Instructions for Forms 1099-INT and 1099-OID

(Rev. January 2024)

Interest Income and Original Issue Discount

Department of the Treasury
Internal Revenue Service

Section references are to the Internal Revenue Code unless otherwise noted.

Future Developments

For the latest information about developments related to Forms 1099-INT and 1099-OID and their instructions, such as legislation enacted after they were published, go to *IRS.gov/Form1099INT* and *IRS.gov/Form1099OID*.

Reminders

In addition to these specific instructions, you should also use the current General Instructions for Certain Information Returns. Those general instructions include information about the following topics.

- Who must file.
- When and where to file.
- Electronic reporting.
- Corrected and void returns.
- Statements to recipients.
- Taxpayer identification numbers (TINs).
- Backup withholding.
- Penalties.
- The definitions of terms applicable for chapter 4 purposes that are referenced in these instructions.
- Other general topics.

You can get the *General Instructions for Certain Information Returns* at *IRS.gov/1099GeneralInstructions*, or go to *IRS.gov/Form1099INT* or *IRS.gov/Form1099OID*.

Online fillable Copies 1, B, and 2. To ease statement furnishing requirements, Copies 1, B, and 2 are fillable online in a PDF format available at *IRS.gov/Form1099INT* and *IRS.gov/Form1099OID*. You can complete these copies online for furnishing statements to recipients and for retaining in your own files.

Continuous-use forms and instructions. Form 1099-INT, Form 1099-OID, and these instructions, contained herein, are continuous use. Both the forms and instructions will be updated as needed. For the most recent version, go to *IRS.gov/Form1099INT* or *IRS.gov/Form1099OID*.

Nonresident aliens. If you pay U.S. bank deposit interest of at least $10 to certain nonresident alien individuals, report the interest on Form 1042-S, Foreign Person's U.S. Source Income Subject to Withholding. To determine whether an information return is required for original issue discount, see Regulations sections 1.6049-4(d)(2), 1.6049-5(f) and 1.6049-8(a). This interest may be subject to backup withholding. See the Instructions for Form 1042-S. Also, see Rev. Proc. 2012-24, 2012-20 I.R.B. 913, available at *IRS.gov/irb/2012-20_IRB#RP-2012-24*.

Specific Instructions for Form 1099-INT

Note. For the most recent version, go to *IRS.gov/Form1099INT*.

File Form 1099-INT, Interest Income, for each person:

1. To whom you paid amounts reportable in boxes 1, 3, or 8 of at least $10 (or at least $600 of interest paid in the course of your trade or business described in the instructions for *Box 1. Interest Income*, later);
2. For whom you withheld and paid any foreign tax on interest; or
3. From whom you withheld (and did not refund) any federal income tax under the backup withholding rules regardless of the amount of the payment.

Report only interest payments made in the course of your trade or business including federal, state, and local government agencies and activities deemed nonprofit, or for which you were a nominee/middleman. Report interest that is taxable OID in box 1 or 8 of Form 1099-OID, Original Issue Discount, not on Form 1099-INT. Report interest that is tax-exempt OID in box 11 of Form 1099-OID, not on Form 1099-INT. Report exempt-interest dividends from a mutual fund or other regulated investment company (RIC) on Form 1099-DIV.

For a specified private activity bond with OID, report the tax-exempt OID in box 11 on Form 1099-OID, and the tax-exempt stated interest in boxes 8 and 9 on Form 1099-INT.

Exceptions to reporting. No Form 1099-INT must be filed for payments made to exempt recipients or for interest excluded from reporting.

Exempt recipients. You are not required to file Form 1099-INT for payments made to certain payees including, but not limited to, a corporation, a tax-exempt organization, any individual retirement arrangement (IRA), Archer medical savings account (MSA), Medicare Advantage MSA, health savings account (HSA), a U.S. agency, a state, the District of Columbia, a U.S. territory, a registered securities or commodities dealer, a nominee or custodian, a broker, or notional principal contract (swap) dealer. For additional exempt recipients, see Regulations section 1.6049-4 for more information. For situations when you are required to file Form 1099-INT for certain recipients that are otherwise generally exempt, but that receive credits from tax credit bonds, see *Interest to holders of tax credit bonds* under *Box 1. Interest Income*, later.

Interest excluded from reporting. You are not required to file Form 1099-INT for interest on an obligation issued by an individual, interest on amounts from sources outside the United States paid outside the United States by a non-U.S. payer or non-U.S. middleman, certain portfolio interest, interest on an obligation issued by an international organization and paid by that organization, and payments made to a foreign beneficial owner or foreign payee. See Regulations section 1.6049-5 for more information.

Other exception. Do not report tax-deferred interest, such as interest that is earned but not distributed from an IRA.

When is a payment made? Generally, interest is paid when it is credited or set apart for a person without any substantial limitation or restriction as to the time, manner, or condition of payment. The interest must be made available so that it may be drawn on at any time and its receipt brought within the control and disposition of the person.

For payments made on obligations subject to transactional reporting (for example, U.S. Savings Bonds, interest coupons, and other demand obligations), interest is paid at the time the obligation is presented for payment. For example, interest on a coupon detached from a bond is paid when it is presented for payment.

For rules regarding when interest earned by a trust interest holder (TIH) in a widely held fixed investment trust (WHFIT) is reportable, see Regulations section 1.671-5.

