered are more than \$5,000 and are from either a sweepstakes, a wagering pool, lottery, or any other wagering transaction if the winnings are at least 300 times the amount wagered.

So the 300-times-the-amount-wagered is only applicable to this "other wagering" transaction category. It does not apply to sweepstakes, wagering pools, or lotteries.

Sports wagering falls under "any other wagering transaction" and must therefore have regular gambling withholding if the winnings minus the amount of the wager is more than \$5,000 and the winnings are at least 300 times the amount that was wagered.

So if somebody placed a \$5 wager and the winnings were over the \$5,000 threshold, ~~un~~ the 300-times-the-amount-of-the-wager condition would be met and

you've exceeded the \$5,000 threshold for withholding, so regular gambling withholding would be applicable.

Now, even if the winnings aren't subject to regular gambling withholding, you may be required to withhold the same 24%, not under gambling withholding rules, but under something referred to as backup withholding.

And you're required to do backup withholding if:

- the winner doesn't furnish you a valid or correct taxpayer identification number
- if regular gambling withholding isn't already applicable, and
- if the winnings are at least \$600 or more and 300 times the amount of the wager, meaning that they would have been a reportable transaction.

If you have any withholding on Form W2-G, then you must use Form 945, Annual Return of Withheld Federal Income Tax, to report the withholding.

Form 945 is due January 31st of the following year and deposits must be made on the withheld taxes. I would direct you to the instructions to Form 945 for more detailed information and to Publication 15 for these deposit requirements.

Now, the Form 945 is similar to the Form 941, which is used for the withholding on wages, but it is its own separate form and does have its own separate filing requirement and deposit requirements, so please keep that in mind. If you have withholding on Form 1042-S, then you would use the Form 1042 to report the withholding.

The Form 1042 is the Annual Withholding Tax Return for U.S. Sourced Income of Foreign Persons.

This Form 1042 is due March 15th of the following year and deposits must be made on the withheld taxes and once again I would direct you to the instructions to Form 1042 for those deposit requirements.

Now here's my last question for you.

Is there any withholding required on sports wagering?

And we've got yes or no.

Please put an answer in text chat like you did with the last question.

Alison > Stan, we're getting lots of responses.

Stanley > I see and it looks like the majority of them, if not all of them are, yes.

And so the correct answer is indeed Yes.

Sports wagering may be subject to not only regular gambling withholding, but it also might be subject to backup withholding and/or withholding on payments made to a non-resident alien or to a foreign person.

Alright, so now I'm going to turn the presentation over to Carole and she will continue for the remainder of our time.

Carole, please.

Alison > Hey, Stan.

Stanley > Yes.

Alison > Before we let you go, there was one question and maybe you could go into it and answer this real quick before Carole comes on.

And the question is, "If someone is hired in June, do we still add them to the renewal?"

Stanley > Yes, if they were brought onboard in June, then they would have essentially one month.

Remember I had mentioned that the Form 11-C is prorated throughout the course of the year, and the exact figure for that one month's worth of registration fee, is spelled out in the instructions. I do not have, unfortunately, instructions in front of you, but I could tell you that it's essentially 1/12 of the \$50, you know, which is roughly \$4.33. So, that's what I would direct you to.

So, 4+ dollars is what you would owe for the year, but yes, you do have to include that individual.

Now if they stopped working in June, then when you re-up for July, that individual would not need to make a payment for July going forward.

I would also mention that the payment, if an individual starts or is on the books in July and you make the payment for the entire year, if they left your

operation, let's say a few months later, you would not be able to get a refund for that individual for the balance of the year.

Unfortunately, it's paid at the beginning of the year and that's partially because of the fact that that individual could, for example, just go to another casino and continue accepting wagers there and they'd be covered for the entire year. But you would have to pay the full year. That isn't prorated at that point. It's only prorated if they start after that July 1st date.

Alison > Stan, there is one other question in text chat, if you could answer this before we go on to Carole.

The question is, "Is there 1042-S withholding for winnings on 300 times wager on blackjack?"

Stanley > The 1042-S, remember, is the withholding or, excuse me, is the form for reporting, for non-resident aliens. And, with regard to that form, generally speaking, there's no provision for either the \$600 or the 300 times the amount of the wager.

Now, however, as I mentioned, there is an exception for certain games and so if you said that this was for blackjack, that's one of the games that does not require the casino to do any kind of withholding or reporting.

If it were some other game, like for example, if it was a true sports wager that someone placed there's no exception for that, then it would be reportable regardless of the 300 times the amount of the wager, because we're talking about the Form 1042-S meaning that it is a payment to some foreign person, a non-resident alien individual.

Alison > Thanks, Stan.

Stanley > OK.

Alison > Just a quick reminder that if you have a question, just put it in text chat and then after Carole's finish, then we'll go over any additional questions as time allows. Thank you.

