

June 4, 2023

1042 ATS Scenario 4

Taxpayer: Withholding Agent Three

TIN: 00-50000004

Forms Included in the Scenario:

- Form 1042
- Form 1042-S
- Form 1099-G
- Form 1099-K
- Form 1099-PATR

Additional Information: You must select “Yes” in the Return Header for the

IRSResponsiblePrtyInfoCurrInd

BusinessOfficer Grp:

PersonNm = Kirk Hickory
PersonTitleTxt = President
PhoneNum = 555-555-5555

Signing Officer Group:

SSN = 400-00-1031
PersonFirstNm = Mel Oak

Form 1042 filed by a WA (that is a QI) claiming a line 67 credit that is substantiated by Form 1042-S, 1099-G, 1099-K, 1099-PATR. This scenario also includes a credit claim.

**Annual Withholding Tax Return for U.S. Source
Income of Foreign Persons**

Go to www.irs.gov/Form1042 for instructions and the latest information.

If this is an amended return, check here

Name of withholding agent WITHHOLDING AGENT THREE		Employer identification number 00-5000004	For IRS Use Only	
Ch. 3 Status Code 12	Ch. 4 Status Code 07	CC	FD	
Number, street, and room or suite no. (If a P.O. box, see instructions.) 2 Fia Sauare		RD	FF	
City or town, state or province, country, and ZIP or foreign postal code London, W1A 1AE		CAF	FP	
		CR	I	
		EDC	SIC	

If you do not expect to file this return in the future, check here Enter date final income paid

Section 1 Record of Federal Tax Liability (do not show federal tax deposits here)

Line No.	Period ending	Tax liability for period (including any taxes assumed on Form(s) 1000)	Line No.	Period ending	Tax liability for period (including any taxes assumed on Form(s) 1000)	Line No.	Period ending	Tax liability for period (including any taxes assumed on Form(s) 1000)
1	7		21	7	25000	41	7	
2	15	20720	22	15		42	15	
3	22		23	22	25000	43	22	
4	31		24	31		44	30	
5	Jan. total	20720	25	May total	50000	45	Sept. total	
6	7		26	7		46	7	
7	15		27	15		47	15	
8	22		28	22		48	22	
9	28		29	30		49	31	
10	Feb. total		30	June total		50	Oct. total	
11	7		31	7		51	7	
12	15		32	15		52	15	
13	22		33	22		53	22	
14	31		34	31	25000	54	30	
15	Mar. total		35	July total	25000	55	Nov. total	
16	7		36	7		56	7	
17	15		37	15		57	15	25000
18	22		38	22		58	22	
19	30		39	31		59	31	
20	Apr. total		40	Aug. total		60	Dec. total	25000

Note: The totals from the above table are to be entered on lines 64b through 64d (as indicated in the instructions for those lines).

61 No. of Forms 1042-S filed: a On paper _____ b Electronically _____

62 Total gross amounts reported on all Forms 1042-S and 1000:

a Total U.S. source FDAP income (other than U.S. source substitute payments) reported	62a	500,000
b Total U.S. source substitute payments reported:		
(1) Total U.S. source substitute dividend payments reported	62b(1)	
(2) Total U.S. source substitute payments reported other than substitute dividend payments	62b(2)	
c Total gross amounts reported (add lines 62a-b)	62c	500,000
d Enter gross amounts actually paid if different from gross amounts reported	62d	

Third Party Designee Do you want to allow another person to discuss this return with the IRS? See instructions. Yes. Complete the following. No

Designee's name **Walter Orchid** Phone no. **222-111-1111** Personal identification number (PIN) **0 0 0 0 1**

Sign Here Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than withholding agent) is based on all information of which preparer has any knowledge.