A credit allowed from tax credit bonds reportable on Form 1099-INT is treated as paid on the credit allowance date. For information on credit allowance dates, see *Interest to holders of tax credit bonds* under *Box 1. Interest Income*, later.

Reporting interest and OID. If you are reporting qualified stated interest and OID on any obligation that is not a specified private activity bond, you may report both the qualified stated interest and the OID on Form 1099-OID. It is not necessary to file both Forms 1099-INT and 1099-OID. On Form 1099-OID, report the qualified stated interest in box 2 and the OID in box 1, 8, or 11, as applicable. However, you may choose to report the qualified stated interest on Form 1099-INT and the OID on Form 1099-OID. For a specified private activity bond with OID, report the tax-exempt OID in box 11 on Form 1099-OID and the tax-exempt stated interest in boxes 8 and 9 on Form 1099-INT.

Reporting interest and bond premium. For a covered security acquired with bond premium, you must report the amount of bond premium amortization for the tax year. See Regulations section 1.6045-1(a)(15) to determine if a debt instrument is a covered security. However, in the case of a taxable bond, if you have been notified by the taxpayer that the taxpayer does not elect to amortize bond premium, you must not report any amount of bond premium amortization. See Regulations section 1.6045-1(n)(5).

For a covered security acquired with OID and bond premium, if you choose to report qualified stated interest in box 2 of Form 1099-OID, you must report any bond premium amortization on that security in box 10 of Form 1099-OID. You may not report the qualified stated interest on Form 1099-OID and the bond premium amortization allocable to the interest on Form 1099-INT.

If you are required to report the amount of bond premium amortization allocable to an interest payment, you may report either (1) a net amount of interest that reflects the offset of the interest payment by the amount of bond premium amortization allocable to the interest payment, or (2) a gross amount for both the interest payment and the bond premium amortization allocable to the interest payment. For example, if a taxpayer receives $20 of taxable interest from a corporate bond and the amount of bond premium amortization allocable to the interest is $2, you may report $18 of interest income in box 1 of Form 1099-INT and $0 in box 11, or you may report $20 of interest income in box 1 and $2 in box 11. For a noncovered security acquired with bond premium, you are only required to report the gross amount of interest.

Statements to recipients. If you are required to file Form 1099-INT, you must furnish a statement to the recipient. For more information about the requirement to furnish an official form or acceptable substitute statement to recipients, see part M in the current General Instructions for Certain Information Returns. If you have furnished Forms 1099-INT to a recipient for amounts received during the year at the time of the transactions, such as you might have done for window transactions, do not include these same amounts in a Form 1099-INT furnished to the same recipient for other payments during the year.

Truncating recipient's TIN. Pursuant to Regulations section 301.6109-4, all filers of Form 1099-INT may truncate a recipient's TIN (social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN)) on payee statements. Truncation is not allowed on any documents the filer files with the IRS. A payer's TIN may not be truncated on any form. See part J in the current General Instructions for Certain Information Returns.

Account number. The account number is required if you have multiple accounts for a recipient for whom you are filing more than one Form 1099-INT. The account number is also required if you check the "FATCA filing requirement" box. See *FATCA filing requirement checkbox*, later. Additionally, the IRS encourages you to designate an account number for all Forms 1099-INT that you file. See part L in the current General Instructions for Certain Information Returns.

FATCA filing requirement checkbox. Check the box if you are a U.S. payer that is reporting on Form(s) 1099 (including reporting payments in boxes 1, 3, 8, 9, and 10 on this Form 1099-INT) as part of satisfying your requirement to report with respect to a U.S. account for chapter 4 purposes, as described in Regulations section 1.1471-4(d)(2)(iii)(A). In addition, check the box if you are a foreign financial institution (FFI) reporting payments to a U.S. account pursuant to an election described in Regulations section 1.1471-4(d)(5)(i)(A).

2nd TIN not. You may enter an "X" in this box if you were notified by the IRS twice within 3 calendar years that the payee provided an incorrect TIN. If you mark this box, the IRS will not send you any further notices about this account.

However, if you received both IRS notices in the same year, or if you received them in different years but they both related to information returns filed for the same year, do not check the box at this time. For purposes of the two-notices-in-3-years rule, you are considered to have received one notice and you are not required to send a second "B" notice to the taxpayer on receipt of the second notice. See part N in the current General Instructions for Certain Information Returns for more information.



For information on the TIN Matching System offered by the IRS, see Items You Should Note *in the current General Instructions for Certain Information Returns.*

Payer's RTN (optional). If you are a financial institution that wishes to participate in the program for direct deposit of refunds, you may enter your routing transit number (RTN).

Box 1. Interest Income

Enter taxable interest not included in box 3. Include amounts of $10 or more, whether or not designated as interest, that are paid or credited to the person's account by savings and loan associations, mutual savings banks not having capital stock represented by shares, building and loan associations, cooperative banks, homestead associations, credit unions, or similar organizations. Include interest on bank deposits, accumulated dividends paid by a life insurance company, indebtedness (including bonds, debentures, notes, and certificates other than those of the U.S. Treasury) issued in registered form or of a type offered to the public, or amounts from which you withheld federal income tax or foreign tax. In addition, report interest of $10 or more attributable to a TIH of a WHFIT, or accrued by a real estate mortgage investment conduit (REMIC) or financial asset securitization investment trust (FASIT) regular interest holder, or paid to a collateralized debt obligation (CDO) holder, as explained later.

