Eli Lilly and Company cannot provide tax advice. We strongly recommend you consult with your tax advisor before choosing and completing the appropriate tax form.

Table of Contents

Depending on your settings in MS Word, you may need to press the ctrl-key while clicking on a hyperlink highlighted in blue.

1. Why Tax Forms are Required
2. Which Tax Form to Complete
3. Process Questions
4. Common Problems Encountered
5. Common ITIN questions

Why Tax Forms are Required

Why do I have to give Lilly a tax form if I live outside of the United States?

The United States government, through the United States Treasury which is the U.S. governmental agency responsible for tax collection and tax law enforcement, generally requires United States companies making payments to non-U.S. persons or companies to withhold 30% of payments subject to Non-Resident Alien (NRA) withholding.

Not all payments are subject to withholding and the withholding rate may be reduced under certain tax code provisions or tax treaties. Any reduction of the 30% withholding tax is dependent upon obtaining a valid Form W-8 series form or 8233 identifying your status and declaring that you are eligible for an exemption or reduced withholding rate due to an income tax treaty between your country and the United States, if applicable. These forms will be required prior to engaging in business with Lilly or when a supplier’s existing form has expired.

Questions about common problems encountered
Which tax form do I complete?

Please note Lilly cannot provide tax advice including recommending the form which should be submitted. We encourage you to consult with your tax advisor or read the detailed instructions available on the U.S. Internal Revenue Site at http://irs.gov/.

**Nonresident Alien Individuals generally will complete one of the following forms**

<table>
<thead>
<tr>
<th>Form W-8BEN – Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding and Reporting (Individuals)</th>
<th>do not use this form if you are:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• NOT an individual or</td>
</tr>
<tr>
<td></td>
<td>• you are receiving compensation for personal services performed in the U.S. and wish to claim tax treaty withholding exemption for this compensation</td>
</tr>
</tbody>
</table>

| Form 8233 – Exemption from Withholding on Compensation for Independent (and Certain Dependent) Personal Services of a Nonresident Alien Individual | Use this form if you are a nonresident alien receiving compensation for independent services performed in the U.S. and you wish to claim tax treaty withholding exemption |

**Foreign Entities generally will complete one of the following forms.**

<table>
<thead>
<tr>
<th>Form W-8BEN-E, Certificate of Status of Beneficial Owner for United States Tax Withholding and Reporting (Entities)</th>
<th>A beneficial owner solely claiming foreign status or treaty benefits.</th>
</tr>
</thead>
</table>

| Form W-BIMY, Certificate of Foreign Intermediary, Foreign Flow-Through Entity, or Certain U.S. Branches for United States Tax Withholding | A foreign partnership, a foreign simple trust, or a foreign grantor trust (unless claiming treaty benefits) (see instructions for exceptions) OR Any person acting as an intermediary |

| Form W-BEXP, Certificate of Foreign Government or Other Foreign Organization for United States Tax Withholding | A foreign government, international organization, foreign central bank of issue, foreign tax-exempt organization, foreign private foundation, or government of a U.S. possession claiming that income is effectively connected U.S. income or that is claiming the applicability of section(s) 115(2), 501(c), 892, 895, or 1443(b) (unless claiming treaty benefits) (see instructions) |

| Form W-BECI, Certificate of Foreign Person’s Claim That Income Is Effectively Connected With the Conduct of a Trade or Business in the United States | A foreign individual or entity claiming that income is effectively connected with the conduct of trade or business within the U.S. (unless claiming treaty benefits). The payee must have a valid US taxpayer ID and file yearly US tax returns to report all income claimed to be effectively connected with a US trade or business. OR A foreign government, international organization, foreign central bank of issue, foreign tax-exempt organization, foreign private foundation, or government of a U.S. possession claiming that income is effectively connected U.S. income or that is claiming the applicability of section(s) 115(2), 501(c), 892, 895, or 1443(b) (unless claiming treaty benefits) (see instructions) |
Questions about the process

Why can’t Lilly make the necessary changes to my submitted tax form?

