



## Interest Withholding Tax Non-Resident Declaration for the purposes of Section 246 TCA 1997 Declaration to be completed by a Non-Resident Person

**1. To be completed by the Non-Resident Person**

Name of person:

Address of person:

Tax reference number in country of residence (where relevant)

- A. I declare that I am -
- not resident for the purposes of tax in Ireland,
  - not receiving interest in connection with a trade or business which is being carried on in Ireland through a branch or agency, and
  - tax resident in  (insert name of country) which is a "relevant territory"<sup>1</sup>.

B. I confirm that the Interest Article of Ireland's Double Taxation Agreement with  (insert name of country) provides that Ireland does not impose a tax on interest / ~~imposes tax at a rate not to exceed  % on interest [please delete as appropriate]~~<sup>2</sup>.

C. I declare that I am beneficially entitled to the interest payment being made by <sup>3</sup> (insert name of person making the interest payment) in respect of which this declaration is made.

D. I declare that I am entitled to relief under the Double Taxation Agreement (referred to in B.) in respect of the full interest payment (referred to in C.).

E. I undertake that in the event that there is any change in my circumstances I will inform, by written notice,  (insert name of person making the interest payment) immediately.

Signature of person:

Date: 

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Capacity of signatory

If you are attaching a Certificate of Residence [Form 6166] in lieu of having this form certified by the US tax authorities please enter  this box<sup>4</sup>

If you are attaching a certificate of residence, in lieu of having this form certified by the relevant Tax Authority please enter  this box<sup>5</sup>

**Please see section 2, certification by the Non-Resident's Tax Authority, on the next page.**

<sup>1</sup>Refer to note 2.

<sup>2</sup>Refer to note 4.

<sup>3</sup>The person making the interest payment should refer to Note 5 before making the interest payment.

<sup>4</sup>Refer to note 6.

<sup>5</sup>Refer to note 7.

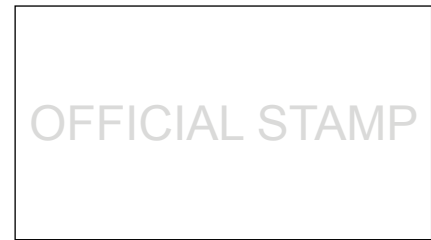
## 2. To be completed by the Non-Resident's Tax Authority

I certify that the above named person is a resident of   
(insert name of country) for the purposes of the relevant Double Tax Agreement.

The relevant tax reference number is

Signed:

Date:



### Notes

The purpose of this declaration is to provide that the reliefs of the Interest Article of Ireland's Double Taxation Agreements can be granted automatically without recourse to the Revenue Commissioners.

#### 1. Conditions for Self-Certification to apply

This form should be completed if:

1. Absent the self-certification, the payment would be subject to withholding under section 246(2) TCA 1997 and the person to whom the payment is being made is not entitled to an exemption from withholding tax under any of the provisions of section 246(3) TCA 1997.
2. The person to whom the interest is paid is the beneficial owner of the interest.
3. The person to whom the interest is paid is not resident in Ireland and the interest is not being paid in connection with a trade or business which is being carried on in Ireland through a branch or agency.
4. The person to whom the interest is paid is treated as a person (that is to say opaque rather than transparent)
  - a. for Irish tax purposes and for the purposes of tax imposed by the treaty partner, or
  - b. under the DTA.
5. Under the relevant DTA, that person is treated as a resident only of the treaty partner.
6. The DTA rate provided for under the Interest Article of the DTA that will apply on payments of interest to residents of the treaty partner is lower than 20%.
7. The payee is entitled to relief under the DTA in respect of the interest payment, such that any tax withheld would be fully, or partially, refundable.

#### 2. Relevant Territory

A "relevant territory" for the purposes of section 246 TCA 1997 is defined as:

- a country (other than Ireland) which is a member of the European Union,
- a country with which Ireland has a Double Taxation Agreement, or
- a country with which Ireland has entered into a Double Taxation Agreement which has not yet been ratified.