Also, include interest of $600 or more paid in the course of your trade or business not meeting the above criteria, such as interest on delayed death benefits paid by a life insurance company, interest received with damages, interest on a state or

federal income tax refund, or interest attributable to certain notional principal contracts with nonperiodic payments.

Include in box 1 any accrued qualified stated interest on bonds sold between interest dates (or on a payment date). Also show OID on short-term obligations of 1 year or less and interest on all bearer certificates of deposit. For a taxable covered security acquired at a premium, see *Box 11. Bond Premium*, later.

Do not include in box 1 interest on tax-free covenant bonds or dividends from money market funds (which are reportable on Form 1099-DIV). Do not include any description in box 1.

Interest to holders of tax credit bonds. Report tax credits in amounts of $10 or more allowed from the following tax credit bonds.

- Clean renewable energy bonds.
- New clean renewable energy bonds.
- Qualified energy conservation bonds.
- Qualified zone academy bonds.
- Qualified school construction bonds.
- Build America bonds (Tax Credit).

Treat these amounts as paid on the credit allowance date. The credit allowance dates are March 15, June 15, September 15, December 15, and the last day on which the bond is outstanding. For bonds issued during the 3-month period ending on a credit allowance date and for bonds which are redeemed or mature, the amount of the credit is determined ratably based on the portion of the 3-month period during which the bond is outstanding.

Generally, interest paid is not required to be reported to the list of recipients below. However, if they are holders of, or recipients of credit from, the tax credit bonds listed above, the tax credit must be reported.

- A corporation.
- A dealer in securities or commodities required to register as such under the laws of the United States, a state, the District of Columbia, or a territory of the United States.
- A real estate investment trust (REIT) as defined in section 856.
- An entity registered at all times during the tax year under the Investment Company Act of 1940.
- A common trust fund as defined in section 584(a).
- Any trust which is exempt from tax under section 664(c).

Box 2. Early Withdrawal Penalty

Enter interest or principal forfeited because of an early withdrawal of time deposits, such as an early withdrawal from a certificate of deposit (CD), that is deductible from gross income by the recipient. Do not reduce the amount reported in box 1 by the amount of the forfeiture. For detailed instructions for determining the amount of forfeiture deductible by the depositor, see Rev. Ruls. 75-20, 1975-1 C.B. 29, and 75-21, 1975-1 C.B. 367.

Box 3. Interest on U.S. Savings Bonds and Treasury Obligations

Enter interest on U.S. Savings Bonds, Treasury bills, Treasury notes, and Treasury bonds. Do not include in box 1. For a taxable covered security acquired at a premium, see *Box 12. Bond Premium on U.S. Treasury Obligations*, later.

If you make payment on a U.S. Savings Bond or other U.S. obligation on which interest is reportable, enter your name, address, and TIN on Form 1099-INT and Form 1096, Annual Summary and Transmittal of U.S. Information Returns, not those of the U.S. Treasury Department or the Bureau of the Fiscal Service.

Box 4. Federal Income Tax Withheld

Enter backup withholding. For example, if a recipient does not furnish its TIN to you in the manner required, you must backup withhold on payments required to be reported in box 1 (which may be reduced by the amount reported in box 2), box 3, and box 8 on this form.

For more information on backup withholding, including the applicable rate, see part N in the current General Instructions for Certain Information Returns.

For information on requesting the recipient's TIN, see part J in the current General Instructions for Certain Information Returns.

Box 5. Investment Expenses

For single-class REMICs only, see *Box 5. Investment Expenses* under *Rules for REMICs, FASITs, and Issuers of CDOs*, later.

Note. This amount is not deductible.

Box 6. Foreign Tax Paid

Enter any foreign tax paid on interest. Report this amount in U.S. dollars.

Box 7. Foreign Country or U.S. Territory

Enter the name of the foreign country or U.S. territory for which the foreign tax was paid and reported in box 6.

Box 8. Tax-Exempt Interest

Enter tax-exempt interest that is not OID of $10 or more that is credited or paid to the person's account if that interest is paid on obligations issued by a state, the District of Columbia, a U.S. territory, an Indian tribal government, or their political subdivisions, or qualified volunteer fire departments to finance eligible expenditures. A political subdivision may include port authorities, toll road commissions, utility services authorities, community redevelopment agencies, and similar governmental entities that meet the requirements of Regulations section 1.103-1(b). Include in box 8 any accrued qualified stated interest on these bonds sold between interest dates (or on a payment date). For a tax-exempt covered security acquired at a premium, see *Box 13. Bond Premium on Tax-Exempt Bond*, later.

Any exempt-interest dividends from a mutual fund or other RIC are reported on Form 1099-DIV.

Include specified private activity bond interest in box 9 and in the total for box 8. See the instructions for box 9 next.

Box 9. Specified Private Activity Bond Interest

Enter interest of $10 or more from specified private activity bonds. Generally, "specified private activity bond" means any private activity bond defined in section 141 and issued after August 7, 1986. See section 57(a)(5) for more details. Also, see the Instructions for Form 6251, Alternative Minimum Tax—Individuals, available at *IRS.gov/Form6251*.