Lilly reviews each submitted tax form to ensure it is complete and will be deemed valid by the Internal Revenue Service. While we realize our review may identify what may seem to be minor changes, it would be inappropriate for Lilly to alter a submitted tax form which was certified by you under penalties of perjury.

We respectfully request that either a new form is completed or the incorrect/missing information is corrected or provided. If you mark out any previously submitted information and provide corrected information, you MUST also initial the change.

Questions about common problems encountered

Will I only need to provide a tax form to Lilly once? Will my tax form expire?

- An 8233 is only valid for payments made during the calendar year in which the 8233 was signed. Therefore an updated 8233 with a signature date of the current year will need to be provided to Lilly on a yearly basis if payments will be made during that calendar year. i.e. 8233 signed on June 5, 2015 will expire on December 31, 2015.
- W8 tax forms expire on December 31st three years from the date signed. i.e. W8 signed on June 5, 2015 will expire on December 31, 2018.

Questions about common problems encountered

Am I required to fill out all of the 8233?

If an individual is claiming treaty benefits for personal services delivered on U.S. soil, all three parts of the 8233 must be completed.

Questions about common problems encountered

I plan to submit Form 8233 but I do not have a U.S. taxpayer identifying number. How do I request an Individual Tax Identification Number (ITIN) from the US Government?

You must first file Form SS-5 to request a Social Security Number (SSN). You will likely be rejected. After receiving your rejection from the Social Security Administration (SSA), you must file Form W-7 to request an ITIN, include your rejection letter from the SSA and your Form 8233 with your completed
Form W-7. See the “How to Apply” section of the instructions for Form W-7 for additional supporting documentation you may need to provide.

**Questions about common problems encountered**
Do I have to wait until I receive an Individual Tax Identification Number (ITIN) from the U.S. Government before I can submit my 8233?

If you have applied for a SSN or ITIN then you may submit an 8233 to Lilly with line 2 populated with “Applied For” and a copy of the SS-5 or W7 attached to the 8233. See section “Common ITIN FAQs” for additional information about obtaining an ITIN.

Questions about common problems encountered

Can I provide my Foreign Tax ID instead of an Individual Tax Identification Number (ITIN)?

A foreign Tax ID cannot be used in place of an ITIN when completing the 8233.

Questions about common problems encountered

Can I claim treaty benefits when filing a W-8BEN?

An individual should use the W-8BEN to claim treaty benefits for all U.S. sourced income other than Independent Personal Services. A form 8233 should be submitted when an individual wants to claim treaty benefits for Independent Personal Services, consulting or professional services.

Questions about common problems encountered

Can a foreign entity submit a W-8BEN?

A foreign entity is not permitted to submit a W-8BEN. The foreign entity generally will submit a W-8BEN-E.

Questions about common problems encountered

Is a tax form required for legal settlements?

A tax form is only required if the litigation occurred within the U.S.

Questions about common problems encountered
Is a W-8 tax form required for the transfer agent for Japanese taxes.

In general, a W-8 is not required. However, if the transfer agent is a bank or other financial institution one should be requested as there may be FATCA requirements.

**Questions about common problems encountered**

Is a tax form required when only reimbursing travel expenses?

A tax form is not required when only reimbursing expenses.

**Questions about common problems encountered**

Is a tax form required when funding a capital call?

A tax form is not required when funding a capital call.

**Questions about common problems encountered**

Can any version of a W8 or 8233 be submitted?

When submitting a tax form, the most current revision of the form MUST be used. The most current revision can be found on the U.S. Internal Revenue Site @ IRS W8 Tax Forms or IRS 8233 Tax Form

**Questions about common problems encountered**

Can I fax or email the W8 or 8233 tax form or does it have to be the original signed copy?

The original tax form completed and signed and mailed to Lilly is always acceptable. Faxes are **NEVER** acceptable. We can accept your tax form via e-mail, as long as, we are able to verify the e-mail was received from the entity or individual for which the form applies.

