



Guide for filing a United States Non-Resident Income Tax Return

Tax Year 2012

Prepared for Re:Sound
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Scope

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This Guide contains information regarding rights-holders who receive royalty income from Re:Sound and choose to prepare a U.S. personal income tax return, to claim the U.S. income tax that was over withheld on royalty income earned by them. This Guide is not designed to address the U.S. reporting of any other income that may be earned by such individuals. If additional income is earned by the individual that must be reported on a U.S. tax return, or if it is unclear whether such income should be reported on a U.S. tax return, a professional tax advisor should be consulted.

The scope of this Guide is subject to the qualifications on Page 22.

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Preparing your Non-Resident Income Return

What you will need before you begin to prepare the return

- Blank Form 1040NR. For payments received relating to the 2012 year, a 2012 Form 1040NR should be used. Refer to Appendix B for sample blank form. The most recent version of this form can be downloaded from the IRS website:
<http://www.irs.gov/pub/irs-pdf/f1040nr.pdf>
- U.S. Individual Tax Identification Number (“ITIN”) or U.S. Social Security Number (“SSN”). If you currently do not have a U.S. ITIN (or U.S. SSN), you will also need to complete Form W-7 in order to apply for one. **Form W-7 may be submitted together with Form 1040NR.** It has been assumed that you would not be eligible for a SSN. Refer to Appendix B for a sample blank form. The application form for an ITIN can be downloaded from the IRS website:
<http://www.irs.gov/pub/irs-pdf/fw7.pdf>
- Copy of 2012 Form 1042-S issued to you by your organization (e.g. AVLA, SOPROQ, ACTRA RACS, MROC or ARTISTI). Refer to Appendix C for a sample of this form.

Note: All amounts reported on Form 1042-S are in U.S. dollars, and all amounts on Form 1040NR must be reported in U.S. dollars.

Step 1. Complete Form 1040NR using Appendix D as a guide.

Step 2. Prepare a Statement using the sample provided in Appendix E as a guide.

This Statement provides an explanation to the IRS as to the flow of the royalty payment from SoundExchange Inc. to you.

Step 3. Sign and date Form 1040NR. If you require an ITIN, skip Step 4 and proceed to Steps 5 and 6 below. If you already have an ITIN or SSN, proceed to Step 4.

Step 4. Attach the 2012 Form 1042-S and the Statement to the front of Form 1040NR. File the assembled package with the IRS as soon as possible. The deadline to claim a refund is generally three years from the date the original return was due. As such, the deadline to claim a refund for the 2012 U.S. income tax would be June 15, 2016. Please mail your completed tax return to:

Department of the Treasury
Internal Revenue Service
Austin, TX 73301-0215
U.S.A.

Step 5. If applicable, complete an application form for a U.S. ITIN (Form W-7), using Appendix F as a guide. Please note that you will require a certified copy of your passport as part of this application, which can be obtained by contacting Passport Canada.

Step 6. If applicable, attach Form W-7, the certified copy of your passport, the 2012 Form 1042-S and the Statement to the front of Form 1040NR. File the assembled package with the IRS as soon as possible.

The deadline to claim a refund is generally three years from the date the original return was due. As such, the deadline to claim a refund for the 2012 U.S. income tax would be June 15, 2016. Please mail your completed tax return to:

Internal Revenue Service
ITIN Operation
PO Box 149342
Austin, TX 78714-9342
U.S.A.

We suggest that the tax return be sent to the tax authority by registered mail and that a delivery notification receipt be retained in order to provide evidence of timely filing in the event that the tax authority questions the filing date. Please retain a signed copy of the return and proof of filing for your records.

How long will it take to process my tax return?

The IRS can take 16 weeks or longer to process your return. Processing time will also depend on whether or not you are a first time filer, as processing time is usually much longer for first time filers.

Appendix A - The Substantial Presence Test (“SPT”)

U.S. residency is tied to (1) the immigration status of foreign nationals or (2) the length of time spent in the United States. The former is assumed not applicable on the basis that the individuals are Canadian citizens who spend limited time in the U.S.

Substantial Presence Test

The Substantial Presence Test (“SPT”) for U.S. residency is entirely independent of immigration status. You will be considered a tax resident of the U.S. if you meet the SPT in 2012. There are two forms of the SPT.

1. Actual Physical Presence

A foreign national physically present in the United States for any purpose for 183 or more days during a calendar year is a U.S. resident in that year. For purposes of this test, any portion of a day is considered to be a full day of U.S. presence. For example if you were to travel from Canada to the U.S. and arrived in the evening, this day is counted as one full day of U.S. presence.

2. Substantial Presence by Carryover of Days

The second form of the SPT considers not only time spent in the United States during the calendar year, but also days in the U.S. from the two preceding calendar years. Days from the current year are counted at their full value while days from the immediately preceding calendar year are counted as 1/3 of a day and days from the second preceding calendar year are counted as 1/6 of a day. Similar to the above, any portion of a day spent in the U.S. is considered to be a full day of presence for purposes of this test.

U.S. residency cannot arise, however, solely by carryover of days from earlier years. A minimum physical presence of at least 31 days in the United States during a calendar year is required for substantial presence.

Using the SPT Test:

Step 1 Were you present in the U.S. for 31 days or more in 2012? If no, you don’t meet the SPT and you can file a regular non-resident return. If yes, proceed to Step 2.

Step 2 Add together the following:

- i. All the days you were present in the U.S. in 2012 and,
- ii. One-third of the days you were present in 2011 and,
- iii. One-sixth of the days you were present in 2010.