Box 10. Market Discount

For a covered security acquired with market discount, if the recipient notified you that a section 1278(b) election was made, enter the amount of market discount that accrued on the debt instrument during the tax year in the amount of $10 or more. For more details, see Regulations section 1.6045-1(n). Unless the taxpayer notified you that the taxpayer did not make a section 1276(b) election, use the constant yield method described in section 1276(b)(2) to determine the accruals of market discount for the debt instrument. See Regulations section 1.6045-1(n)(11)(i)(B). For a covered security with OID, report the accruals of market discount on Form 1099-OID rather than on Form 1099-INT.

Box 11. Bond Premium

For a taxable covered security acquired at a premium (other than a U.S. Treasury obligation), enter the amount of bond premium amortization allocable to the interest paid during the tax year, unless you were notified in writing that the holder did not want to amortize bond premium under section 171. See Regulations sections 1.6045-1(n)(5) and 1.6049-9(b). If you are required to report bond premium amortization and you reported a net amount of interest in box 1, leave this box blank.

Box 12. Bond Premium on Treasury Obligations

For a U.S. Treasury obligation that is a covered security, enter the amount of bond premium amortization allocable to the interest paid during the tax year, unless you were notified in writing that the holder did not want to amortize bond premium under section 171. See Regulations sections 1.6045-1(n)(5) and 1.6049-9(b). If you are required to report bond premium amortization and you reported a net amount of interest in box 3, leave this box blank.

Box 13. Bond Premium on Tax-Exempt Bond

For a tax-exempt covered security acquired at a premium, enter the amount of bond premium amortization allocable to the interest paid during the tax year. If you reported a net amount of interest in box 8 or 9, whichever is applicable, leave this box blank.

Box 14. Tax-Exempt and Tax Credit Bond CUSIP No.

For single bonds or accounts containing a single bond, enter the CUSIP number of the tax-exempt bond for which tax-exempt interest is reported in box 8 or tax credit bond (including build America bond and specified tax credit bond) for which a tax credit or taxable interest, as applicable, is reported in box 1. Enter the CUSIP number of the bond for which interest was paid or tax credit was allowed. If the tax-exempt interest or the tax credit is reported in the aggregate for multiple bonds or accounts, enter "various."

Boxes 15–17. State Information

These boxes may be used by payers who participate in the Combined Federal/State Filing Program and/or who are required to file paper copies of this form with a state tax department. See Pub. 1220 for more information regarding the Combined Federal/State Filing Program. They are provided for your convenience only and need not be completed for the IRS. Use the state information boxes to report payments for up to two states. Keep the information for each state separated by the dash line. If you withheld state income tax on this payment, you may enter it in box 17. In box 15, enter the abbreviated name of the state, and in box 16, enter the payer's state identification number. The state number is the payer's identification number assigned by the individual state.

If a state tax department requires that you send them a paper copy of this form, use Copy 1 to provide information to the state tax department. Give Copy 2 to the recipient for use in filing the recipient's state income tax return.

Rules for WHFITs

Trustees and middlemen must report the gross amount of interest attributable to the TIH for the calendar year on Form 1099-INT if that amount exceeds $10. If the trustee provides WHFIT information using the safe harbor rules in Regulations section 1.671-5(f)(1) or (g)(1), the trustee or middleman must determine the amounts reported on Form 1099-INT under Regulations section 1.671-5(f)(2) or (g)(2), as appropriate.

Requirement to furnish a tax information statement to the TIH. A tax information statement that includes the information provided to the IRS on Form 1099-INT, as well as additional information identified in Regulations section 1.671-5(e), must be provided to TIHs. The written tax information statement must be furnished to the TIH by **March 15**. The amount of an item of a trust expense that is attributable to a TIH must be included on the tax information statement provided to the TIH and is not required to be included in box 5 of Form 1099-INT.

WHFIT interest income information may be included in summary totals reported to the IRS and the TIH. Information about WHFIT interest income may also be included in a composite statement furnished to the TIH.

For more filing requirements, see the current General Instructions for Certain Information Returns.

Rules for REMICs, FASITs, and Issuers of CDOs



In the case of a FASIT, these reporting rules apply only to FASITs in existence on October 22, 2004, to the extent that regular interests issued by the FASIT before that date continue to remain outstanding in accordance with the original terms of issue.

REMICs, holders of ownership interests in FASITs, issuers of CDOs, and any broker or middleman who holds as a nominee a REMIC or FASIT regular interest or CDO must file Form 1099-INT. The form is used to report interest of $10 or more, other than OID, accrued to a REMIC or FASIT regular interest holder during the year or paid to a holder of a CDO. If you are also reporting OID, this interest and the OID can be reported on Form 1099-OID. You do not have to file both Forms 1099-INT and 1099-OID.

You are not required to file or issue Form 1099-INT for exempt recipients including, but not limited to, the following.

- A corporation.
- A broker.
- A middleman/nominee.
- A financial institution.
- Any IRA, Archer MSA, Medicare Advantage MSA, or HSA.
- A tax-exempt organization.

For additional exempt recipients, see Regulations section 1.6049-7(c).

Box 1. Interest Income

Report in box 1 the amount of interest, other than OID, accrued to each REMIC or FASIT regular interest holder or paid to a CDO holder for the period during the year for which the return is made. If you are a single-class REMIC (as defined in Temporary Regulations section 1.67-3T(a)(2)(ii)(B)), increase the amount otherwise reportable in box 1 by the regular interest holder's share of investment expenses of the REMIC for the year. No amount should be reported in box 3.

