

for the waiver of a penalty if the failure is due to reasonable cause and is not due to willful neglect.

[T.D. 8734, 62 FR 53474, Oct. 14, 1997]

**§ 1.6041-9 Coordination with reporting rules for widely held fixed investment trusts under § 1.671-5.**

See § 1.671-5 for the reporting rules for widely held fixed investment trusts (WHFIT) (as defined under that section). For purposes of section 6041, middlemen and trustees of WHFITs are deemed to have management and oversight functions in connection with payments made by the WHFIT.

[T.D. 9241, 71 FR 4024, Jan. 24, 2006]

**§ 1.6041-10 Return of information as to payments of winnings from bingo, keno, and slot machine play.**

(a) *In general.* Every person engaged in a trade or business (as defined in § 1.6041-1(b)) and who, in the course of such trade or business, makes a payment of reportable gambling winnings (defined in paragraph (b)(1) of this section) must make an information return with respect to such payment. Unless the provisions of paragraph (g) of this section (regarding aggregate reporting) apply, a separate information return is required with respect to each payment of reportable gambling winnings.

(b) *Definitions*—(1) *Reportable gambling winnings.* (i) For purposes of this section, the term reportable gambling winnings is defined as follows:

(A) For bingo, the term “reportable gambling winnings” means winnings of \$1,200 or more from one bingo game, without reduction for the amount wagered. All winnings received from all wagers made during one bingo game are combined (for example, all winnings from all cards played during one bingo game are combined).

(B) For keno, the term “reportable gambling winnings” means winnings of \$1,500 or more from one keno game reduced by the amount wagered on the same keno game. All winnings received from all wagers made during one keno game are combined (for example, all winnings from all “ways” on a multi-way keno ticket are combined).

(C) For slot machine play, the term “reportable gambling winnings” means winnings of \$1,200 or more from one

slot machine play, without reduction for the amount wagered.

(ii) Winnings and wagers from different types of games are not combined to determine if the reporting threshold is satisfied. Bingo, keno, and slot machine play are different types of games.

(iii) Winnings include the fair market value of a payment in any medium other than cash.

(iv) The amount wagered in the case of a free play is zero.

(2) *Information reporting period*—(i) *In general.* For purposes of paragraph (g) of this section, the “information reporting period” begins when a patron places the first wager on a particular type of game at a gaming establishment, as defined in paragraph (b)(2)(iv) of this section, and ends when the patron places his or her last wager on the same type of game at the same gaming establishment before the end of the “information reporting period.” An information reporting period is a 24-hour period. A payor may select a calendar day (as defined in paragraph (b)(2)(ii) of this section) or a gaming day (as defined in paragraph (b)(2)(iii) of this section) as the information reporting period for purposes of the aggregate reporting method in paragraph (g) of this section. For purposes of this paragraph (b)(2), time is determined by the time zone of the location where the patron places the wager. A payor must use the same information reporting period (a calendar day or gaming day) to report all “reportable gambling winnings” paid during the calendar year. Once selected, a payor may not change its information reporting period during a calendar year. Any changes to a payor’s information reporting period from one calendar year to another must be implemented on January 1.

(ii) *Calendar day.* A calendar day is determined with reference to a period beginning at 12 a.m. and ending no later than 11:59 p.m. of the same calendar day.

(iii) *Gaming day*—(A) *In general.* A gaming day is a 24-hour period other than a calendar day (as defined in paragraph (b)(2)(ii) of this section) selected by the payor, subject to the special rules for December 31 and January 1 in paragraphs (b)(2)(iii)(B) and (C) of this section.

(B) *Special rule for December 31.* For purposes of paragraph (b)(2)(iii) of this section, the gaming day that begins on December 31 of any calendar year ends at 11:59 p.m. on December 31, regardless of the time on December 31 on which that gaming day began.