#### 3. Double Taxation Treaties

For up-to-date information on the countries with which Ireland has a Double Taxation Agreement please refer to the Revenue website at: <https://www.revenue.ie/en/tax-professionals/tax-agreements/index.aspx>

#### 4. Interest Article

The interest Article of Ireland's Double Taxation Agreements is used to determine if tax payable in

Ireland can be relieved in respect of interest payments being made. The terms of the applicable Interest Article will determine whether the interest can be paid gross i.e. without deduction of withholding tax at 20% as required under section 246(2) TCA 1997 or whether the interest can be paid at a reduced rate of tax stipulated in the relevant Double Taxation Agreement.

This is illustrated by the following examples

1. The Interest Article [Article 12] of the Double Taxation Agreement between Ireland and Sweden provides as follows:
  - “1. Interest arising in a Contracting State and paid to a resident of the other Contracting State shall be taxable only in that other State if such resident is the beneficial owner of the interest.”

Accordingly, in the case of interest payments being made to a person beneficially entitled to the interest payment who is resident in Sweden, no tax is to be charged or deducted on the interest payment in Ireland. As such the interest can be paid gross [i.e. without the deduction of withholding tax as required under section 246(2) TCA 1997] to the payee.

2. While the Interest Article [Article 11] of the Double Taxation Agreement between Ireland and Belgium provides as follows:
  - “1. Interest arising in a Contracting State and paid to a resident of the other Contracting State may be taxed in that other State.
  2. Such interest may also be taxed in the Contracting State in which it arises, and according to the law of that State. However, the tax so charged shall not exceed 15 per cent of the amount of the interest.”

Accordingly, in the case of interest payments being made to a person beneficially entitled to the interest payment who is resident in Belgium, the interest is charged to Irish tax at the reduced rate of 15%. As such, the interest payment can be made to the payee subject to a withholding tax at the rate of 15 percent [rather than withholding tax at the rate of 20% as required under the provisions of section 246(2) TCA 1997].

## **5. Person making the interest payment**

In advance of making the interest payment either without the deduction of withholding tax or at a reduced rate of withholding tax the person making the interest payment should refer to Tax and Duty Manual 08-03-06 <https://www.revenue.ie/en/tax-professionals/tdm/income-tax-capital-gains-tax-corporation-tax/part-08/08-03-06.pdf> to ensure that all the conditions pertaining to the interest payment have been satisfied.

## **6. Residents of the United States of America**

Revenue acknowledge that residents of the United States of America may encounter difficulties having the Form 08-03-06 Interest Payments certified by the US tax authorities therefore Revenue will consider a certificate of residence for United States tax purposes (Form 6166) acceptable in lieu of having the Form 08-03-06 Interest Payments certified by the US tax authorities.

The Form 6166 and fully completed uncertified Form 08-03-06 Interest Payments should be given to the person making the interest payments. The Form 6166 must be valid as at the date of the declaration.

A Form 6166 is available from the Department of the Treasury, Internal Revenue Service, Philadelphia, PA 19255, USA.

Please go to [www.irs.gov](http://www.irs.gov) to apply for Form 6166.

## **7. Residents of the Treaty Partner jurisdictions where foreign tax administrations may not sign and stamp declarations**

Revenue understands that there may be circumstances whereby foreign tax administrations may not sign and stamp declarations which facilitate the application of the withholding tax rate

contained in a double taxation agreement between those jurisdictions and Ireland. In such circumstances, Revenue will consider a certificate of residence from the tax administration of the treaty partner jurisdiction which confirms that the non-resident person is resident in that jurisdiction for the purposes of the double taxation agreement in force between that jurisdiction and Ireland acceptable in lieu of having the Form 08-03-06 Interest Payments certified by those Tax Authorities.

The certificate of residence and fully completed uncertified Form 08-03-06 Interest Payments should be given to the person making the interest payments. The certificate of residence must be valid as at the date of the declaration.

The Revenue Commissioners collect taxes and duties and implement customs controls. Revenue requires customers to provide certain personal data for these purposes and certain other statutory functions as assigned by the Oireachtas. Your personal data may be exchanged with other Government Departments and agencies in certain circumstances where this is provided for by law. Full details of Revenue's data protection policy setting out how we will use your personal data as well as information regarding your rights as a data subject are available on our **Privacy** page on [www.revenue.ie](http://www.revenue.ie). Details of this policy are also available in hard copy upon request.

The information in this document is provided as a guide only and is not professional advice, including legal advice. It should not be assumed that the guidance is comprehensive or that it provides a definitive answer in every case.