Your signature _____ Date _____ Capacity in which acting _____
Daytime phone number _____

Paid Preparer Use Only

Print/Type preparer's name Walter Orchid	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN P00000001
Firm's name Walter Orchid Co.			Firm's EIN 00-0000079	
Firm's address			Phone no. 222-111-1111	

63	Total tax reported as withheld or paid by withholding agent on all Forms 1042-S and 1000:		
a	Tax withheld by withholding agent	63a	20000
b	Tax withheld by other withholding agents:		
(1)	For payments other than substitute dividends	63b(1)	120270
(2)	For substitute dividends	63b(2)	
c	Adjustments to withholding:		
(1)	Adjustments to overwithholding	63c(1)	10000
(2)	Adjustments to underwithholding	63c(2)	
d	Tax paid by withholding agent	63d	
e	Total tax reported as withheld or paid (add lines 63a-d)	63e	130270

Computation of Tax Due or Overpayment

64	Total net tax liability		
a	Adjustments to total net tax liability	64a	
b	Total net tax liability under chapter 3	64b	120270
c	Total net tax liability under chapter 4	64c	
d	Excise tax on specified federal procurement payments (total payments made x 2% (0.02))	64d	
e	Total net tax liability (add lines 64a-d)	64e	120270
65	Total paid by electronic funds transfer (or with a request for extension of time to file):		
a	Total paid during calendar year	65a	10000
b	Total paid during subsequent year	65b	
66	Enter overpayment applied as credit from 2022 Form 1042	66	
67	Credit for amounts withheld by other withholding agents:		
a	For payments other than substitute dividend payments	67a	120270
b	For substitute dividend payments	67b	
68	Total payments. Add lines 65 through 67	68	130270
69	If line 64e is larger than line 68, enter balance due here	69	
70a	Enter overpayment attributable to overwithholding on U.S. source income of foreign persons	70a	10000
b	Enter overpayment attributable to excise tax on specified federal procurement payments	70b	
71	Apply overpayment (sum of lines 70a and 70b) to (check one) : <input type="checkbox"/> Credit on 2024 Form 1042 or <input type="checkbox"/> Refund		

Section 2 Reconciliation of Payments of U.S. Source FDAP Income

1	Total U.S. source FDAP income required to be withheld upon under chapter 4	1	
2	Total U.S. source FDAP income required to be reported under chapter 4 but not required to be withheld upon under chapter 4 because:		
a	Amount of income paid to recipients whose chapter 4 status established no withholding is required	2a	487070
b	Amount of excluded nonfinancial payments	2b	12930
c	Amount of income paid with respect to grandfathered obligations	2c	
d	Amount of income effectively connected with the conduct of a trade or business in the United States	2d	
e	Total U.S. source FDAP income required to be reported under chapter 4 but not required to be withheld upon under chapter 4 (add lines 2a-d)	2e	500000
3	Total U.S. source FDAP income reportable under chapter 4 (add lines 1 and 2e)	3	500000
4	Total U.S. source FDAP income reported on all Forms 1042-S (from lines 62a, 62b(1), and 62b(2))	4	500000
5	Total variance, subtract line 3 from line 4; if amount other than zero, provide explanation on line 6	5	0
6			

Section 3 Potential Section 871(m) Transactions

Check here if any payments (including gross proceeds) were made by the withholding agent under a potential section 871(m) transaction, including a notional principal contract or other derivatives contract that references (in whole or in part) a U.S. stock or other underlying security. See instructions

Section 4 Dividend Equivalent Payments by a Qualified Derivatives Dealer (QDD)

Check here if any payments were made by a QDD

If the box is checked, you must do the following.

(1) Attach Schedule(s) Q (Form 1042). See instructions.

(2) Enter your EIN (other than your QI-EIN)

CORRECTED (if checked)

**Certain
Government
Payments**

**Copy B
For Recipient**

This is important tax information and is being furnished to the IRS. If you are required to file a return, a negligence penalty or other sanction may be imposed on you if this income is taxable and the IRS determines that it has not been reported.