(C) *Special rule for January 1.* For purposes of paragraph (b)(2)(iii) of this section, the gaming day of January 1 begins at 12:00 a.m. on January 1, regardless of the time and calendar day on which that gaming day ends, and may extend beyond 24 hours.

(iv) *Gaming establishment.* For purposes of this section, a gaming establishment is a business entity of a payor of reportable gambling winnings with respect to bingo, keno, or slot machine play, and includes all gaming establishments owned by such payor using the same employer identification number (EIN) issued to such payor in accordance with section 6109.

(v) *Examples.* The following examples illustrate the provisions of paragraph (b)(2) of this section.

*Example 1.* Casino R uses the aggregate reporting method under paragraph (g) of this section to report certain reportable gambling winnings. For other regulatory purposes, Casino R uses a gaming day that begins at 3 a.m. and ends at 2:59 a.m. the following calendar day. Casino R chooses to use its gaming day as its information reporting period for purposes of paragraph (b)(2) of this section during Year 1. Accordingly, the information reporting period for purposes of paragraph (g) of this section for each day during Year 1 begins at 3 a.m. and ends at 2:59 a.m. the following day. The information reporting period for December 31 of Year 1 begins at 3 a.m. on December 31 of Year 1 and ends at 11:59 p.m. on December 31 of Year 1. The information reporting period for January 1 of Year 2 begins at 12 a.m. on January 1 of Year 2 and ends at 2:59 a.m. on January 2 of Year 2.

*Example 2.* The facts are the same as Example 1, except Casino R uses a calendar day as its information reporting period for purposes of paragraph (b)(2) of this section during Year 1. Accordingly, the information reporting period for purpose of paragraph (g) of this section for each day during Year 1 begins at 12 a.m. and ends at 11:59 p.m. on the same day.

*Example 3.* Casino R uses the aggregate reporting method under paragraph (g) of this section to report certain reportable gambling winnings. For other regulatory purposes, Casino R uses a gaming day that begins at 9:00 p.m. and ends at 8:59 p.m. the fol-

lowing calendar day. Casino R chooses to use its gaming day as its information reporting period for purposes of paragraph (b)(2) of this section during Year 1. Accordingly, the information reporting period for purposes of paragraph (g) of this section for each day during Year 1 begins at 9:00 p.m. and ends at 8:59 p.m. the following day. The information reporting period for December 31 of Year 1 begins at 9:00 p.m. on December 30 and ends at 8:59 p.m. on December 31. A second information reporting period for December 31 then begins at 9:00 p.m. on December 31 and ends at 11:59 p.m. on December 31. The information reporting period for January 1 of Year 2 begins at 12:00 a.m. on January 1 and ends at 8:59 p.m. on January 1 of Year 2.

*Example 4.* Casino R uses the aggregate reporting method under paragraph (g) of this section to report certain reportable gambling winnings. In Year 1, Casino R chooses to use a “gaming day” that begins at 3 a.m. and ends at 2:59 a.m. the following day as its information reporting period. During the course of Year 1, Casino R decides that it would like to change its information reporting period to instead begin at 5 a.m. and end at 4:59 a.m. the following day. Casino R must wait until January 1 of Year 2 to implement such a change. On January 1 of Year 2, Casino R’s information reporting period will begin at 12 a.m. and end at 4:59 a.m. on January 2. On December 31 of Year 2, Casino R’s information reporting period will begin at 5 a.m. and end at 11:59 p.m.

(3) *Slot machine.* The term “slot machine” means a device that, by application of the element of chance, may deliver, or entitle the person playing or operating the device to receive cash, premiums, merchandise, or tokens whether or not the device is operated by insertion of a coin, token, or similar object.

(c) *Prescribed form; time and place for filing the return.* The return described in paragraph (a) of this section is a Form W-2G, “Certain Gambling Winnings.” The Form W-2G must be filed with the appropriate Internal Revenue Service location designated in the instructions to the form on or before February 28 (March 31, if filed electronically) of the year following the calendar year in which the reportable gambling winnings were paid. See section 6011 and § 1.6011-2 for requirements to file electronically.