For example, if the tax form for Mr. John Doe is received as an attachment to an e-mail received from JaneSmith@gmail.com the tax form would **NOT** be accepted. Lilly must be able to associate the e-mail account which the tax form received to the tax form entity or individual.

**Questions about common problems encountered**
Who can I contact if I still have questions?

First, we encourage you to read all requirements for suppliers/individuals domiciled outside the US or PR located on Lilly’s Supplier Portal Accounts Payable section. You will find helpful information related to supplier setup or change requirements and invoicing requirements.

Please contact the P2P Answer Center and they will refer your question(s) to the Tax Specialist. Their contact information is: 1-877-511-1529 or P2P_Answer_Center@lilly.com.

Questions about common problems encountered

My supplier provides goods and services; however they will not be traveling to the US for any reason. What information would they need to provide?

Answer: The supplier would need to complete a “Supplier Acknowledgement Form.” This form would stay on file for future invoicing. The Supplier Acknowledgement form would need to be renewed each time the supplier submits a new tax form to Lilly. The supplier would not be required to submit a Type of Income Questionnaire with each invoice submitted.

Questions about common problems encountered
Questions about common problems encountered

What are the most common errors found when reviewing tax forms?

- The most common error found is the form does not have the minimum required fields populated.
- Please ensure you are referencing the appropriate instructions for the tax form being completed to ensure all appropriate fields are completed correctly.

Why would a W-8IMY be rejected if all the required fields are completed?

If a W-8IMY is provided in order for a partnership to claim treaty benefits, a valid withholding statement, i.e., W-8BEN-E, also needs to be submitted for each partner.

Common ITIN Frequently Asked Questions

What is an ITIN?

An ITIN is a tax processing number, issued by the Internal Revenue Service, for certain resident and nonresident aliens, their spouses, and their dependents. It is a nine-digit number beginning with the number “9”, has a range of numbers from “70” to “88”, “90” to “92” and “94” to “99” for the fourth and fifth digits and is formatted like a SSN (i.e. 9XX-7X-XXXX).

Who can assist me in submitting a W7 Application for IRS Individual Taxpayer Identification Number (ITIN) which is required for Form 8233?

You also can apply through an Acceptance Agent (AA) authorized by the IRS. An AA can help you complete and file Form W-7. To get a list of agents, visit IRS.gov and enter “acceptance agent program” in the search box at the top of the page.

A Certified Acceptance Agent (CAA) can verify the original and, also, certified copies of identifying documents for primary and secondary applicants. The CAA should return the documents immediately after reviewing their authenticity. The CAA must attach a standard copy of the identifying documents reviewed. The copies of the documents and the Certificate of Accuracy must be attached to the Form W-7. The CAA must submit the original or certified document copies with dependent applications for an ITIN. An AA will need to submit originals or certified copies for all applicants when identifying documents are required. Even if an exemption to submit original identifying documents applies (e.g., military dependents), the CAA or AA will still need to submit standard copies of either the original or certified copies of the documents.

Please note an acceptance agent may charge a fee for their services.
Questions about common problems encountered

Is there any way to apply for an ITIN without submitting original documentation?

You can apply for an ITIN by bringing your completed forms and documentation to any IRS Taxpayer Assistance Center in the United States or IRS office abroad. Designated IRS Taxpayer Assistance Centers (TACs) will only be able to authenticate passports and National ID documents and return them immediately. See IRS.gov for a list of designated TACs that are available for assistance in completing applications and will forward documents to our processing center in Austin, Texas, for processing. Information on our overseas offices can be found in Pub. 1915 or at IRS.gov.

How long does it take to get an ITIN?

If you qualify for an ITIN and your application is complete, you will receive a letter from the IRS assigning your tax identification number usually within six weeks (8 to 10 weeks if requested during peak tax time (January 15 through April 30) or from abroad). Applications mailed from abroad may take considerably longer. If you have not received a response within the referenced time period, you may call 1-800-829-1040 (toll-free within the United States) to request the status of your application. Taxpayers overseas can contact one of the IRS offices listed in the front of Publication 1915 or call 1-267-941-1000 (not a toll-free number).

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