If the total number of days from Step 2 equals 183 days or more, you will be considered a U.S. resident for 2012.

Example: You were present in the U.S. on vacation and for business reasons for 105 days in 2012, 120 days in 2011, 150 days in 2010. To determine if you meet the SPT for 2012 you count the full 105 days of presence in 2012, 40 days for 2011 (one-third of 120) and 25 days for 2010 (one-sixth of 150). The days total is 170. You would therefore not meet the SPT in 2012.

Should you meet the SPT for 2012, you may still be able to file a U.S. return on a non-resident basis, but certain elections and disclosure forms will need to be included with your tax return. Please consult with a professional tax advisor for further details.

Appendix B - Sample Blank Forms [1040NR & W-7]

Department of the Treasury Internal Revenue Service

Information about Form 1040NR and its separate instructions is at www.irs.gov/form1040nr. For the year January 1-December 31, 2012, or other tax year beginning , 2012, and ending , 20

2012

Please print or type

Identifying number (see instructions)
Your first name and initial
Last name
Present home address (number, street, and apt. no., or rural route). If you have a P.O. box, see instructions.
Check if: Individual Estate or Trust
City, town or post office, state, and ZIP code. If you have a foreign address, also complete spaces below (see instructions).
Foreign country name
Foreign province/state/county
Foreign postal code

Filing Status

- 1 Single resident of Canada or Mexico or single U.S. national
2 Other single nonresident alien
3 Married resident of Canada or Mexico or married U.S. national
4 Married resident of South Korea
5 Other married nonresident alien
6 Qualifying widow(er) with dependent child (see instructions)
If you checked box 3 or 4 above, enter the information below.

Check only one box.

(i) Spouse's first name and initial
(ii) Spouse's last name
(iii) Spouse's identifying number

Exemptions

- 7a Yourself. If someone can claim you as a dependent, do not check box 7a
7b Spouse. Check box 7b only if you checked box 3 or 4 above and your spouse did not have any U.S. gross income

Boxes checked on 7a and 7b

If more than four dependents, see instructions.

Table with columns: (1) First name, Last name, (2) Dependent's identifying number, (3) Dependent's relationship to you, (4) if qualifying child for child tax credit (see instr.)

No. of children on 7c who:
lived with you
did not live with you due to divorce or separation
Dependents on 7c not entered above

d Total number of exemptions claimed Add numbers on lines above

Income Effectively Connected With U.S. Trade/Business

Table with columns: Line number, Description, Amount, Total. Includes lines 8-23 for various income types and total effectively connected income.

Attach Form(s) W-2, 1042-S, SSA-1042S, RRB-1042S, and 8288-A here. Also attach Form(s) 1099-R if tax was withheld.

Enclose, but do not attach, any payment.

Adjusted Gross Income

Table with columns: Line number, Description, Amount, Total. Includes lines 24-36 for deductions and adjusted gross income.

Tax and Credits	37	Amount from line 36 (adjusted gross income)				37	
	38	Itemized deductions from page 3, Schedule A, line 15				38	
	39	Subtract line 38 from line 37				39	
	40	Exemptions (see instructions)				40	
	41	Taxable income. Subtract line 40 from line 39. If line 40 is more than line 39, enter -0-				41	
	42	Tax (see instructions). Check if any tax is from: a <input type="checkbox"/> Form(s) 8814 b <input type="checkbox"/> Form 4972				42	
	43	Alternative minimum tax (see instructions). Attach Form 6251				43	
	44	Add lines 42 and 43				44	
	45	Foreign tax credit. Attach Form 1116 if required	45				
	46	Credit for child and dependent care expenses. Attach Form 2441	46				
	47	Retirement savings contributions credit. Attach Form 8880	47				
	48	Child tax credit. Attach Schedule 8812, if required	48				
	49	Residential energy credits. Attach Form 5695	49				
	50	Other credits from Form: a <input type="checkbox"/> 3800 b <input type="checkbox"/> 8801 c <input type="checkbox"/>	50				
	51	Add lines 45 through 50. These are your total credits				51	
52	Subtract line 51 from line 44. If line 51 is more than line 44, enter -0-				52		

Other Taxes	53	Tax on income not effectively connected with a U.S. trade or business from page 4, Schedule NEC, line 15				53	
	54	Self-employment tax. Attach Schedule SE (Form 1040)				54	
	55	Unreported social security and Medicare tax from Form: a <input type="checkbox"/> 4137 b <input type="checkbox"/> 8919				55	
	56	Additional tax on IRAs, other qualified retirement plans, etc. Attach Form 5329 if required				56	
	57	Transportation tax (see instructions)				57	
	58a	Household employment taxes from Schedule H (Form 1040)				58a	
		b First-time homebuyer credit repayment. Attach Form 5405 if required				58b	
	59	Other taxes. Enter code(s) from instructions				59	
60	Add lines 52 through 59. This is your total tax				60		

Payments	61	Federal income tax withheld from:					
		a Form(s) W-2 and 1099	61a				
		b Form(s) 8805	61b				
		c Form(s) 8288-A	61c				
		d Form(s) 1042-S	61d				
	62	2012 estimated tax payments and amount applied from 2011 return				62	
	63	Additional child tax credit. Attach Schedule 8812				63	
	64	Amount paid with request for extension to file (see instructions)				64	
	65	Excess social security and tier 1 RRTA tax withheld (see instructions)				65	
	66	Credit for federal tax paid on fuels. Attach Form 4136				66	
67	Credits from Form: a <input type="checkbox"/> 2439 b <input checked="" type="checkbox"/> Reserved c <input type="checkbox"/> 8801 d <input type="checkbox"/> 8885				67		
68	Credit for amount paid with Form 1040-C				68		
69	Add lines 61a through 68. These are your total payments				69		