(d) *Information included on the return—(1) In general.* Each return required by paragraph (a) of this section must contain:

(i) The name, address, and taxpayer identification number of the payor;

(ii) The name, address, and taxpayer identification number of the payee;

(iii) A general description of the two types of identification (as described in paragraph (e) of this section), one of which must have the payee's photograph on it (except in the case of tribal member identification cards in certain circumstances as described in paragraph (d)(2) of this section) that the payor relied on to verify the payee's name, address, and taxpayer identification number;

(iv) The date and amount of payment;

(v) The type of wagering transaction (bingo, keno, or slot machine play);

(vi) In the case of a bingo or keno game, any number, color, or other designation assigned to the game for which the payment is made;

(vii) In the case of slot machine play, the identification number of the slot machine(s) (for example, location and asset number);

(viii) Any other information required by the forms, instructions, revenue procedures, or other applicable guidance published in the Internal Revenue Bulletin.

(2) *Special rule for tribal member identification cards.* A tribal member identification card need not contain the payee's photograph to meet the identification requirement described in paragraph (d)(1)(iii) of this section if:

(i) The payee is a member of a federally recognized Indian tribe;

(ii) The payee presents the payor with a tribal member identification card issued by a federally recognized Indian tribe stating that the payee is a member of such tribe; and

(iii) The payor is a gaming establishment (as described in paragraph (b)(2)(iv) of this section) owned or licensed (in accordance with 25 U.S.C. 2710) by the tribal government that issued the tribal member identification card referred to in (d)(2)(ii).

(3) *Special rule for optional aggregate reporting method.* In the case of aggregate reporting under paragraph (g) of this section, the amount of the payment in paragraph (d)(1)(iv) of this section is the aggregate amount of payments of reportable gambling winnings

from the same type of game (bingo, keno, or slot machine play) made to the same payee during the same information reporting period (as defined in paragraph (b)(2) of this section). Unless otherwise provided in forms, instructions, or other guidance, in the case of aggregate reporting under paragraph (g) of this section, the information required by paragraphs (d)(1)(v) through (viii) of this section must be maintained by the payor as described in paragraph (g)(3) of this section.

(e) *Identification.* The following items are treated as identification for purposes of paragraph (d)(1)(iii) of this section—

(1) Government-issued identification (for example, a driver's license, passport, social security card, military identification card, tribal member identification card issued by a federally recognized Indian tribe, or voter registration card) in the name of the payee; and

(2) A Form W-9, "Request for Taxpayer Identification Number and Certification," signed by the payee, that includes the payee's name, address, taxpayer identification number, and other information required by the form. A Form W-9 is not acceptable for this purpose if the payee has modified the form (other than pursuant to instructions to the form) or if the payee has deleted the jurat or other similar provisions by which the payee certifies or affirms the correctness of the statements contained on the form.

(f) *Furnishing a statement to the payee.* Every payor required to make a return under paragraph (a) of this section must also make and furnish to each payee, with respect to each payment of reportable gambling winnings, a written statement that contains the information that is required to be included on the return under paragraph (d) of this section. The payor must furnish the statement to the payee on or before January 31st of the year following the calendar year in which payment of the reportable gambling winnings is made. The statement will be considered furnished to the payee if it is provided to the payee at the time of payment or if it is mailed to the payee on or before January 31st of the year following the

calendar year in which payment was made.

(g) *Aggregate reporting of bingo, keno, and slot machine winnings*—(1) *In general.* In lieu of filing a separate information return for each payment of reportable gambling winnings as required by paragraph (a) of this section, a payor may use the aggregate reporting method (defined in paragraph (g)(2) of this section) to report reportable gambling winnings from bingo, keno, or slot machine play. A payor using the aggregate reporting method to file information returns under paragraph (a) of this section must also furnish statements to the payee under paragraph (f) of this section using the aggregate reporting method.

