

therefore is not interest subject to reporting under section 6049 unless it is described in §1.6049-8(a) (relating to bank deposit interest paid to a Canadian nonresident alien individual).

(g) *Effective date*—(1) *General rule*. The provisions of paragraphs (b)(6) through (15), (c), (d), and (e) of this section apply to payments made after December 31, 2000.

(2) *Transition rules*. The validity of a withholding certificate (namely, Form W-8 or other form upon which the payor is permitted to rely to hold the payee as a foreign person) that was valid on January 1, 1998, under the regulations in effect prior to January 1, 2001 (see 26 CFR parts 1 and 35a, revised April 1, 1999) and expired, or will expire, at any time during 1998, is extended until December 31, 1998. The validity of a withholding certificate that is valid on or after January 1, 1999, remains valid until its validity expires under the regulations in effect prior to January 1, 2001 (see 26 CFR parts 1 and 35a, revised April 1, 1999) but in no event shall such a withholding certificate remain valid after December 31, 2000. The rule in this paragraph (g)(2), however, does not apply to extend the validity period of a withholding certificate that expires solely by reason of changes in the circumstances of the person whose name is on the certificate. Notwithstanding the first three sentences of this paragraph (g)(2), a payor may choose not to take advantage of the transition rule in this paragraph (g)(2) with respect to one or more withholding certificates valid under the regulations in effect prior to January 1, 2001 (see 26 CFR parts 1 and 35a, revised April 1, 1999) and, therefore, may require withholding certificates conforming to the requirements described in this section (new withholding certificates). For purposes of this section, a new withholding certificate is deemed to satisfy the documentation requirement under the regulations in effect prior to January 1, 2001 (see 26 CFR parts 1 and 35a, revised April 1, 1999). Further, a new withholding certificate remains valid for the period specified in §1.1441-

1(e)(4)(ii), regardless of when the certificate is obtained.

[T.D. 7881, 48 FR 12972, Mar. 28, 1983, as amended by T.D. 7987, 49 FR 42719, Oct. 24, 1984; T.D. 8029, 50 FR 23680, June 5, 1985; T.D. 8664, 61 FR 17573, Apr. 22, 1996; T.D. 8734, 62 FR 53483, Oct. 14, 1997; T.D. 8804, 63 FR 72186, 72188, Dec. 31, 1998; T.D. 8856, 64 FR 73411, 73412, Dec. 30, 1999; T.D. 8881, 65 FR 32207, May 22, 2000; 66 FR 18189, Apr. 6, 2001]

§ 1.6049-5T Reporting by brokers of interest and original issue discount on and after January 1, 1986 (temporary).

For purposes of §1.6049-5 (c), relating to original issue discount treated as interest subject to reporting, on and after January 1, 1986, a payor who is a broker or middleman holding as a nominee—

(a) A bank certificate of deposit (without regard to whether the broker or middleman sold the certificate of deposit to the owner), or

(b) Any other original issue discount debt instrument that is specified by the Commissioner,

must determine whether that obligation is one that was issued at a discount and the amount of discount that is includible in the income of the owner. However, before January 1, 1987, reporting is required only with respect to certificates of deposit (or any such other obligations) held by a broker or middleman as a nominee on or after June 1, 1986, that were sold by the broker or middleman (whether for the broker's account or as an agent of the issuer) to the owner. The preceding two sentences do not apply to certificates of deposit (or any such other obligations) held on or after January 1, 1986, but disposed of before June 1, 1986; reporting requirements with respect to such certificates of deposit (or any other such obligations) shall be determined under the provisions of §1.6049-5 (c) as in effect immediately prior to publication of this §1.6049-5T.

[T.D. 8109, 51 FR 45106, Dec. 17, 1986]

§ 1.6049-6 Statements to recipients of interest payments and holders of obligations for attributed original issue discount.

(a) *Requirement of furnishing statement to recipient*. Every person filing a Form