Refund <small>Direct deposit? See instructions.</small>	70	If line 69 is more than line 60, subtract line 60 from line 69. This is the amount you overpaid				70	
	71a	Amount of line 70 you want refunded to you . If Form 8888 is attached, check here <input type="checkbox"/>				71a	
		b Routing number	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>		c Type:	<input type="checkbox"/> Checking <input type="checkbox"/> Savings	
	d Account number	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>					
	e If you want your refund check mailed to an address outside the United States not shown on page 1, enter it here.						
	72	Amount of line 70 you want applied to your 2013 estimated tax				72	

Amount You Owe	73	Amount you owe. Subtract line 69 from line 60. For details on how to pay, see instructions				73	
	74	Estimated tax penalty (see instructions)				74	

Third Party Designee Do you want to allow another person to discuss this return with the IRS (see instructions)? **Yes.** Complete below. **No**

Designee's name Phone no. Personal identification number (PIN)

Sign Here Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Keep a copy of this return for your records.

Your signature	Date	Your occupation in the United States
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Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
Firm's name	Firm's EIN			
Firm's address	Phone no.			

Schedule A—Itemized Deductions (see instructions)

07

Taxes You Paid	1	State and local income taxes				1	
Gifts to U.S. Charities		Caution: <i>If you made a gift and received a benefit in return, see instructions.</i>					
	2	Gifts by cash or check. If you made any gift of \$250 or more, see instructions	2				
	3	Other than by cash or check. If you made any gift of \$250 or more, see instructions. You must attach Form 8283 if the amount of your deduction is over \$500	3				
	4	Carryover from prior year	4				
	5	Add lines 2 through 4				5	
Casualty and Theft Losses	6	Casualty or theft loss(es). Attach Form 4684. See instructions				6	
Job Expenses and Certain Miscellaneous Deductions	7	Unreimbursed employee expenses—job travel, union dues, job education, etc. You must attach Form 2106 or Form 2106-EZ if required. See instructions ▶ ----- ----- -----	7				
	8	Tax preparation fees	8				
	9	Other expenses. See instructions for expenses to deduct here. List type and amount ▶ ----- ----- ----- -----	9				
	10	Add lines 7 through 9	10				
	11	Enter the amount from Form 1040NR, line 37	11				
	12	Multiply line 11 by 2% (.02)	12				
	13	Subtract line 12 from line 10. If line 12 is more than line 10, enter -0-					13
Other Miscellaneous Deductions	14	Other—see instructions for expenses to deduct here. List type and amount ▶ ----- ----- ----- ----- ----- -----					14
Total Itemized Deductions	15	Add the amounts in the far right column for lines 1 through 14. Also enter this amount on Form 1040NR, line 38				15	

Schedule NEC—Tax on Income Not Effectively Connected With a U.S. Trade or Business (see instructions)

Nature of income		Enter amount of income under the appropriate rate of tax (see instructions)							
		(a) 10%		(b) 15%		(c) 30%		(d) Other (specify)	
								%	%
1 Dividends paid by:									
a U.S. corporations	1a								
b Foreign corporations	1b								
2 Interest:									
a Mortgage	2a								
b Paid by foreign corporations	2b								
c Other	2c								
3 Industrial royalties (patents, trademarks, etc.)	3								
4 Motion picture or T.V. copyright royalties	4								
5 Other royalties (copyrights, recording, publishing, etc.)	5								
6 Real property income and natural resources royalties	6								
7 Pensions and annuities	7								
8 Social security benefits	8								
9 Capital gain from line 18 below	9								
10 Gambling—Residents of Canada only. Enter net income in column (c). If zero or less, enter -0-.									
a Winnings _____									
b Losses _____	10c								
11 Gambling winnings—Residents of countries other than Canada. Note. Losses not allowed	11								
12 Other (specify) ▶ _____	12								
13 Add lines 1a through 12 in columns (a) through (d)	13								
14 Multiply line 13 by rate of tax at top of each column	14								
15 Tax on income not effectively connected with a U.S. trade or business. Add columns (a) through (d) of line 14. Enter the total here and on Form 1040NR, line 53 ▶	15								

Capital Gains and Losses From Sales or Exchanges of Property

Enter only the capital gains and losses from property sales or exchanges that are from sources within the United States and not effectively connected with a U.S. business. Do not include a gain or loss on disposing of a U.S. real property interest; report these gains and losses on Schedule D (Form 1040). Report property sales or exchanges that are effectively connected with a U.S. business on Schedule D (Form 1040), Form 4797, or both.	16	(a) Kind of property and description (if necessary, attach statement of descriptive details not shown below)	(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)	(d) Sales price	(e) Cost or other basis	(f) LOSS		(g) GAIN		
							If (e) is more than (d), subtract (d) from (e)		If (d) is more than (e), subtract (e) from (d)		
	17	Add columns (f) and (g) of line 16					()		
	18	Capital gain. Combine columns (f) and (g) of line 17. Enter the net gain here and on line 9 above (if a loss, enter -0-) ▶									

Schedule OI—Other Information (see instructions)

Answer all questions

A Of what country or countries were you a citizen or national during the tax year?

B In what country did you claim residence for tax purposes during the tax year?