(2) *Aggregate reporting method defined.*

(i) The aggregate reporting method is a method of reporting more than one payment of reportable gambling winnings from the same type of game (bingo, keno, or slot machine play) made to the same payee during the same information reporting period (as defined in this paragraph (b)(2) of this section) on one information return or statement.

(ii) A payor may use the aggregate reporting method for payments to some payees and not others, at its own discretion. In addition, with respect to a single payee, the payor may use the aggregate reporting method to report winnings from one type of game, but not for winnings from another type of game.

(iii) Failure to report some reportable gambling winnings from a particular type of game during one information reporting period to a particular payee under the aggregate reporting method (for whatever reason, including because the winnings are not permitted to be reported using the aggregate reporting method under paragraph (g)(4) of this section) will not disqualify the payor from using the aggregate reporting method to report other reportable gambling winnings from that type of game during that information reporting period to that payee. The payor may stop using the aggregate reporting method for a particular payee or for all payees before the end of the payor's information reporting period for any reason.

(3) *Recordkeeping under the aggregate reporting method.* A payor using the aggregate reporting method must maintain a record of every payment of reportable gambling winnings from the same type of game made to the same payee during the information reporting period that will be reported using the aggregate reporting method. Every individual that the payor has determined is responsible for an entry in the record must confirm the information in the entry by signing the record in a manner that will enable the signature to be associated with the relevant entry. Each payment of a reportable gambling winning made to the same payee and reported under the aggregate reporting method must have its own entry in the record, however, the information required by paragraphs (d)(1)(i) through (iii) of this section is not required to be recorded more than one time per information reporting period. A payor that uses the aggregate reporting method must retain a copy of the record in its files. The record (which may be electronic provided the requirements set forth in forms, instructions, or guidance published in the Internal Revenue Bulletin are met) must include the following information about each payment:

(i) The payee's signature confirming the information in the record;

(ii) The information required under paragraph (d) of this section;

(iii) The time of the win resulting in the reportable gambling winnings;

(iv) The total amount of reportable gambling winnings with respect to all payments to the payee during the information reporting period;

(v) The amount of reportable gambling winnings with respect to each particular payment;

(vi) The method of payment to the payee (for example, cash, check, voucher, credit, token, or chips); and

(vii) The name and unique identification number of the individual who the payor has determined is responsible for ensuring that the entry with respect to the reportable gambling winnings (including the general description of two types of identification used to verify

the payee's name, address, and taxpayer identification number) is complete and accurate and who is authorized to perform that function by the applicable gaming regulatory control authority. Such individual may or may not be the same individual who prepared the entry.

(4) *When the aggregate reporting method may not be used.* A payor cannot use the aggregate reporting method if—

(i) The payment is to a foreign person, as described in section 1.6041-10(h);

(ii) The payor knows or has reason to know that the person making the wager is not the person entitled to the winnings or is not the only person entitled to the winnings (regardless of whether the person making the wager furnishes a Form 5754, "Statement by Person(s) Receiving Gambling Winnings"); or

(iii) Backup withholding under section 3406(a) applies to the payment.

(5) *Examples.* The following examples illustrate the provisions of this section. For each example, assume that for purposes of the aggregate reporting method in paragraph (g) of this section, Casino R's "information reporting period" for all calendar years is a gaming day that begins at 3 a.m. and ends at 2:59 a.m. the following day (except for January 1 and December 31) and that individuals C, D, and E are U.S. persons.

*Example 1.* On Day 1, between 7 a.m. and 4 p.m., C places five wagers at casino R on five different slot machines. The first two wagers result in no win. The third wager results in a \$1,500 win. The fourth wager results in a \$2,500 win. The fifth wager results in an \$800 win:

(i) Under paragraph (b)(1)(i)(C) of this section, there are reportable gambling winnings from the slot machine play of \$4,000 (\$1,500 + \$2,500). The \$800 win is not a reportable gambling winning from slot machine play because it does not equal or exceed the \$1,200 threshold.

