

Do We Have to Do Withholding?

Amount realized for real property is \$300,000
or less?



YES

House, condo, garage apartment, permanent
mobile home?
Not land, RV, or tent



YES

Buyer(s) are individuals?
Not a trust, corporation, etc.



YES

Buyer meets residency test?
See Acknowledgment of Buyers



YES

If you answer yes to all the questions, then
there is no withholding. If you answer no to
any of the questions, then there is withholding.

ACKNOWLEDGMENT OF BUYERS

[Treasury Regulation Sec. 1.1445-2(d)]

We, the undersigned, represent and acknowledge that:

1. We are individuals purchasing the U.S. real property commonly known as _____ for use as a residence.
2. We have definite plans to reside at the property for at least 50% of the number of days the property is used by any person during each of the first two 12-month periods following the date of the sale (calculated without including the number of days the property will be vacant).
3. If we do not in fact use the property as a residence, the I.R.C. Section 1445(a) withholding tax may be collected from us.

Dated: _____

Print Name _____

Print Name _____

Print Name _____

Print Name _____

*The forms provided are of general applicability. Use of a particular form may be limited by individual circumstances, and Lori B. Miller, P.C. makes no representations that the forms are applicable to any particular withholding matter. For more information, or to discuss applicability of the forms in the context of a specific withholding matter, contact Lori B. Miller at (406) 730-2752.