

SUBCONTRACTOR WITHHOLDING TAX DECLARATION AND AGREEMENT

This Agreement and Declaration is entered into on this _____ day of _____, 20____, by and between the parties identified below:

1. PARTIES

Principal/Contractor Name:

Business Address:

Tax Identification Number:

Subcontractor Name:

Business Address:

Tax Identification Number:

Country of

Incorporation/Residency:

2. BACKGROUND

The Principal/Contractor has engaged the Subcontractor to perform certain services pursuant to a master agreement, service agreement, or purchase order dated _____. This Declaration and Agreement governs the withholding tax obligations of the parties in relation to payments made for those services.

3. SUBCONTRACTOR TAX STATUS DECLARATION

The Subcontractor hereby declares its tax status for withholding tax purposes (please select and complete the appropriate statement below):

☐

The Subcontractor is a tax resident of _____ and is fully subject to corporate income taxes in this jurisdiction. Payments are not subject to withholding tax.

☐

The Subcontractor is entitled to a reduced withholding tax rate of _____% under the Double Taxation Treaty between _____ and _____. (Subcontractor must provide a valid Certificate of Tax Residence).

☐

The Subcontractor is exempt from withholding tax under certificate reference number _____, expiring on _____. (Subcontractor must attach a copy of the exemption certificate).

☐

The Subcontractor acknowledges that withholding tax at the standard rate of _____% shall be deducted by the Principal/Contractor from all gross payments.

4. COVENANT AND AGREEMENT

4.1. The Principal/Contractor shall deduct and withhold tax from payments made to the Subcontractor as required by the applicable tax laws of _____, unless a valid exemption or reduced rate has been demonstrated by the Subcontractor in accordance with Section 3.

4.2. Any withheld amounts will be remitted by the Principal/Contractor to the appropriate tax authority within the statutory timeframe. The Principal/Contractor shall provide the Subcontractor with official tax receipts or certificates of withholding within _____ days of remittance.

4.3. The Subcontractor agrees to indemnify and hold harmless the Principal/Contractor against any claims, liabilities, interest, penalties, or losses resulting from any inaccuracy in the declarations made herein or from any failure by the Subcontractor to maintain its tax status as declared.

4.4. The Subcontractor shall immediately notify the Principal/Contractor in writing of any change to its tax residency, treaty eligibility, or exemption status.

5. GOVERNING LAW

This Agreement and Declaration shall be governed by and construed in accordance with the laws of _____.

6. EXECUTION

In witness whereof, the parties have executed this Agreement and Declaration as of the date first written above.

For the Principal/Contractor:

Authorized Signature

Name: _____

Title: _____

Date: _____

For the Subcontractor:

Authorized Signature

Name: _____

Title: _____

Date: _____