Box 5. Investment Expenses

Enter the regular interest holder's pro rata share of investment expenses.

Statements to Holders

For each Form 1099-INT you are required to file, you must furnish a statement to the REMIC or FASIT regular interest holder or CDO holder identified on the form. The statement must contain the information shown on Form 1099-INT, including the legend shown on Copy B of the official Form 1099-INT, and an indication that these items are being furnished to the IRS. The

statement must also show the information specified in Regulations section 1.6049-7(f)(2)(i). In addition, the statement furnished by a REMIC must show, for each calendar quarter, the information specified in Regulations section 1.6049-7(f)(3). Also, see Regulations section 1.6049-7(f)(3)(ii) for information that may be required to be reported to a REIT that holds a REMIC regular interest.

A single-class REMIC (as defined in Temporary Regulations section 1.67-3T(a)(2)(ii)(B)) must include in the statement the investment expenses paid or accrued during each calendar quarter by the REMIC for which the REMIC is allowed a deduction under section 212 and the proportionate share of those investment expenses allocated to the regular interest holder.

The statement must be furnished to holders by **March 15**. To meet the statement requirement, you may furnish a copy of Form 1099-INT and a separate statement containing the additional information to the REMIC or FASIT regular interest holder or CDO holder.

For information about reporting income to REMIC residual interest holders, see the instructions for Schedule Q (Form 1066), Quarterly Notice to Residual Interest Holder of REMIC Taxable Income or Net Loss Allocation, in the Instructions for Form 1066, available at *IRS.gov/Form1066*.

Form 8811 and Reporting by Brokers or Middlemen

REMICs and issuers of CDOs must also file Form 8811, Information Return for Real Estate Mortgage Investment Conduits (REMICs) and Issuers of Collateralized Debt Obligations, within 30 days after the start-up date of the REMIC or issue date of a CDO. The IRS will use the information on Forms 8811 to update Pub. 938, Real Estate Mortgage Investment Conduits (REMICs) Reporting Information, for use by certain brokers, middlemen, corporations, and others specified in Regulations section 1.6049-7(e)(4). Pub. 938 is available at *IRS.gov/Pub938*.

For the requirements that a REMIC or CDO issuer or a broker or middleman who holds as a nominee a REMIC or FASIT regular interest or a CDO furnish certain information on request, see Regulations sections 1.6049-7(e) and 1.6049-7(f)(7).

Specific Instructions for Form 1099-OID

Note. For the most recent version, go to *IRS.gov/Form1099OID*.

File Form 1099-OID, Original Issue Discount, if the total daily portions of original issue discount (OID) for a holder is at least $10 and you are any of the following.

- An issuer with any bond outstanding or other evidence of indebtedness in registered or bearer form issued with OID.
- An issuer of a certificate of deposit (CD) made, purchased, or renewed after 1970 if the CD has OID and a term of more than 1 year (see *Caution*, later).
- A financial institution having other deposit arrangements, such as time deposits or bonus-savings plans, if the arrangements have OID and a term of more than 1 year.
- A broker or other middleman holding an OID obligation, including CDs, as nominee for the actual owner.
- A trustee or middleman of a widely held fixed investment trust (WHFIT) or widely held mortgage trust (WHMT).
- A real estate mortgage investment conduit (REMIC), a holder of an ownership interest in a financial asset securitization investment trust (FASIT), or an issuer of a collateralized debt obligation (CDO).

Also, file Form 1099-OID for any person for whom you withheld and paid any foreign tax on OID or from whom you withheld (and did not refund) any federal income tax under the backup withholding rules even if the amount of the OID is less than $10.

Original issue discount. OID is the excess of an obligation's stated redemption price at maturity over its issue price (acquisition price for a stripped bond or coupon). In the case of a taxable obligation, a discount of less than 1/4 of 1% of the stated redemption price at maturity, multiplied by the number of full years from the date of issue to maturity, is considered to be zero.

Reporting OID. You must prepare a Form 1099-OID for each person who is a holder of record of the obligation if the total daily portions of OID for that person is at least $10. See the instructions for Box 1, later, for taxable OID; Box 8, later, for taxable OID on U.S. Treasury obligations; and Box 11, later, for tax-exempt OID.

Ordinarily, you will file only one Form 1099-OID for the depositor or holder of a particular obligation for the calendar year. If a person holds more than one discount obligation, issue a separate Form 1099-OID for each obligation. However, if a person holds more than one certificate, you can file a single Form 1099-OID only if (1) they are the same issue, (2) held the same amount of time during the calendar year, (3) acquired at the same time, (4) acquired for the same price, and (5) all debt elections (or lack of elections) are the same for all certificates.

For information about how to compute OID, see sections 1271–1275 and their regulations and section 1288.

If you are a broker or middleman who holds a bank CD as nominee, whether or not you sold the CD to the owner, you must determine the amount of OID includible in the income of the owner, if any, and report it on Form 1099-OID.

Pub. 1212, Guide to Original Issue Discount (OID) Instruments, contains information on certain outstanding publicly offered discount obligations. It is available at *IRS.gov/Pub1212*.