C Have you ever applied to be a green card holder (lawful permanent resident) of the United States? **Yes** **No**

D Were you ever:
1. A U.S. citizen? **Yes** **No**
2. A green card holder (lawful permanent resident) of the United States? **Yes** **No**

If you answer "Yes" to (1) or (2), see Pub. 519, chapter 4, for expatriation rules that apply to you.

E If you had a visa on the last day of the tax year, enter your visa type. If you did not have a visa, enter your U.S. immigration status on the last day of the tax year.

F Have you ever changed your visa type (nonimmigrant status) or U.S. immigration status? **Yes** **No**
 If you answered "Yes," indicate the date and nature of the change. ►

G List all dates you entered and left the United States during 2012 (see instructions).
Note. If you are a resident of Canada or Mexico AND commute to work in the United States at frequent intervals, **check the box for Canada or Mexico** and skip to item H **Canada** **Mexico**

Date entered United States mm/dd/yy	Date departed United States mm/dd/yy

Date entered United States mm/dd/yy	Date departed United States mm/dd/yy

H Give number of days (including vacation, nonworkdays, and partial days) you were present in the United States during:
 2010, 2011, and 2012

I Did you file a U.S. income tax return for any prior year? **Yes** **No**
 If "Yes," give the latest year and form number you filed . . . ►

J Are you filing a return for a trust? **Yes** **No**
 If "Yes," did the trust have a U.S. or foreign owner under the grantor trust rules, make a distribution or loan to a U.S. person, or receive a contribution from a U.S. person? **Yes** **No**

K Did you receive total compensation of \$250,000 or more during the tax year? **Yes** **No**
 If "Yes," did you use an alternative method to determine the source of this compensation? **Yes** **No**

L Income Exempt from Tax—If you are claiming exemption from income tax under a U.S. income tax treaty with a foreign country, complete (1) and (2) below. See Pub. 901 for more information on tax treaties.

1. Enter the name of the country, the applicable tax treaty article, the number of months in prior years you claimed the treaty benefit, and the amount of exempt income in the columns below. Attach Form 8833 if required (see instructions).

(a) Country	(b) Tax treaty article	(c) Number of months claimed in prior tax years	(d) Amount of exempt income in current tax year

(e) Total. Enter this amount on Form 1040NR, line 22. Do not enter it on line 8 or line 12
2. Were you subject to tax in a foreign country on any of the income shown in 1(d) above? **Yes** **No**

Application for IRS Individual Taxpayer Identification Number

OMB No. 1545-0074

▶ **For use by individuals who are not U.S. citizens or permanent residents.**
 ▶ See instructions.

An IRS individual taxpayer identification number (ITIN) is for federal tax purposes only.

FOR IRS USE ONLY				

Before you begin:

- **Do not submit** this form if you have, or are eligible to get, a U.S. social security number (SSN).
- Getting an ITIN does not change your immigration status or your right to work in the United States and does not make you eligible for the earned income credit.

Reason you are submitting Form W-7. Read the instructions for the box you check. **Caution:** If you check box **b, c, d, e, f, or g, you must file a tax return with Form W-7 unless you meet one of the exceptions** (see instructions).

- a** Nonresident alien required to get ITIN to claim tax treaty benefit
 - b** Nonresident alien filing a U.S. tax return
 - c** U.S. resident alien (**based on days present in the United States**) filing a U.S. tax return
 - d** Dependent of U.S. citizen/resident alien } Enter name and SSN/ITIN of U.S. citizen/resident alien (see instructions) ▶ _____
 - e** Spouse of U.S. citizen/resident alien } _____
 - f** Nonresident alien student, professor, or researcher filing a U.S. tax return or claiming an exception
 - g** Dependent/spouse of a nonresident alien holding a U.S. visa
 - h** Other (see instructions) ▶ _____
- Additional information for **a** and **f**: Enter treaty country ▶ _____ and treaty article number ▶ _____

Name (see instructions) Name at birth if different ▶	1a First name	Middle name	Last name
	1b First name	Middle name	Last name

Applicant's mailing address	2 Street address, apartment number, or rural route number. If you have a P.O. box, see separate instructions.
	City or town, state or province, and country. Include ZIP code or postal code where appropriate.

Foreign (non-U.S.) address (if different from above) (see instructions)	3 Street address, apartment number, or rural route number. Do not use a P.O. box number.
	City or town, state or province, and country. Include ZIP code or postal code where appropriate.

Birth information	4 Date of birth (month / day / year)	Country of birth	City and state or province (optional)	5 <input type="checkbox"/> Male <input type="checkbox"/> Female
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Other information	6a Country(ies) of citizenship	6b Foreign tax I.D. number (if any)	6c Type of U.S. visa (if any), number, and expiration date
	6d Identification document(s) submitted (see instructions) <input type="checkbox"/> Passport <input type="checkbox"/> Driver's license/State I.D. <input type="checkbox"/> USCIS documentation <input type="checkbox"/> Other _____		
	Issued by: No.: Exp. date: / /		
	Date of entry into the United States (MM/DD/YYYY) / /		
	6e Have you previously received a U.S. temporary taxpayer identification number (TIN) or employer identification number (EIN)? <input type="checkbox"/> No/Do not know. Skip line 6f. <input type="checkbox"/> Yes. Complete line 6f. If more than one, list on a sheet and attach to this form (see instructions).		
	6f Enter: TIN or EIN ▶ _____ and Name under which it was issued ▶ _____		
	6g Name of college/university or company (see instructions) _____ City and state _____ Length of stay _____		