PAYER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone no. Payer B 123 Elm St Atlanta, GA 30304		1 Unemployment compensation \$ 142,856	OMB No. 1545-0120 Form 1099-G (Rev. March 2024) For calendar year <u>2023</u>	
PAYER'S TIN 00-5500000		2 State or local income tax refunds, credits, or offsets \$	3 Box 2 amount is for tax year	
RECIPIENT'S TIN 00-5000004		4 Federal income tax withheld \$ 40,000	Copy B For Recipient This is important tax information and is being furnished to the IRS. If you are required to file a return, a negligence penalty or other sanction may be imposed on you if this income is taxable and the IRS determines that it has not been reported.	
RECIPIENT'S name WITHHOLDING AGENT THREE		5 RTAA payments \$		6 Taxable grants \$
Street address (including apt. no.) 3 Fig Square		7 Agriculture payments \$		8 If checked, box 2 is trade or business income <input type="checkbox"/>
City or town, state or province, country, and ZIP or foreign postal code London, WA1 1AE		9 Market gain \$		
Account number (see instructions)		10a State		10b State identification no.
		11 State income tax withheld \$		

Form **1099-G** (Rev. 3-2024)

(keep for your records)

www.irs.gov/Form1099G

Department of the Treasury - Internal Revenue Service

ONLY DRAFT

September 25, 2023

DO NOT FILE

CORRECTED (if checked)

**Payment Card and
Third Party
Network
Transactions**

Copy 2

To be filed with the
recipient's state
income tax return,
when required.

FILER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone no. WITHHOLDING AGENT THREE 2 FIG SQUARE LONDON, WA1A 1AE	FILER'S TIN 00-5000004	OMB No. 1545-2205 Form 1099-K (Rev. April 2022)	
	PAYEE'S TIN 00-5555550	For calendar year 20 <u>23</u>	
	1a Gross amount of payment card/third party network transactions \$ 12,930	2 Merchant category code \$ 1234	
Check to indicate if FILER is a (an): Payment settlement entity (PSE) <input checked="" type="checkbox"/> Electronic Payment Facilitator (EPF)/Other third party <input type="checkbox"/>	Check to indicate transactions reported are: Payment card <input checked="" type="checkbox"/> Third party network <input type="checkbox"/>	3 Number of payment transactions 1	4 Federal income tax withheld \$ 3,620
PAYEE'S name Payer C Street address (including apt. no.) 20 Anystreet City or town, state or province, country, and ZIP or foreign postal code Anytown, KY 10000 PSE'S name and telephone number	5a January \$	5b February \$	To be filed with the recipient's state income tax return, when required.
	5c March \$	5d April \$	
	5e May \$	5f June \$	
	5g July \$	5h August \$	
	5i September \$	5j October \$	
	5k November \$	5l December \$ 12,930	
	Account number (see instructions)	6 State	

9797

 VOID CORRECTED

PAYER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone no. PAYER D 123 AVENUE NEW YORK, NY 10001		1 Patronage dividends \$ 5357	OMB No. 1545-0118	Taxable Distributions Received From Cooperatives
		2 Nonpatronage distributions \$	Form 1099-PATR (Rev. January 2023)	
		3 Per-unit retain allocations \$	For calendar year 20 <u>23</u>	
PAYER'S TIN 00-5555555	RECIPIENT'S TIN 00-5000004	4 Federal income tax withheld \$ 1,500	5 Redeemed nonqualified notices \$	Copy A For Internal Revenue Service Center File with Form 1096. For Privacy Act and Paperwork Reduction Act Notice, see the current General Instructions for Certain Information Returns.
RECIPIENT'S name WITHHOLDING AGENT THREE		6 Section 199A(g) deduction \$	7 Qualified payments \$	
Street address (including apt. no.) 2 FIG SQUARE		8 Section 199A(a) qual. items \$	9 Section 199A(a) SSTB items \$	
City or town, state or province, country, and ZIP or foreign postal code LONDON, W1A1AE		10 Investment credit \$	11 Work opportunity credit \$	
Account number (see instructions)	2nd TIN not. <input type="checkbox"/>	12 Other credits and deductions \$	13 Specified Coop <input type="checkbox"/>	

Form **1099-PATR**

Department of the Treasury - Internal Revenue Service

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