Issuers of certain publicly offered debt instruments having OID must file Form 8281, Information Return for Publicly Offered Original Issue Discount Instruments, generally within 30 days after the date of issuance, or, if later, the date of registration with the Securities and Exchange Commission. The information provided on that form will enable the IRS to update Pub. 1212. See Form 8281, available at *IRS.gov/Form8281*, and Regulations section 1.1275-3(c) for details.

Exceptions. You are not required to file Form 1099-OID for payments made to certain payees including a corporation, a tax-exempt organization, any individual retirement arrangement (IRA), an Archer medical savings account (MSA), Medicare Advantage MSA, health savings account (HSA), a U.S. agency, a state, the District of Columbia, a U.S. territory, or a registered securities or commodities dealer.



Report interest on U.S. Savings Bonds on Form 1099-INT. Also, report OID on obligations with a term of 1 year or less on Form 1099-INT.

Reporting interest and OID. If you are reporting qualified stated interest and OID on an obligation, you may report both the interest and the OID on Form 1099-OID. It is not necessary to file both Forms 1099-INT and 1099-OID. On Form 1099-OID, report the qualified stated interest in box 2 and the OID in box 1, 8, or 11, as applicable. You may choose to report the interest on Form 1099-INT and the OID on Form 1099-OID.

Reporting OID and acquisition premium. For a covered security acquired with acquisition premium, you must report the

amount of acquisition premium amortization for the tax year. See Regulations section 1.6045-1(a)(15) to determine if a debt instrument is a covered security. In general, you must use the rules in Regulations section 1.1272-2(b)(4) to amortize the acquisition premium. See Regulations section 1.6049-9(c). You may, but are not required to, report the acquisition premium amortization for a tax-exempt obligation that is a covered security acquired before January 1, 2017.

If you are required to report the amount of acquisition premium amortized for the tax year, you may report either (1) a net amount of OID that reflects the offset of OID by the amount of acquisition premium amortization for the year, or (2) a gross amount for both the OID and the acquisition premium amortization for the year. For example, if $20 of OID accrues on a corporate bond during the year and there is acquisition premium amortization of $2 for the year, you may report $18 of OID in box 1 and $0 in box 6, or you may report $20 of OID in box 1 and $2 in box 6. For a noncovered security acquired with acquisition premium, you are only required to report the gross amount of OID.

Reporting interest and bond premium. For a debt instrument with OID that is a covered security, if you choose to report qualified stated interest in box 2 of Form 1099-OID, report any bond premium amortization allocable to the interest in box 10 of Form 1099-OID and not in boxes 11–13 of Form 1099-INT.

Statements to recipients. If you are required to file Form 1099-OID, you must furnish a statement to the recipient. For more information about the requirement to furnish an official form or acceptable substitute statement to recipients, see part M in the current General Instructions for Certain Information Returns.

Truncating recipient's TIN on payee statements. Pursuant to Regulations section 301.6109-4, all filers of Form 1099-OID may truncate a recipient's TIN (social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN)) on payee statements. Truncation is not allowed on any documents the filer files with the IRS. A payer's TIN may not be truncated on any form. See part J in the current General Instructions for Certain Information Returns.

FATCA filing requirement checkbox. Check the box if you are a U.S. payer that is reporting on Form(s) 1099 (including reporting amounts in boxes 1, 2, and 8 on this Form 1099-OID) as part of satisfying your requirement to report with respect to a U.S. account for chapter 4 purposes, as described in Regulations section 1.1471-4(d)(2)(iii)(A). In addition, check the box if you are a Foreign Financial Institution (FFI) reporting payments to a U.S. account pursuant to an election described in Regulations section 1.1471-4(d)(5)(i)(A).

Account number. The account number is required if you have multiple accounts for a recipient for whom you are filing more than one Form 1099-OID. The account number is also required if you check the "FATCA filing requirement" box. See *FATCA filing requirement checkbox*, earlier. Additionally, the IRS encourages you to designate an account number for all Forms 1099-OID that you file. See part L in the current General Instructions for Certain Information Returns.

2nd TIN not. You may enter an "X" in this box if you were notified by the IRS twice within 3 calendar years that the payee provided an incorrect TIN. If you mark this box, the IRS will not send you any further notices about this account.

However, if you received both IRS notices in the same year, or if you received them in different years but they both related to information returns filed for the same year, do not check the box at this time. For purposes of the two-notices-in-3-years rule, you are considered to have received one notice and you are not required to send a second "B" notice to the recipient on receipt of the second notice. See part N in the current General Instructions for Certain Information Returns for more information.



For information on the TIN Matching System offered by the IRS, see Items You Should Note *in the current General Instructions for Certain Information Returns.*

Box 1. Original Issue Discount

Report the taxable OID on the obligation for the part of the year it was owned by the record holder. Do not include the amount reported in box 8. For a discussion of WHFITs, WHMTs, REMICs, FASITs, and CDOs, see the instructions, later.

Box 2. Other Periodic Interest

Enter any qualified stated interest paid or credited on this obligation during the year. However, you may report any qualified stated interest on this obligation on Form 1099-INT rather than on Form 1099-OID. For example, you may report any qualified stated interest on Treasury Inflation Protected Securities in box 3 of Form 1099-INT rather than in box 2 of Form 1099-OID. For a discussion of REMICs, FASITs, and CDOs, see the instructions, later.