Carole > Since Stan went over all of the tax requirements, I would like to talk about fantasy sports because that is becoming a hotter topic and we have received several questions regarding fantasy sports wagering.

Now, fantasy sports actually differs from the sports book wagering in a couple ways.

First, you or your patron do not bet directly on the outcome of any specific sporting event and either you or your patron create a fantasy sports team and compete against opponents with their fantasy sports team to win money. The winning outcomes are determined predominantly by accumulated statistical results of the performance of individuals or athletes in multiple real team sporting or other events.

No winning outcome is based on a score, the point spread, or any performance or the performance of any single real team, or a combination of such teams, nor is there the outcome solely on any single performance of an individual athlete in any single real sporting or other event.

Now there are several different ways to bet on a fantasy sports team. The two most common are when paying to enter a league, the money is pooled and the top winner wins it all or it could be split between the top winner and those that placed in the top positions or when wagering against a single opponent, the winner receives the entire prize pool, usually less a commission or a fee paid to the operator of the contest.

Now there are two different types of fantasy sports. There's the traditional fantasy sports and then there's daily fantasy sports.

Now, the traditional fantasy sports are games where participants assemble simulated fantasy teams with rosters of actual players from the real teams in a particular sports league. The participants accumulate points based on the actual game performances of their selected players.

Scoring is based on the selected players' performance statistics or measures which are converted into fantasy points.

Each participant will then receive a total fantasy score that is determined by compiling the individual fantasy scores of each player in the participant's roster or lineup.

The participants compete against one another based upon the total fantasy score.

Now, traditional fantasy sports have actually been around since the 1960s and is typically played among a group of people such as, you know, family members, friends, coworkers over the course of a league's season.

At the beginning of the season, the Fantasy League holds a draft during which each participant selects professional sports players 1 by 1 to create their own Fantasy team.

Now, each week the Fantasy teams match up against each other, accumulating fantasy wins and losses depending upon how well each of the fantasy players did statistically in their real sports games that week.

Now at the end of the season, the participant with the most cumulative wins or points wins the fantasy season.

Now, the other type of fantasy sports is the daily fantasy sports. That is normally a short term, usually weekly, semi-weekly or daily, contest. Daily fantasy sports has been around since 2007 and are normally offered exclusively online.

Daily fantasy sports contests typically occur daily, and the participants tend to be a much larger group of strangers. Rather than draft a team, each daily fantasy sport participant is given an equal amount of fictitious money, known as a salary cap, and the daily fantasy sports operator sets each player's salary or price commensurate with the player's perceived value, not unlike how bookmakers set wagering odds in traditional sports wagering.

Participants may select the same players for fantasy sports teams as other participants, so long as their selections don't exceed the participant salary cap.

So now another important distinction between traditional fantasy sports and daily fantasy sports is the entry fee.

The entry fee is generally given entirely to the winner or winners of the traditional Fantasy Sport League.

In contrast, in daily fantasy sports, a portion of the fees collected is not paid out to the winner, or the winners, but is retained by the daily fantasy sports operator. Now this fee structure is why we normally don't see casinos involved in traditional fantasy sports.

We only see them get involved with daily fantasy sports.

Now, traditional fantasy sports are not subject to the wagering and occupational taxes, information reporting requirements, or withholding requirements that Stan talked about.

However, the IRS has published informal guidance that was issued back in August of 2020 indicating that an organization involved in the operation of daily Fantasy sports is subject to wagering and occupational taxes.

The information reporting requirements and the withholding requirements discussed previously also apply to daily fantasy sports operators. So if you have a casino that's getting involved in daily fantasy sports, remember that they are subject to the wagering and occupational taxes as well as information reporting requirements and withholding requirements.

So, now that I've said that and I've stressed that, here's my poll question for you.

And it's basically wagering and occupational taxes apply to:

- A. Traditional fantasy sports
- B. Daily fantasy sports.
- C. Fantasy island.
- D. All of the above, or
- E. None of the above.

So if you wouldn't mind putting your answer in the text chat, we would appreciate and we can understand then how well we have done at providing you information.

Alison > Carole, we have been getting several responses.
It looks like they did not take the bait of fantasy island.

Carole > Darn.

Alison > But they have chosen B.

Carole > OK, thank you.

And the correct answer is B, Daily fantasy sports. Remember, traditional fantasy sports are not subject to the wagering occupational taxes, information reporting requirements, or withholding requirements.

However, if your casino does get involved with the operation of daily fantasy sports, it is subject to wagering and occupation taxes as well as information reporting requirements and withholding requirements.

OK, now if you would like centralized information on gaming for tribal casinos, Indian Tribal Governments has a Publication 3908, Gaming Tax Law and Bank Secrecy Act Issues.