Sign Here	Under penalties of perjury, I (applicant/delegate/acceptance agent) declare that I have examined this application, including accompanying documentation and statements, and to the best of my knowledge and belief, it is true, correct, and complete. I authorize the IRS to disclose to my acceptance agent returns or return information necessary to resolve matters regarding the assignment of my IRS individual taxpayer identification number (ITIN), including any previously assigned taxpayer identifying number.		
	Signature of applicant (if delegate, see instructions)	Date (month / day / year)	Phone number
Keep a copy for your records.	Name of delegate, if applicable (type or print)		
	Delegate's relationship to applicant <input type="checkbox"/> Parent <input type="checkbox"/> Court-appointed guardian <input type="checkbox"/> Power of Attorney		

Acceptance Agent's Use ONLY	Signature	Date (month / day / year)	Phone
			Fax
	Name and title (type or print)	Name of company	EIN
			Office Code

Appendix C – Sample 2012 Form 1042-S issued by your organization

Appendix C is for illustrative purposes only. You should receive a Form 1042-S from your organization. Use that Form 1042-S to prepare your tax return.

Form 1042-S		Foreign Person's U.S. Source Income Subject to Withholding 2013		OMB No. 1545-0096	
Department of the Treasury Internal Revenue Service					
Information about Form 1042-S and its separate instructions					
AMENDED					
1 Income code	2 Gross income	3 Withholding allowances	4 Withholding rate	5 Withholding tax	6 Exemption code
12	1,000		30%		
8 Withholding by other agents	9 Total withholding credit				
	300				
10 Amount reported to recipient	14 Recipient's U.S. TIN, if any		16 Country		
	<input type="checkbox"/> SSN or ITIN <input type="checkbox"/> EIN <input type="checkbox"/> QI-EIN				
11 Withholding agent's EIN	15 Recipient's foreign tax identifying number, if any	17 NQI's/FLOW-THROUGH ENTITY'S name			
<input checked="" type="checkbox"/> EIN <input type="checkbox"/> QI-EIN		18 Country			
12a WITHHOLDING AGENT'S name					
Your Organization					
12b Address (number and street)					
12c Additional address line (room or suite no.)					
12d City or town, province or state, country, ZIP or foreign postal code					
13a RECIPIENT'S name		13b Recipient code	20 NQI's/Entity's U.S. TIN, if any		
John Q. Taxpayer		01			
13c Address (number and street)		21 PAYER'S name and TIN			
100 Pleasant Street		22 Recipient account number			
13d Additional address line (room or suite no.)					
13e City or town, province or state, country, ZIP or foreign postal code		23 Income tax withheld	24 Payer's state tax no.	25 Name of state	
Toronto, Ontario, Canada M5G 2M1					

This amount represents the total royalty income earned

Income Code 12 indicates that the slip relates to royalty income

This amount represents your portion of the tax that was withheld from the royalty income

Recipient Code 01 indicates that the recipient is an individual

Appendix D is for illustrative purposes only. Each question should be answered as it applies to you.

Appendix D - United States Form 1040NR

Form 1040NR U.S. Nonresident Alien Income Tax Return
Department of the Treasury Internal Revenue Service
OMB No. 1545-0074
2012

Information about Form 1040NR and its separate instructions is at www.irs.gov/form1040nr.
For the year January 1–December 31, 2012, or other tax year beginning _____, 2012, and ending _____, 20_____

Your first name and initial: **John Q.** Last name: **Taxpayer** Identifying number (see instructions): **111-11-1111**

Please print or type
Present home address (number, street, and apt. no., or rural route). If you have a P.O. box, see instructions. Check it: Individual Estate or Trust
100 Pleasant Street

City, town or post office, state, and ZIP code. If you have a foreign address, also complete spaces below (see instructions):
Toronto

Foreign country name: **Canada** Foreign province/state/county: **Ontario** Foreign postal code: **M6G 2H1**

Filing Status
Check only one box.
1 Single resident of Canada, Mexico or single U.S. national
2 Other single nonresident alien
3 Married resident of Canada, Mexico or married U.S. national
4 Married resident of South Korea
5 Other married resident alien
6 Qualifying widow with dependent child (see instructions)

If you checked box 3 or 4, enter the information below.
(i) Spouse's first name and initial: _____ (ii) Spouse's last name: _____ (iii) Spouse's identifying number: _____

Exemptions
7a Yourself. If you are claiming you as a dependent, do not check box 7a.
b Spouse. Check only if you checked box 3 or 4 above and you are not a dependent.
c Dependents: _____
(1) First name: _____ (2) Dependent's identifying number: _____ (3) D relationship: _____
If more than four dependents, see instructions.

Enter your personal information. Check the relevant box under "Filing Status" indicating your marital status as of December 31, 2012. If applicable, enter your spouse's first name and initial in box (i) and last name in box (ii).