Box 3. Early Withdrawal Penalty

Enter interest or principal forfeited because of an early withdrawal of time deposits, such as an early withdrawal from a CD, that is deductible from gross income by the recipient. Do not reduce the amounts in boxes 1 and 2 by the amount of the forfeiture. For detailed instructions for determining the amount of forfeiture deductible by the holder, see Rev. Ruls. 75-20, 1975-1 C.B. 29, and 75-21, 1975-1 C.B. 367.

Box 4. Federal Income Tax Withheld

Enter backup withholding. For example, if a recipient does not furnish its TIN to you in the manner required, you must backup withhold. The applicable interest rate applies to amounts required to be reported in boxes 1, 2, and 8, but is limited to the cash paid on these obligations. Before applying the applicable interest rate, you may reduce the amounts reported in boxes 1 and 2 by the amount reported in box 3.

For more information on backup withholding, including the applicable rate, see part N in the current General Instructions for Certain Information Returns.

For information on requesting the recipient's TIN, see part J in the current General Instructions for Certain Information Returns.

Box 5. Market Discount

For a covered security acquired with market discount and OID, if the recipient notified you that a section 1278(b) election was made, enter the amount of market discount that accrued on the debt instrument during the tax year in the amount of $10 or more. For more details, see Regulations section 1.6045-1(n). Unless the recipient notified you that the recipient did not make a section 1276(b) election, use the constant yield method described in section 1276(b)(2) to determine the accruals of market discount for the debt instrument. See Regulations section 1.6045-1(n)(11)(i)(B). You may, but are not required to, report the market discount for a tax-exempt obligation that is a covered security acquired before January 1, 2017.

Box 6. Acquisition Premium

For a covered security acquired with acquisition premium, enter the amount of premium amortization for the part of the year the debt instrument was owned by the holder. See Regulations sections 1.6045-1(n)(5) and 1.6049-9(c). If you reported a net amount of OID in box 1, 8, or 11, as applicable, leave this box blank. You may, but are not required to, report the acquisition

premium for a tax-exempt obligation that is a covered security acquired before January 1, 2017.

Box 7. Description

Enter the CUSIP number, if any. If there is no CUSIP number, enter the abbreviation for the stock exchange, the abbreviation for the issuer used by the stock exchange, the coupon rate, and the year of maturity (for example, NYSE XYZ 12 1/2 25). If the issuer of the obligation is other than the payer, show the name of the issuer.

Box 8. Original Issue Discount on U.S. Treasury Obligations

Enter the amount of OID on a U.S. Treasury obligation for the part of the year it was owned by the record holder. Do not include this amount in box 1. You may enter any qualified stated interest on the Treasury obligation in box 2. The amount in box 8 may be a negative number (for example, if a Treasury Inflation Protected Security has a deflation adjustment for the year).

If you make payment on a U.S. Treasury obligation on which OID is reportable, enter your name, address, and TIN on Forms 1099-OID and 1096, not those of the U.S. Treasury Department or the Bureau of the Fiscal Service.

Box 9. Investment Expenses

For single-class REMICs only, see *Box 9. Investment Expenses* under *Rules for REMICs, FASITs, and Issuers of CDOs*, later.

Note. This amount is not deductible.

Box 10. Bond Premium

For a taxable covered security acquired at a premium, enter the amount of bond premium amortization allocable to the interest paid during the tax year, unless you were notified in writing that the holder did not want to amortize bond premium under section 171. See Regulations sections 1.6045-1(n)(5) and 1.6049-9(b). For a tax-exempt covered security acquired at a premium, enter the amount of bond premium amortization allocable to the interest paid during the tax year. If you are required to report bond premium amortization and you reported a net amount of interest in box 2, leave this box blank.

Box 11. Tax-Exempt OID

For a tax-exempt obligation that is a covered security acquired on or after January 1, 2017, enter the OID for the part of the year it was owned by the record holder. You may, but are not required to, report the OID for a tax-exempt obligation that is a covered security acquired before January 1, 2017.

Boxes 12–14. State Information

These boxes may be used by payers who participate in the Combined Federal/State Filing Program and/or who are required to file paper copies of this form with a state tax department. See Pub. 1220 for more information regarding the Combined Federal/State Filing Program. They are provided for your convenience only and need not be completed for the IRS. Use the state information boxes to report payments for up to two states. Keep the information for each state separated by the dash line. If you withheld state income tax on this payment, enter it in box 14. In box 12, enter the abbreviated name of the state, and in box 13, enter the payer's state identification number. The state number is the payer's identification number assigned by the individual state.

If a state tax department requires that you send them a paper copy of this form, use Copy 1 to provide information to the state tax department. Give Copy 2 to the recipient for use in filing the recipient's state income tax return.

Rules for WHFITs and WHMTs

If the OID attributable to a trust interest holder (TIH) exceeds $10 for the calendar year, trustees and middlemen must use Form 1099-OID to report both the gross amount of OID (box 1) and interest (box 2) of the WHFIT that is attributable to the TIH. If the trustee provides WHFIT information using the safe harbor rules in Regulations section 1.671-5(f)(1) or (g)(1), the trustee or middleman must determine the amounts reported on Form 1099-OID under Regulations section 1.671-5(f)(2) or (g)(2), as appropriate.