Additional information on wagering and occupational taxes can also be found in the instructions included on the Form 730 and 11-C.

The publication and the forms are available on IRS.gov and additional information can be found by entering the terms "sports wagering" or "wagering taxes" or "occupational taxes" into the search box of the IRS.gov website.

The search box is located in the upper right-hand corner of the website. And again, those three search terms were "sports wagering" or "wagering taxes" or "occupational taxes" and you will get specific information based upon those search terms.

Now, to help you stay current on tax changes that affect tribes or the tribal entities, your tribal casino, we also provide an Indian Tribal Government newsletter, which you can subscribe to through our Gov Delivery service.

From the Indian Tribal Government's website homepage, which you can access at irs.gov/tribes, on the right side, in the Stay Current box, you can click on the link for sign up for the newsletter to automatically receive our newsletter, and any other news blast that we make regarding ITG issues.

Now, in summary, we actually have gone over quite a bit of information

We learned how sports wagering is a lottery, sweepstakes, or other betting based on directly or indirectly wagering on one or more competitions.

We learned that wagering and occupational taxes apply to Indian tribal governments and the entities that they own, in other words, your casinos.

How wagering taxes apply to sports wagers accepted by tribal casinos and that they are filed and paid monthly on the Form 730.

We learned that wagering taxes are based on total wagers received and is based on whether the wagers are authorized under state law.

How occupational taxes apply to each person who accepts taxable wagers and each casino who offers sports wagering.

They are filed annually by July 1st on the Form 11-C and the tax is a flat fee based on whether the wagers are authorized under state law.

Winnings to U.S. citizens from sports wagers are reported on a Form W2-G if the single win is at least \$600 and at least 300 times the amount of the wager. However, winnings to non-resident aliens from sports wagers are reported on the Form 1042-S with no dollar threshold.

We also talked about regular gambling withholding applying to sports wagering winnings if the proceeds exceed \$5,000 and are at least 300 times the wager, while backup withholding applies if the patron fails to provide a taxpayer identification number or a TIN.

We talked about fantasy sports wagering and that's where the bettor creates a fantasy team and competes against opponents.

There's no betting directly on the outcome of one specific competition. There are two types of fantasy sports: the traditional fantasy sports which are normally season-long competitions, and the daily fantasy sports which are your short-term competition.

The wagering and occupational tax information reporting requirements and withholding requirements apply to daily fantasy sports betting but not traditional fantasy sports betting.

And lastly, we provided resources available to you to assist you with questions on sports wagering and tax requirements.

Now we do have about 10 minutes left. Alison, were there any additional questions added to the chat?

Alison > No, Carole, I don't see any other questions,

Carole > OK.

Stanley > Carole, may I add something, please?

Carole > Sure.

Stanley I just wanted to clarify something.

We had the question about an individual that came in in the month of June for the Form 11-C and I'd mentioned, I gave a figure of, \$4.33 it's actually \$4.16. I went to the form and it does have the nice little chart in there. It's \$4.16, so small correction there.

But each month has its own cost component associated with it and it's based upon, as I said, the portion of the year that's remaining.

Alison > There is one other, I think this is a question if I could read it as Stan, I think this is going to go to you.

"So at what point do we do a [Form] 1042-S, if there is no limit or guidelines such as 300 times the bet or over \$5,000?"

Stanley > Technically, as I said, there's no beginning dollar threshold, meaning that it could be subject or would be subject technically from dollar one.

But there are some requirements or rules that are in place that allow a casino unless they have some other knowledge, to the contrary, that that the winnings are by a U.S. person, meaning that unless or until that individual exceeds what would be normally a reportable amount that they may not be obligated to do the withholding. That being said, if you know that the individual is a foreign individual based on your knowledge of, that particular person, it it's possible purely from a technical standpoint, that it would be required to be withheld from dollar one.

Alison > There are no other questions in the chat box.

Carole > OK.

Well, I will remind everybody that this has been recorded and in a couple weeks this will be published and it would be placed on IRSvideos.gov so you can go back at any time and review the recording, see if you miss something and then that way, hopefully it'll be available for you to answer any questions at any point in time. You don't have to come during a specific time.

So I would like to say thank you so much for attending today. From all of us at the Office of Indian Tribal Governments, we were very glad that you came, and I'm going to turn it over to Yvette. Would you like to discuss how the audience can provide us feedback?

Yvette > Yes. Thank you again for attending and we value your feedback and we have a screenshot where you can take the survey.

You can either go to www.irs.gov/tegesurvey or you can scan the QR code using your smart device's camera app. So there's two ways to take it. So we make it convenient for you and it's all anonymous.

So again, we appreciate your feedback and if you can take it that be great.

Carole > OK.

Thank you.

Thank you everybody for coming and hopefully you enjoyed attending this webinar.