(ii) Because all of the amounts were won on the same type of game (even though each of the winnings occurred on different machines) during the same information reporting period, R is permitted to use the aggregate reporting method under this paragraph (g). If R decides not to use the aggregate reporting method, a separate Form W-2G would have to be filed and furnished for the payment of reportable gambling winnings of \$1,500 and for the payment of reportable gambling winnings of \$2,500. However, if R

decides to use the aggregate reporting method, R may report total reportable gambling winnings from slot machine play of \$4,000 (\$1,500 + \$2,500) on one Form W-2G.

*Example 2.* Assume the same facts as *Example 1*, except that in addition to the winnings described in *Example 1*, at 5 a.m. on Day 2, C wins \$3,250 from one slot machine play at casino R. Even though C played the same type of game (slot machine play) on Day 1 and Day 2, under paragraph (b)(2) of this section, the win at 5 a.m. on Day 2 is a win during a separate information reporting period. Under paragraph (g)(2)(i) of this section, the \$3,250 of reportable gambling winnings on Day 2 cannot be aggregated with the reportable gambling winnings of \$4,000 from Day 1 on a single Form W-2G. Accordingly, if R uses the aggregate reporting method, R must file two Forms W-2G with respect to C's reportable gambling winnings on Day 1 and Day 2. R must report \$4,000 of reportable gambling winnings from slot machine play paid to C on Day 1 on the first Form W-2G, and \$3,250 of reportable gambling winnings from slot machine play paid to C on Day 2 on the second Form W-2G.

*Example 3.* On December 31 of Year 1 at 4:00 p.m., C wins \$10,000 from one slot machine play at casino R. At 12:30 a.m. on January 1 of Year 2, C wins \$4,000 from one slot machine play at casino R. Under paragraphs (b)(2)(iii)(B) and (C) of this section, the win at 4 p.m. on December 31 of Year 1 and the win at 12:30 a.m. on January 1 of Year 2 are wins during different information reporting periods. Under paragraph (g)(2)(i) of this section, the \$4,000 of reportable gambling winnings on January 1 cannot be aggregated with the reportable gambling winnings of \$10,000 from December 31 on a single Form W-2G. Accordingly, if R uses the aggregate reporting method, R must file two Forms W-2G with respect to C's reportable gambling winnings on Day 1 and Day 2. R must report \$10,000 of reportable gambling winnings from slot machine play paid to C on December 31 on the first Form W-2G and \$4,000 of reportable gambling winnings from slot machine play paid to C on January 1 on the second Form W-2G.

*Example 4.* Assume the same facts as *example 3*, except that C also wins \$5,000 from one slot machine play at 3:30 p.m. on January 1 and \$7,000 from one slot machine play at 1:30 a.m. on January 2. Under the special rule of paragraph (b)(2)(iii) of this section, the "information reporting period" begins at 12:00 a.m. on January 1 and extends until the start of the next information reporting period, in this case 2:59 a.m. on January 2. Under paragraph (b)(1)(C) of this section, Casino R will pay C a total of \$26,000 (\$10,000 + \$4,000 + \$5,000 + \$7,000) in reportable gambling winnings; however, \$10,000 must be reported in Year 1, and \$16,000 must be reported in Year 2. Because all of the amounts won in

Year 2 were won on the same type of game and during the same information reporting period, R is permitted to use the aggregate reporting method under this paragraph (g). If R decides to use the aggregate reporting method, R may report \$10,000 of reportable gambling winnings from slot machine play paid to C on December 31 on the first Form W-2G and \$16,000 of total reportable gambling winnings from slot machine play paid to C on January 1 on the second Form W-2G.