Reporting OID for a WHMT. If a WHMT has a start-up date before August 13, 1998, trustees and middlemen of the WHMT are not required to report OID information. If the WHMT has a start-up date on or after August 13, 1998, and on or before January 24, 2006, and the trustee has attempted in good faith, but without success, to obtain the historical information required to provide OID information, no penalties will be imposed if the trustee and middlemen of the WHMT do not provide OID information. The trustee must provide a statement to middlemen indicating that the trustee is not providing OID information because the trustee has attempted, in good faith, to obtain the information necessary to calculate OID but has been unsuccessful. See Regulations section 1.671-5(m)(2).

Requirement to furnish a tax information statement to the TIH. A tax information statement that includes the information provided to the IRS on Form 1099-OID, as well as additional information identified in Regulations section 1.671-5(e), must be provided to TIHs. The written tax information statement must be furnished to the TIH by **March 15**. The amount of an item of a trust expense that is attributable to a TIH must be included on the tax information statement provided to the TIH and is not required to be included in box 9 of Form 1099-OID.

For more filing requirements, see the current General Instructions for Certain Information Returns.

Rules for REMICs, FASITs, and Issuers of CDOs



In the case of FASIT, these reporting rules apply only to FASITs in existence on October 22, 2004, to the extent that regular interests issued by the FASIT before that date continue to remain outstanding in accordance with the original terms of issue.

REMICs, holders of ownership interests in FASITs, issuers of CDOs, and any broker or middleman who holds as a nominee a REMIC or FASIT regular interest or CDO must file Form 1099-OID. The form is used to report OID of $10 or more accrued to a REMIC or FASIT regular interest holder or to a holder of a CDO. Also, use Form 1099-OID to report other interest accrued to a REMIC or FASIT regular interest holder during the year or paid to a holder of a CDO. You may use Form 1099-INT rather than Form 1099-OID to report interest for an instrument issued with OID if no OID is includible in the regular interest holder's or CDO holder's income for the year.

You are not required to file or issue Form 1099-OID for exempt recipients including, but not limited to, the following.

- A corporation.
- A broker.
- A middleman/nominee.
- A financial institution.
- Any IRA, Archer MSA, Medicare Advantage MSA, or HSA.
- A tax-exempt organization.

For additional exempt recipients, see Regulations section 1.6049-7(c).

Box 1. Original Issue Discount

Report in box 1 the aggregate amount of OID includible in the gross income of each REMIC or FASIT regular interest holder or CDO holder for the period during the year for which the return is made. No amount should be reported in box 8.

Box 2. Other Periodic Interest

Report in box 2 any amount of interest, other than OID, accrued to each REMIC or FASIT regular interest holder or paid to each CDO holder. If you are a single-class REMIC (as defined in Temporary Regulations section 1.67-3T(a)(2)(ii)(B)), increase the amount otherwise reportable in box 2 by the regular interest holder's share of investment expenses of the REMIC for the year.

Box 9. Investment Expenses

Enter the regular interest holder's pro rata share of investment expenses.

Statements to Holders

For each Form 1099-OID you are required to file, you must furnish a statement to the REMIC or FASIT regular interest holder or CDO holder identified on the form. The statement must contain the information shown on Form 1099-OID, including the legend shown on Copy B of the official Form 1099-OID, and an indication that these items are being furnished to the IRS. The statement must also show the information specified in Regulations section 1.6049-7(f)(2)(ii). In addition, the statement furnished by a REMIC must show, for each calendar quarter, the information specified in Regulations section 1.6049-7(f)(3). Also, see Regulations section 1.6049-7(f)(3)(ii) for information that may be required to be reported to a real estate investment trust (REIT) that holds a REMIC regular interest.

A single-class REMIC (as defined in Temporary Regulations section 1.67-3T(a)(2)(ii)(B)) must include in the statement the investment expenses paid or accrued during each calendar quarter by the REMIC for which the REMIC is allowed a deduction under section 212 and the proportionate share of those investment expenses allocated to the regular interest holder.

The statement must be furnished to holders by **March 15**. To meet the statement requirement, you may furnish a copy of Form 1099-OID and a separate statement containing the additional information to the REMIC or FASIT regular interest holder or CDO holder.

For information about reporting income to REMIC residual interest holders, see the instructions for Schedule Q (Form 1066), Quarterly Notice to Residual Interest Holder of REMIC Taxable Income or Net Loss Allocation, in the Instructions for Form 1066, available at *IRS.gov/Form1066*.

Form 8811 and Reporting by Brokers or Middlemen

REMICs and issuers of CDOs must also file Form 8811, Information Return for Real Estate Mortgage Investment Conduits (REMICs) and Issuers of Collateralized Debt Obligations, within 30 days after the start-up date of the REMIC or issue date of a CDO. The IRS will use the information on Forms 8811 to update Pub. 938, Real Estate Mortgage Investment Conduits (REMICs) Reporting Information, for use by certain brokers, middlemen, corporations, and others specified in Regulations section 1.6049-7(e)(4). Pub. 938 is available at *IRS.gov/Pub938*.

For the requirements that a REMIC or CDO issuer or a broker or middleman who holds as a nominee a REMIC or FASIT regular interest or a CDO furnish certain information on request, see Regulations sections 1.6049-7(e) and 1.6049-7(f)(7).