

# Written Explanation of a US address

**Full name:** \_\_\_\_\_

**Reference number:** \_\_\_\_\_

(quoted on the letter we sent you):

By completing your IRS Form W-8 you are confirming that you're not a citizen or resident of the United States (US) or other US person for the purposes of US tax law. Our records show you have a mailing or permanent residence address in the US. As this could be an indication that you are a US person for tax purposes, please:

1. Provide an explanation for the address in Part 1 below
2. Complete the substantial presence test table in Part 2 below
3. Complete the declaration in Part 3 or Part 4 below
4. Return the completed declaration and/or other required documents in line with the instructions in the letter we sent you.

## Part I US address explanation (select one)

1.  My US address is a secondary residence (e.g. a holiday home)
2.  The US address shown belongs to a financial or legal advisor
3.  Other (please explain):

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## Part 2 Substantial Presence Test

When assessing your US tax status, we need to consider the number of days you spend in the US. So if you may spend or have spent significant time in the US, you may be considered a US person. As our records indicate you have a mailing or permanent residence in the US, we need you to confirm you've not spent significant time in the US by completing the 'Substantial Presence Test' below.

Apart from the exceptions described in Appendix 2, you're considered to be substantially present in the US if you are:

1. Physically present in the US for at least 31 days during the current calendar year, and
2. Physically present in the US for at least 183 days in the last 3 years including the current calendar year, counting:
  - a. all the days present in the US in the current year, and
  - b. 1/3 of the days present in the US in the 1st year before the current year, and
  - c. 1/6 of the days present in the US in the 2nd year before the current year.

**Please complete the following table based on your days of presence in the US. Instructions and an example are provided in Appendix 1.**

Year	Total days(A)	Calculation(B)	Days to be counted(C)
<b>Current year</b>		If you have spent or intend to spend less than 31 total days in the US in the current calendar year, enter 0 in Box D below and sign in Part 3	
<b>Year before the current year</b>		Divide total days by 3	
<b>Second year before the current year</b>		Divide total days by 6	
<b>Total days (Box D)</b>			

**Disclaimer:** The details requested above are for information only and should not be considered as a statement of applicable law. We don't provide legal or tax advice and no parts of this form or the Appendices should be considered as advice. If you need help understanding your personal tax situation, we recommend you seek independent advice.

## Part 3

### Declaration of non-US status

**Complete if the figure in Part 2 box D is less than 183**

I confirm that although I have the connection(s) indicated above with the US, for the reason(s) indicated on this form I am not a US person for US tax purposes. If I am signing on behalf of the account holder/payee identified on page 1 of this form, I also confirm that I am authorised to sign for that person.

I acknowledge that I must inform you within 30 days in the event of a change in circumstance impacting my status as a non-US person for US tax purposes and I agree to provide any document(s) requested to support this. If my status changes to that of a US person, I will notify you within 30 days of that change and agree to provide you with an IRS Form W-9 and any other document(s) requested.

**By signing this form, I also agree that the HSBC Group has no liability relating to my tax obligations and/or any legal/tax advice provided by third parties.**

Please print name, sign and date below.

Print Name	Signature	Date (dd/mm/yyyy)

**Capacity in which acting:** \_\_\_\_\_  
(if form is not signed by account holder/payee)

## Part 4

### US Substantial Presence

**Action required if the figure in Part 2 Box D is greater than or equal to 183**

If the figure in Part 2 Box D is equal to or greater than 183 days, please complete and return the following form within the timescale specified in the letter we sent you:

- **IRS Form W-9:** Request for Tax Payer Identification Number and Certification. Download from the IRS website: [www.irs.gov/Forms-&-Pubs](http://www.irs.gov/Forms-&-Pubs) and complete. Please ensure you select the correct form as some have very similar titles. Please return the original completed form to the address quoted in the letter we sent you.

# Appendix 1

## Instructions to Part 2

1. Please complete the table in Part 2 by adding the number of days you were present in the US in each of the years and inserting the total days in column A
2. Apply the calculation shown in column B
3. Record the number of days to be counted for each year in column C
4. Calculate the sum of values in column C and record in the total days present box D.

**Before completing the table, please refer to the guidance in Appendix 2 for information about the days on which you would NOT be considered present in the United States (potential excluded days).**

Year	Total days(A)	Calculation(B)	Days to be counted(C)
<b>Current year</b>	A1	If you have spent or intend to spend less than 31 total days in the US in the current calendar year, enter 0 in Box D below and sign in Part 3	$A1 = C1$
<b>Year before the current year</b>	A2	Divide total days by 3	$A2 \div 3 = C2$
<b>Second year before the current year</b>	A3	Divide total days by 6	$A3 \div 6 = C3$
<b>Total days (Box D)</b>			$D = C1 + C2 + C3$

### Example (Substantial Presence Test calculation)

If John was physically present in the United States for 120 days in this year, 90 days in the previous year and 60 days 2 years before the current year, to determine if he meets the Substantial Presence Test, count:

- all 120 days present in the US this year
- 30 days for the year before (90 divided by 3)
- 10 days for the second year before the current year (60 divided by 6).

In this example, because the total days for the 3 year period is 160 (120 + 30 + 10), John would not be considered a US resident under the Substantial Presence Test for this year.

Year	Total days(A)	Calculation(B)	Days to be counted(C)
<b>Current year</b>	120	$120 / 1$	120
<b>Year before the current year</b>	90	$90 / 3$	30
<b>Second year before the current year</b>	60	$60 / 6$	10
<b>Total days (Box D)</b>			<b>160</b>

## Appendix 2

### Days present in the US:

You are considered present in the US on any day you were physically present in the country, at any point during the day. There are exceptions to this rule as you don't need to count the following as days present in the US for the purposes of the Substantial Presence Test:

- Days you regularly commute to work in the US from a residence in Canada or Mexico
- Days you're in the US for less than 24 hours, when you are in transit between two places outside the US
- Days you are in the US as a crew member of a foreign vessel
- Days you are unable to leave the US because of a medical condition that develops while in the US
- Days you are temporarily in the US as a professional athlete to compete in a charitable sports event
- Days you are an exempt individual (see below).

### Exempt Individuals

You don't need to count days you are an exempt individual. This term does not refer to someone exempt from US tax, but to anyone in the following categories who is exempt from counting days of presence in the US:

#### 1. Foreign Government Related Individual or International Organization Employee present in US

- Employee of Foreign Government;
- Employee of International Organisation;
- Usually in the US on an A or G visa;
- Immediate family members i.e. spouse or unmarried children under 21 who live at home.

#### 2. Teacher, Professor, Trainee, Researcher in the US on a J or Q visa

- Does NOT include students on J or Q visas;
- Does include any individual on a J or Q visa who is not a student i.e. physicians, au pairs, summer camp workers etc;
- If you were a teacher, professor, trainee or researcher in a year prior to the current year, see IRS Publication 519 about how you should apply the Substantial Presence Test
- Exempt Individual status also applies to immediate family members with a J-2 or Q-3 visa.

#### 3. Student in US on an F, J, M or Q visa

- If you were a student in a year prior to the current year, see IRS Publication 519 about how you should apply the Substantial Presence Test
- Exempt Individual status applies also to spouse and child on an F-2, J-2, M-2, or Q-3 visa.

**For details on days excluded from the Substantial Presence Test including for exempt individuals, please refer to IRS Publication 519, US Tax Guide for Individuals, or information about the Substantial Presence Test on the IRS website at [www.irs.gov/Individuals/International-Taxpayers/Substantial-Presence-Test](http://www.irs.gov/Individuals/International-Taxpayers/Substantial-Presence-Test)**