*Example 5.* At 2 p.m. on Day 1, D won \$2,000 (after reducing the amount of the win by the amount wagered) playing one keno game at casino R. D provides R with his driver's license. The driver's license has D's photograph on it, as well as D's name and address. The driver's license does not include D's social security number. D cannot remember his social security number and has no other identification at the time with his social security number on it. D does not provide R with his social security number before R pays the winnings to D. Because D cannot remember his social security number, D cannot complete and sign a Form W-9. R deducts and withholds \$560 (28 percent of \$2,000) under the backup withholding provisions of section 3406(a) and pays the remaining \$1,440 in winnings to D. D returns to casino R and at 6 p.m. on Day 1 wins \$1,500 (after reducing the amount of the win by the amount wagered) in one keno game. D provides R with his driver's license as well as D's social security card. R generally uses the aggregate reporting method and in all cases where it is used, R complies with the requirements of this paragraph (g). At 8 p.m. and 10 p.m. on Day 1, D wins an additional \$1,800 and \$1,700 (after reducing the amount of the win by the amount wagered), respectively, from two different keno games. For each of these two wins, an employee of R obtains the information from D required by this paragraph (g):

(i) Under paragraph (b)(1)(i)(B) of this section, each of D's wins from the four games of keno on Day 1 (\$2,000, \$1,500, \$1,800, and \$1,700) are reportable gambling winnings. Because D's first win on Day 1 was at 2 p.m. and D's last win on Day 1 was at 10 p.m., all of D's reportable gambling winnings from keno are won during the same information reporting period. Because R satisfies the requirements of paragraph (g)(2)(i), R may use the aggregate reporting method to report D's reportable gambling winnings from keno. However, pursuant to paragraph (g)(4)(iii) of this section, the \$2,000 payment made to D at 2 p.m. cannot be reported under the aggregate reporting method because that payment was subject to backup withholding. Accordingly, if R uses the aggregate reporting method under this paragraph (g), R will have to file two Forms W-2G with respect to D's reportable gambling winnings from keno on Day 1. On the first Form W-2G, R will report \$2,000 of reportable gambling winnings and

\$560 of backup withholding with respect to the 2 p.m. win from keno, and, on the second Form W-2G, R will report \$5,000 of reportable gambling winnings from keno (representing the three payments of \$1,500, \$1,800, and \$1,700 that D won between 6 p.m. and 10 p.m. on Day 1).

*Example 6.* In one information reporting period on Day 1, E won five reportable gambling winnings from five different bingo games at a casino R. R generally uses the aggregate reporting method and in all cases where it is used, R complies with the requirements of this paragraph (g). Although E signed the entry in the record R maintains for payment of the first four reportable gambling winnings, E refuses to sign the entry in the record for the fifth payment of reportable gambling winnings. R may use the aggregate reporting method for the first four payments of reportable gambling winnings to E. However, because the entry in the record for the fifth payment of reportable gambling winnings does not include E's signature, as required by paragraph (g)(3)(i) of this section, that payment may not be reported under the aggregate reporting method. Accordingly, if R uses the aggregate reporting method under paragraph (g) of this section, R must prepare two Forms W-2G as follows: On the first Form W-2G, R must report the first four payments of reportable gambling winnings from bingo made to E on Day 1. On the second Form W-2G, R must report the fifth payment of reportable gambling winnings from bingo made to E on Day 1.

(h) *Payments to foreign persons.* See § 1.6041-4 regarding payments to foreign persons. See § 1.6049-5(d) for determining whether the payee is a foreign person.

(i) *Effective/applicability date.* Section 1.6041-10(b)(2), concerning payor-selected "information reporting periods," applies to payments of reportable gambling winnings from bingo, keno, or slot machine play made on or after January 1 of the year following the date these regulations are published in the FEDERAL REGISTER. All other sections contained herein apply to payments of reportable gambling winnings from bingo, keno, or slot machine play made on or after December 30, 2016.

