



# Upcoming Renewal Deadline for Qualified Intermediaries

## **Qualified Intermediaries (QI) are obliged to renew their QI Agreement with the US IRS by 1 May 2023**

### **New QI Agreement**

At the end of 2022, the US IRS issued Revenue Procedure 2022-43 concerning the new Qualified Intermediary Agreement (the 2023 QIA).

Likewise the previous 2017 QIA, the new agreement covers obligations of foreign (non-US) Qualified Intermediaries under the US NRA (Chapter 3) provisions (including on section 871m transactions) and FATCA (Chapter 4) provisions, as well as provisions in respect of QI's US account holders under chapter 61 and section 3406 of the US IRC. However, the 2023 QIA also broadens the scope of the QI compliance by introducing new rules on withholding treatment of distributions and realized amounts from publicly traded partnerships (PTP) held by the QI's non-US account holders under section 1446(a) and (f) of the US IRC.

### **Renewal through QAAMS – 1 May 2023 deadline**

The 2023 QIA is applicable as from 1 January 2023 with a six-year term to all existing or newly registered Qualified Intermediaries. Accordingly, the 2017 QI Agreement expired on 31 December 2022.

Following the amendment of the renewal deadline by the IRS, existing QIs should renew their QI agreement by 1 May 2023 at the latest through the Qualified Intermediary Application and Account Management System (QAAMS). Please note that the IRS recently modernized the QAAMS' sign-in system with its current credential service provider ID.me.

The 2023 QIA does not apply to Withholding Foreign Partnerships (WPs) and Withholding Foreign Trusts (WTs) and they are not required to renew their WP/WT agreements.

### **Assistance needed ?**

Should you need QI assistance, please do not hesitate to be in touch with your usual Mazars contact, or the specialized QI team members listed below.

## **Contacts**

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