Enter "1" in Box 7d

Income Effectively Connected With U.S. Trade/Business
10a Ordinary dividends
11 Qualified dividends (see instructions)
12
13
14
15
16b
17b
18
19
20
21

Insert your Individual Taxpayer Identification Number (ITIN) or Social Security Number (SSN). You must have a valid identifying number in order to file a U.S. tax return. If you do not have a valid ITIN/SSN and will be applying for one, enter "Applied For." Refer to Step 5 of this Guide to obtain ITIN

22 Total income exempt by a treaty from page 5, Schedule OI, item L (1)(e) **22** 1,000 00
23 Combine the amounts in the far right column for lines 8 through 21. This is your total effectively connected income **23**

Adjusted Gross Income
24 Educator expenses (see instructions) **24**
25 Health savings account deduction. Attach Form 8889 **25**
26 Moving expenses. Attach Form 3903
27 Deductible part of self-employment tax. Attach Schedule SE (Form 1040)
28 Self-employed SEP, SIMPLE, and qualified plans
29 Self-employed health insurance deduction (see instructions)
30 Penalty on early withdrawal of savings
31 Scholarship and fellowship grants excluded
32 IRA deduction (see instructions)
33 Student loan interest deduction (see instructions)
34 Domestic production activities deduction
35 Add lines 24 through 34 **35**
36 Subtract _____ **36**

Enter the amount in Box 2 of Form 1042-S issued by your organization

For Disclosure, Privacy Act, and P... 11364D Form 1040NR (2012)

Appendix D is for illustrative purposes only. Each question should be answered as it applies to you.

Tax and Credits	37	Amount from line 36 (adjusted gross income)	37		
	38	Itemized deductions from page 3, Schedule A, line 15	38		
	39	Subtract line 38 from line 37	39		
	40	Exemptions (see instructions)	40		
	41	Taxable income. Subtract line 40 from line 39. If line 40 is more than line 39, enter -0-	41		
	42	Tax (see instructions). Check if any tax is from: a <input type="checkbox"/> Form(s) 8814 b <input type="checkbox"/> Form 4972	42		
	43	Alternative minimum tax (see instructions). Attach Form 6251	43		
	44	Add lines 42 and 43	44		
	45	Foreign tax credit. Attach Form 1116 if required	45		
	46	Credit for child and dependent care expenses. Attach Form 2441	46		
	47	Retirement savings contributions credit. Attach Form 8880	47		
	Other Taxes	48	Child tax credit. Attach Schedule 8812, if required	48	
49		Residential energy credits. Attach Form 5695	49		
50		Other credits from Form: a <input type="checkbox"/> 9800 b <input type="checkbox"/> 8901 c <input type="checkbox"/>	50		
51		Add lines 45 through 50. These are your total credits	51		
52		Subtract line 51 from line 44. If line 51 is more than line 44, enter -0-	52		
53		Tax on income not effectively connected with a U.S. trade or business from page 4, Schedule NEC, line 15	53		
54		Self-employment tax. Attach Schedule SE (Form 1040)	54		
55		Unreported social security and Medicare tax from Form: a <input type="checkbox"/> 4137 b <input type="checkbox"/> 8919	55		
56		Additional tax on IRAs, other qualified retirement plans, etc. Attach Form 5329 if required	56		
57		Transportation tax (see instructions)	57		
Payments	58a	Household employment taxes from Schedule H (Form 1040)	58a		
	58b	b First-time homebuyer credit repayment. Attach Form 5405 if required	58b		
	59	Other taxes. Enter code(s) from instructions	59		
	60	Add lines 52 through 59. This is your total tax	60		
	61	Federal income tax withheld from:			
	61a	a Form(s) W-2 and 1099	61a		
	61b	b Form(s) 8805	61b		
	61c	c Form(s) 1042-S	61c		
	61d	d Form(s) 1042-S applied from 2011 return	61d	300	00
	62	e Form(s) 1042-S applied from 2011 return	62		
Refund	63	Additional tax on IRAs, other qualified retirement plans, etc. Attach Form 5329 if required	63		
	64	Other taxes (see instructions)	64		
	65	Excess social security and tier 1 RRTA tax withheld (see instructions)	65		
	66	Credit for federal tax paid on fuels. Attach Form 4136	66		
	67	Credits from Form: a <input type="checkbox"/> 2439 b <input type="checkbox"/> Reserved c <input type="checkbox"/> 8801 d <input type="checkbox"/> 8885	67		
	68	Credit for amount paid with Form 1040-C	68		
	69	Add lines 61a through 68. These are your total payments	69	300	00
	70	If line 69 is more than line 60, subtract line 60 from line 69. This is the amount you overpaid	70	300	00
	71a	Amount of line 70 you want refunded to you . If Form 8888 is attached, check here <input type="checkbox"/>	71a		
	71b	b Routing number			
Amount You Owe	72	Amount of line 70 you want applied to your 2013 estimated tax	72		
	73	Amount you owe. Subtract line 69 from line 60. For details on how to pay, see instructions	73		
Third Party Designee	74	Estimated tax penalty (see instructions)	74		
	Do you want to allow another person to discuss this return with the IRS (see instructions)? <input type="checkbox"/> Yes. Complete below. <input type="checkbox"/> No				
Sign Here	Designee's name		Phone no.	Personal identification number (PIN)	
	Your signature		Date	Your occupation in the United States	
Paid Preparer Use Only	Print/Type preparer's name		Preparer's signature	Date	Check self
	Firm's name		Firm's EIN	Phone no.	
	Firm's address				

Enter the amount in Box 8 of Form 1042-S issued by your organization

Enter date here

Enter occupation here

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Schedule A—Itemized Deductions (see instructions)