(j) *Cross-references for certain gambling winnings.* For provisions relating to backup withholding for winnings from bingo, keno, and slot machine play and other reportable gambling winnings, see § 1.3406(g)-2(d). For provisions relating to withholding and reporting for gambling winnings from lotteries,

sweepstakes, wagering pools, and other wagering transactions, including a wagering transaction in a parimutuel pool with respect to horse races, dog races, or jai alai, see § 31.3402(q)-1.

[T.D. 9807, 81 FR 96377, Dec. 30, 2016]

**§ 1.6041A-1 Returns regarding payments of remuneration for services and certain direct sales.**

(a) through (c) [Reserved]

(d) *Exceptions to return requirement.* [Reserved]

(1) and (2) [Reserved]

(3) *Foreign transactions—(i) In general.* No return shall be required under section 6041A with respect to payments described in this paragraph (d)(3).

(A) Returns of information are not required for payments that a payor can, prior to payment, associate with documentation upon which it may rely to treat as made to a foreign beneficial owner in accordance with § 1.1441-1(e)(1)(ii) or as made to a foreign payee in accordance with § 1.6049-5(d)(1) or presumed to be made to a foreign payee under § 1.6049-5(d)(2), (3), (4), or (5). However, such payments may be reportable under § 1.1461-1(b) and (c). For purposes of this paragraph (d)(3)(i)(A), the provisions in § 1.6049-5(c) (regarding rules applicable to documentation of foreign status and definition of U.S. payor and non-U.S. payor) shall apply. The provisions of § 1.1441-1 shall apply by substituting the term *payor* for the term *withholding agent*.

(B) Returns of information are not required for payments of remuneration for services from sources outside the United States (determined under the provisions of part I, subchapter N, chapter 1 of the Internal Revenue Code and the regulations under those provisions) if payments are made outside the United States by a non-U.S. payor or non U.S. middleman. For a definition of non U.S. payor or non-U.S. middleman, see § 1.6049-5(c)(5). For circumstances in which a payment is considered to be made outside the United States, see § 1.6049-5(e).

(C) Returns of information are not required under sections 6041 or 6041A for amounts paid outside of the United States (within the meaning of § 1.6049-5(e)) as remuneration for services as a direct seller (within the meaning of

section 3508) performed outside of the United States or for sales described in section 6041A(b) made outside of the United States of consumer products for resale outside of the United States.

(ii) *Payor.* The term *payor* has the same meaning as described in § 1.6049-4(a)(2).

(iii) *Joint owners.* Amounts paid to joint owners for which a certificate or documentation is required as a condition for being exempt from reporting under paragraph (d)(3)(i) of this section are presumed made to U.S. payees who are not exempt recipients if, prior to payment, the payor or middleman cannot reliably associate the payment either with a Form W-9 furnished by one of the joint owners in the manner required in §§ 31.3406(d)-1 through 31.3406(d)-5 of this chapter, or with documentation described in paragraph (d)(3)(i)(A) of this section furnished by each joint owner upon which it can rely to treat each joint owner as a foreign payee or foreign beneficial owner.

(iv) *Conversion into United States dollars of amounts paid in foreign currency.* For rules concerning foreign currency conversion, see § 1.6049-4(d)(3)(i).

(v) *Effective date.* The provisions of this paragraph (d)(3) apply to payments made after December 31, 2000.

(4) *Information returns required under section 6050W for calendar years beginning after December 31, 2010.* (i) For payments made by payment card (as defined in § 1.6050W-1(b)(3)) or through a third party payment network (as defined in § 1.6050W-1(c)(3)) after December 31, 2010, that are required to be reported on an information return under section 6050W (relating to payment card and third party network transactions), the following rule applies. Transactions that otherwise would be reportable under both sections 6041A(a) and 6050W are reported under section 6050W and not section 6041A(a). For provisions relating to information reporting for payment card transactions and third party network transactions, see § 1.6050W-1. Solely for purposes of this paragraph, the de minimis threshold for third party network transactions in § 1.6050W-1(c)(4) is disregarded in determining whether the transaction is subject to reporting under section 6050W.