



IRS Section 1446(f)

Comply Effortlessly with IRS Section 1446(f) with Data from SIX

SIX has the expertise and global market knowledge to support you in the fulfilment of your withholding and reporting obligations by delivering the critical data elements required to comply with IRS Section 1446(f).

Impact of IRS 1446(f)

On 30 November 2020, the Department of the Treasury and the Internal Revenue Service ("IRS") published final regulations under Section 1446(f) relating to withholding obligations for certain dispositions by foreign partners of interests in partnerships. The regulation entered into force on 1 January 2023.

According to this new regulation, brokers and/or withholding agents, as well as qualified intermediaries ("QIs"), are obliged to withhold a tax of 10% on the disposition on behalf of a foreign partner of interest in a publicly traded partnership ("PTP").

In principle, the sale of interests in PTPs by non-US persons is taxed at 10% of the realized amount. This applies to all PTPs that are engaged in a US trade or business, meaning that are commercially active in the US and thus generating effectively connected income ("ECI").

The SIX solution

SIX obtains PTP information from a trusted source or directly from partnerships, for instance the Investor Relation/ Tax Information section on the public website. Subsequently, SIX identifies and classifies US as well as non-US PTPs instruments by complementing the current US Tax Reportability attribute "Limited Partnership" and marks all PTP instruments that are in scope of 1446(f) with a "liable/applicable - confirmed" or "not liable/applicable - confirmed" flag.

Additionally, PTP candidate instruments for which the status still needs to be confirmed are marked with a "potentially liable/applicable" flag.

Key benefits

- ☆ Identification of data relevant for section 1446(f) compliance through classification of instruments based on our comprehensive coverage
 - ☆ PTP codes and applicability/non-applicability information allow for screening of client portfolio positions with 1446(f) exposure
 - ☆ Consistent and reliable data coverage with applicability date only published once the regulation is in force
 - ☆ Ongoing updates on all data relevant for Section 1446(f) by continuous flagging of new instruments
 - ☆ Data linkage to other US Tax-related data attributes delivered by SIX
 - ☆ Distribution/ dividend information for PTPs available through Corporate Actions content from SIX
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Content/Data

- Limited Partnership (US Tax) classification on instrument level
- Tax Codes for US and non-US Publicly Traded Partnerships as well as for US and non-US Non-Publicly Traded Partnerships
- Eligibility and non-eligibility information including PTP status as confirmed by partnerships
- Out of scope indication for PTPs issuing withholding exception through Qualified Notices
- Access to regulatory documents (offering prospectus) for PTPs
- Access to SIX Corporate Actions content for partnerships

Comprehensive US Tax data offering

1446(f) content is delivered within industry-proven data structures that SIX is already offering for US Tax services such as FATCA or IRS Section 871(m).

Delivery options

The data service is available through our display tool SIX iD, our core reference data service Valordata Feed (VDF), as well as via Extra report/file delivery.

Why you can rely on SIX and their service

Thanks to the successful launch of our award-winning IRS Section 871(m) and FATCA data services, SIX has a proven track-record to support you in the fulfilment of your withholding and reporting obligations.

As a leader with long-standing experience in Tax Data Services for transactional, reporting and suitability purposes, SIX is your one-stop shop for tax and compliance data.

Facts and figures



Number of active Equities and Fund/
Trust instruments in the SIX database



Number of instruments with SIX US
Limited Partnership Flag

Example

Valor 24351546 Westlake Chemical Partners LP

Westlake Chem – Partnership Units					
Issuer:	GK652996 Westlake Chemical Partners LP (Instruments)				
Domicile:	Unites States of America (The)				
Sector:	Chemicals				
Basic Data					
Swiss National Security Number:	24351546				
ISIN:	US9604171036				
CFI:	<table border="1"> <tr> <th>CFI Code assigned by</th> </tr> <tr> <td>ELVUFR (Assigned by another NNA)</td> </tr> <tr> <td>ELVUFR (Assigned by SIX, not within SIX jurisdiction)</td> </tr> </table>		CFI Code assigned by	ELVUFR (Assigned by another NNA)	ELVUFR (Assigned by SIX, not within SIX jurisdiction)
CFI Code assigned by					
ELVUFR (Assigned by another NNA)					
ELVUFR (Assigned by SIX, not within SIX jurisdiction)					
Most Liquid Market:	65 NYSE				
Instrument Type:	Equity				
Short Name:	Westlake Chemical				
Original Issuer:	GK652996 Westlake Chem Houston, TX				
Currency/Nominal:	USD/Not available				
Number of Securities:	35221868				
Maturity Date:	No expiration date				
Income Type:	Periodical Payment				
	Clearstream Bk Lux, Euroclear Bank, SIX SIS, Euroclear UK, DTC Depository				
Depository/Custody:	Tr				
Country: Unites States of America (The) (333)					
Current Taxes:	FATCA (52)	In scope (18) 01.07.2014 ---			
	Publicly traded partnership (PTP) (74)	Liable/applicable - confirmed (12) 01.01.2023 --- Applies to all (3):			
Reporting/Regulation:	Sec-Rule 13 (f) (19)	Liable/applicable (1)			

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We have offices in over 20 locations, to get in touch with your local SIX office visit www.six-group.com/contacts.

SIX Financial Information Ltd
Hardturmstrasse 201
P. O. Box
CH-8021 Zurich

T + 41 58 399 2111
www.six-group.com/financial-information