07

Taxes You Paid		1	State and local income taxes	1		
Gifts to U.S. Charities			<i>Caution: If you made a gift and received a benefit in return, see instructions.</i>			
	2		Gifts by cash or check. If you made any gift of \$250 or more, see instructions	2		
	3		Other than by cash or check. If you made any gift of \$250 or more, see instructions. You must attach Form 8283 if the amount of your deduction is over \$500	3		
	4		Carryover from prior year	4		
	5		Add lines 2 through 4	5		
Casualty and Theft Losses		6	Casualty or theft loss(es). Attach Form 4684. See instructions	6		
Job Expenses and Certain Miscellaneous Deductions		7	Unreimbursed employee expenses—job travel, union dues, job education, etc. You must attach Form 2106 or Form 2106-EZ if required. See instructions ▶	7		
	8		Tax preparation fees	8		
	9		Other expenses. See instructions for expenses to deduct here. List type and amount ▶	9		
	10		Add lines 7 through 9	10		
	11		Enter the amount from Form 1040NR, line 37	11		
	12		Multiply line 11 by 2% (.02)	12		
	13		Subtract line 12 from line 10. If line 12 is more than line 10, enter -0-	13		
Other Miscellaneous Deductions		14	Other—see instructions for expenses to deduct here. List type and amount ▶	14		
Total Itemized Deductions		15	Add the amounts in the far right column for lines 1 through 14. Also enter this amount on Form 1040NR, line 38	15		

The schedule does not need to be completed for individuals meeting the criteria set out in the Scope section.

Appendix D is for illustrative purposes only. Each question should be answered as it applies to you.

Schedule NEC—Tax on Income Not Effectively Connected With a U.S. Trade or Business (see instructions)

Nature of income		Enter amount of income under the appropriate rate of tax (see instructions)					
		(a) 10%	(b) 15%	(c) 30%	(d) Other (specify)		
					5%	9%	
1	Dividends paid by:						
a	U.S. corporations	1a					
b	Foreign corporations	1b					
2	Interest:						
a	Mortgage	2a					
b	Paid by foreign corporations	2b					
c	Other	2c					
3	Industrial royalties (patents, trademarks, etc.)	3					
4	Motion picture or T.V. copyright royalties	4					
5	Other royalties (copyrights, recording, publishing, etc.)	5					
6	Real property income and natural resources royalties	6					
7	Pensions and annuities	7					
8	Social security benefits	8					
9	Capital gain from line 18 below	9					
10	Gambling—Residents of Canada only. Enter net income in column (c).						
	If zero or less, enter -0-.						
a	Winnings						
b	Losses						
11	Gambling winnings—Residents of countries other than Canada.						
	Note. Losses not allowed.	11					
12	Other (specify) ►	12					
13	Add lines 1a through 12 in columns (a) through (d)	13					
14	Multiply line 13 by rate of tax at top of each column	14					
15	Tax on income not effectively connected with a U.S. trade or business. Add columns (a) through (d) of line 14. Enter the total here and on Form 1040NR, line 53	15					

Capital Gains and Losses From Sales or Exchanges of Property

16	(a) Kind of property and description (If necessary, attach statement of descriptive details not shown below)	(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)	(d) Sales price	(e) Cost or other basis	(f) LOSS If (e) is more than (d), subtract (d) from (e)	(g) GAIN If (d) is more than (e), subtract (e) from (d)
17	Add columns (f) and (g) of line 16						17 ()
18	Capital gain. Combine columns (f) and (g) of line 17. Enter the net gain here and on line 9 above (if a loss, enter -0-) ►						18

The schedule does not need to be completed for individuals meeting the criteria set out in the Scope section.

Appendix D is for illustrative purposes only. Each question should be answered as it applies to you.

Enter the name of the country for which you are a citizen

Schedule OI—Other Information (see instructions)
Answer all questions

A Of what country or countries were you a citizen or national during the tax year? _____

B In what country _____

Enter 'Canada' assuming this is the country that you were resident of.

C Have you ever applied to be a green card holder (lawful permanent resident) of the United States? Yes No

D Were you ever:
1. A U.S. citizen? Yes No
2. A green card holder (lawful permanent resident) of the United States? Yes No

If you ever applied to be a green card holder in U.S., check "Yes" on line C; otherwise check "No"

E If you had a visa on the last day of the tax year, enter your visa type. If you did not have a visa, enter your immigration status on the last day of the tax year. _____

F Have you ever changed your visa type (or immigration status)? If "Yes," enter the date and nature of the change. _____

Enter the type of visa under which you worked in the U.S., e.g. 'L-1', 'TN' etc., if you did not have a visa and were not present in the U.S. on December 31, 2012 enter "Not present in U.S. – No U.S. Immigration Status". If you changed your visa type or immigration status, check "Yes" on line F and enter the date and nature of the change

If you were ever a U.S. citizen or a green card holder, check "Yes" on line D. Otherwise, check "No"

List on the table all the dates you entered and left U.S. in 2012

G List all dates you entered and left the United States in 2012. If you are a citizen or resident of Canada or Mexico AND commute to work in the United States at frequent intervals, check the appropriate box. Canada Mexico

Date entered United States mm/dd/yy	Date departed United States mm/dd/yy

Date entered United States mm/dd/yy	Date departed United States mm/dd/yy

H Give number of days (including vacation, nonworkdays, and partial days) you were present in the United States during: 2010 _____, 2011 _____, and 2012 _____.

I Did you file a U.S. income tax return for _____ year? Yes No
 If "Yes," give the latest year and form number you filed _____

Enter the number of days you were physically present in the U.S. for 2010, 2011 and 2012. All U.S. days should be included regardless of the reason for your presence in the U.S. Any portion of a day spent in the U.S. counts as one day for this purpose.

If you have ever filed a U.S. tax return before enter the last year in which you filed and the type of return (e.g. 2011 1040NR). If you have never filed a U.S. tax return before, check 'No'.

Appendix D is for illustrative purposes only. Each question should be answered as it applies to you.

If your compensation received during the year, including fringe benefits, was greater than \$250,000, check 'Yes', otherwise check 'No'.

