

TAXPAYER IDENTIFICATION NUMBER CERTIFICATION INSTRUCTIONS

(Section references are to the Internal Revenue Code.)

1. PURPOSE OF FORM

A credit union that is required to file information returns with the Internal Revenue Service (IRS) must get the correct taxpayer identification numbers (TINs) of members in order to report to the IRS certain income paid to members (A TIN is either a social security number (SSN), an employee identification number (EIN), or an individual tax identification number (ITIN).) IRS Form W-9, Request for Taxpayer Identification Number and Certification, is used by credit unions to request correct TINs for members as well as to request that members certify certain claims. Form W-9 is used if members can certify that they are U.S. persons or resident aliens, that the TINs they provide are correct, and that they are not subject to backup withholding.

Use Form W-9, Request For Taxpayer Identification Number And Certification or Credit Union's qualifying signature card form to furnish your correct TIN to the requester (the person asking you to furnish your TIN), and, when applicable (1) to certify that the TIN you are furnishing is correct (or that you are waiting for a number to be issued, (2) to certify that you are not subject to backup withholding, and (3) to claim exemption from backup withholding if you are an exempt payee. Furnishing your correct TIN and making the appropriate certifications will prevent certain payments from being subject to the 28% backup withholding.

Individuals who have an ITIN must provide it on Form W-9. However, some individuals, who for tax purposes are considered U.S. resident aliens, are not eligible to obtain an SSN. A resident alien is an individual who either has an immigration visa (green card) and/or has resided in the U.S. for at least 31 days in the calendar year, and 183 days in the two preceding years. This includes certain resident aliens who must receive information returns but who cannot obtain an SSN.

These individuals must apply for an ITIN on Form W-7, Application for IRS Individual Taxpayer Identification Number, unless they have an application pending for a SSN. Individuals filing a Form W-7 must provide proof that the ITIN will be used for tax administration purposes (meaning a completed tax return). In general, an individual is required to attach the individual's original completed tax return for which the ITIN is needed, such as a Form 1040 (U.S. individual Income Tax Return), to the Form W-7.

2. DEFINITION OF U.S. PERSON.

For federal tax purposes you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien;
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States;
- An estate (other than a foreign estate); or
- A domestic trust (as defined in Regulations section 301.7701- 7).

3. HOW TO OBTAIN A TIN SSN

You will need to complete form SS 5- Application for a Social Security Card. You also must submit evidence of your identity, age, and U.S. citizenship or lawful alien status.

4. EIN

An Employer Identification Number is also known as a federal tax identification number, and is used to identify a business entity. It is also use by estates and trusts which have income which is required to be reported.

5. ITIN

An ITIN, or Individual Taxpayer Identification Number, is a tax processing number only available to certain non-resident and resident aliens, their spouses, and dependents who cannot get a Social Security Number (SSN). It is a 9-digit number, beginning with the number "9" formatted like a SSN. You must complete an IRS Form W-7, IRS Application for Individual Taxpayer Identification Number.

6. APPLIED FOR TIN

If a member has applied for, but not yet received a TIN, the member should provide the credit union with an Awaiting-TIN Certificate. However, because the member has not made all the necessary certification, the credit union will close the account within 30 days if a TIN is not received. If a member does not supply their TIN within 30 days of account opening the credit union may close your account.

7. WHAT IS BACKUP WITHHOLDING?

Persons making certain payments to you are required to withhold and pay to the IRS 28% of such payments under certain conditions. This is called "backup withholding". Payments that may be subject to backup withholding include interest, tax-exempt interest, dividends, broker and barter exchange transactions, rents, royalties, non-employee compensation, payments made in settlement of payment card and third party network transactions, and certain payments from fishing boat operators, but do not include real estate transactions.

You will not be subject to backup withholding if you give the requester/credit union your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return. Payments you receive will be subject to backup withholding if:

- 1) There are missing or obvious incorrect taxpayer identification number (TIN)
- 2) The member has not certified, under penalties of perjury, that the TIN provided to the credit union is correct.
- 3) The member has not certified, under the penalties of perjury, that the member is not subject to backup withholding.
- 4) The IRS notifies the credit union to withhold due to the member's under-reporting of income, or because the member has a tax problem.
- 5) The IRS notifies the credit union that the TIN on Form 1099 filed with the Service is missing or incorrect.
- 6) The member fails to provide a W-8 BEN or does not renew the form after three years.

8. PENALTIES

a. Failure to Furnish TIN.

If you fail to give a social security number or employer identification number, or if you refuse to certify that the TIN is correct, then the credit union may refuse to open the account.

b. Penalty for No TIN

The credit union will be liable for a \$50 penalty for each form 1099-INT filed with a missing TIN.

c. Civil Penalty for False Information

With Respect to Withholding.

If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a penalty of \$500.

d. Criminal Penalty for Falsifying Information.

Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

e. Misuse of TINs.

If the requester disclosed or uses TINs in violation of Federal law, the requester may be subject to civil and criminal penalties.

d. Signature

IRS Form W-9 requires that each account owner certify that the TIN he/she provides is correct, that he/she is not subject to backup withholding and that he/she is a U.S person.

9. SECURE YOUR TAX RECORDS FROM IDENTITY THEFT

Identity theft occurs when someone uses your personal information such as your name, SSN, or other identifying information, without your permission, to commit fraud or other crimes. An identity thief may use your SSN to get a job or may file a tax return using your SSN to receive a refund.

To reduce your risk:

- Protect your SSN,
- Ensure your employer is protecting your SSN, and
- Be careful when choosing a tax preparer.

If your tax records are affected by identity theft and you receive a notice from the IRS, respond right away to the name and phone number printed on the IRS notice or letter.

If your tax records are not currently affected by identity theft but you think you are at risk due to a lost or stolen purse or wallet, questionable credit card activity or credit report, contact the IRS Identity Theft Hotline at 1-800-908-4490 or submit Form 14039.

For more information, see Publication 4535, Identity Theft Prevention and Victim Assistance.

Victims of identity theft who are experiencing economic harm or a system problem, or are seeking help in resolving tax problems that have not been resolved through normal channels, may be eligible for Taxpayer Advocate Service (TAS) assistance. You can reach TAS by calling the TAS toll-free case intake line at 1-877-777-4778 or TTY/TDD 1-800-829-4059.

Protect yourself from suspicious emails or phishing schemes.

Phishing is the creation and use of email and websites designed to mimic legitimate business emails and websites. The most common act is sending an email to a user falsely claiming to be an established legitimate enterprise in an attempt to scam the user into surrendering private information that will be used for identity theft.

The IRS does not initiate contacts with taxpayers via emails. Also, the IRS does not request personal detailed information through email or ask taxpayers for the PIN numbers, passwords, or similar secret access information for their credit card, bank, or other financial accounts.

If you receive an unsolicited email claiming to be from the IRS, forward this message to phishing@irs.gov. You may also report misuse of the IRS name, logo, or other IRS property to the Treasury Inspector General for Tax Administration (TIGTA) at 1-800-366-4484. You can forward suspicious emails to the Federal Trade Commission at: spam@uce.gov or contact them at www.ftc.gov/idtheft or 1-877-IDTHEFT (1-877-438-4338). Visit IRS.gov to learn more about identity theft and how to reduce your risk.

10. PRIVACY ACT NOTICE

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons (including federal agencies) who are required to file information returns with the IRS to report interest, dividends, or certain other income paid to you; mortgage interest you paid; the acquisition or abandonment of secured property; the cancellation of debt; or contributions you made to an IRA, Archer MSA, or HSA. The person collecting this form uses the information on the form to file information returns with the IRS, reporting the above information. Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation and to cities, states, the District of Columbia, and U.S. commonwealths and possessions for use in administering their laws. The information also may be disclosed to other countries under a treaty, to federal and state agencies to enforce civil and criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism. You must provide your TIN whether or not you are required to file a tax return. Under section 3406, payers must generally withhold a percentage of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to the payer. Certain penalties may also apply for providing false or fraudulent information. Excerpts from: IRS FORM W-9



Community Star Credit Union is owned and operated by its members. Membership is a lifetime benefit and is available to the employee and their family members of select employee groups, organizations and residents and workers in select communities.

Community Star Credit Union is chartered in this state of Ohio and is supervised by the Ohio Department of Financial and Professional Regulation.



ACCOUNTS INSURED UP TO \$500,000



American Share Insurance insures each account up to \$250,000. Excess Share Insurance Corporation provides up to an additional \$250,000 of insurance per account. This institution is not federally insured, and if the institution fails, the Federal Government does not guarantee that depositors will get back their money. MEMBERS' ACCOUNTS ARE NOT INSURED OR GUARANTEED BY ANY GOVERNMENT OR GOVERNMENT-SPONSORED AGENCY.