If answered yes to the previous question, assuming no alternative method of sourcing was used to determine any U.S. source compensation, check 'No'.

- J** Are you filing a return for a trust? Yes No
 If "Yes," did the trust have a U.S. or foreign owner under the grantor trust rules, make a distribution or loan to a U.S. person, or receive a contribution from a U.S. person? Yes No
- K** Did you receive total compensation of \$250,000 or more during the tax year? Yes No
 If "Yes," did you use an alternative method to determine the source of this compensation? Yes No

L Income Exempt from Tax—If you are claiming exemption from income tax under a U.S. income tax treaty with a foreign country, complete (1) and (2) below. See Pub. 901 for more information on tax treaties.
 1. Enter the name of the country, the applicable tax treaty article, the number of months in prior years you claimed the treaty benefit, and the amount of exempt income in the columns below. Attach Form 8833 if required (see instructions).

(a) Country	(b) Tax treaty article	(c) Number of months claimed in prior tax years	(d) Amount of exempt income in current tax year
Canada	XII 3(a)		1000
(e) Total. Enter the amount on Form 1040NR, line 22. Do not enter the amount on line 8 or line 12.			
2. Were you subject to tax in a foreign country on any of the income shown in 1(d) above?			<input checked="" type="checkbox"/> Yes

Enter 'Canada' assuming this is the country that you were resident of.

Enter "Article XII 3(a)" here.

Enter the amount in Box 2 of Form 1042-S issued by your organization

Appendix E – Sample Statement to Attach to Form 1040NR

ATTACHMENT TO FORM 1040NR, U.S. NON-RESIDENT ALIEN INCOME TAX RETURN

TAXPAYER: [INSERT TAXPAYER NAME]

ITIN: [INSERT TAXPAYER ITIN]

In 2012, SoundExchange Inc., a United States Corporation and a United States Withholding Agent, made a payment of royalties to Re:Sound, a Canadian not-for-profit corporation and non-qualified intermediary organization. SoundExchange Inc. withheld 30% tax on the payment.

Re:Sound, in turn, distributed allocable portions of the royalty payment received to its member organizations. The member organizations of Re:Sound act as intermediaries on behalf of artists and record companies. [INSERT NAME OF YOUR ORGANIZATION] is one of Re:Sound's member organizations. The corresponding portion of the 30% tax originally withheld was also allocated to [INSERT NAME OF YOUR ORGANIZATION].

[INSERT NAME OF YOUR ORGANIZATION] distributed an allocable portion of the royalty payment to the taxpayer, who is the ultimate beneficial owner of such royalty payment. Attached to this tax return is a copy of the Form 1042-S, "Foreign Person's U.S. Source Income Subject to Withholding", that the taxpayer received from [INSERT NAME OF YOUR ORGANIZATION].

This statement is only a sample provided to illustrate the flow of funds from SoundExchange Inc. through Re:Sound, through your organization and to you, the ultimate beneficiary. The statement should be modified as applicable to you

Appendix F is for illustrative purposes only. Each question should be answered as it applies to you.

Appendix F - ITIN Application

Form **W-7**
(Rev. January 2012)
Department of the Treasury
Internal Revenue Service

Application for IRS Individual Taxpayer Identification Number

► For use by individuals who are not U.S. citizens or permanent residents.
► See instructions.

OMB No. 1545-0074

An IRS individual taxpayer identification number (ITIN) is for federal tax purposes only.

Before you begin:

- Do not submit this form if you have, or are eligible to get, a U.S. social security number (SSN).
- Getting an ITIN does not change your immigration status or your right to work in the United States and does not make you eligible for the earned income credit.

FOR IRS USE ONLY			

Reason you are submitting Form W-7. Read the instructions for the box you check. **Caution:** If you check box b, c, d, e, f, or g, you must file a tax return with Form W-7 unless you meet one of the exceptions (see instructions).

- a Nonresident alien required to get ITIN to claim tax treaty benefit
- b Nonresident alien filing a U.S. tax return
- c U.S. resident alien (based on days present in the United States) filing a U.S. tax return
- d Dependent of U.S. citizen/resident alien } Enter name and SSN/ITIN of U.S. citizen/resident alien (see instructions) ► _____
- e Spouse of U.S. citizen/resident alien } _____
- f Nonresident alien student, professor, or researcher filing a U.S. tax return or claiming an exception
- g Dependent/spouse of a nonresident alien holding a U.S. visa
- h Other (see instructions) ► _____
- Additional information for a and f: Enter treaty country ► _____ and treaty article number ► _____

Name (see instructions)	1a First name	Middle name	Last name
	John	Q	Taxpayer
Name at birth if different	1b First name	Middle name	Last name
Applicant's mailing address	2 Street address, apartment number, or rural route number. If you have a P.O. box, see separate instructions.		
	100 Pleasant Street City or town, state or province, and country. Include ZIP code or postal code where appropriate. Toronto, Ontario, M6G 2H1, Canada		
Foreign (non-U.S.) address (if different from above) (see instructions)	3 Street address, apartment number, or rural route number. Do not use a P.O. box number.		
	City or town, state or province, and country. Include ZIP code or postal code where appropriate.		
Birth information	4 Date of birth (month / day / year)	Country of birth	City and state or province (optional)
	01/01/1970	Canada	5 <input checked="" type="checkbox"/> Male <input type="checkbox"/> Female
Other information	6a Country(ies) of citizenship	6b Foreign tax I.D. number (if any)	6c Type of U.S. visa (if any), number, and expiration date
	Canada	111-111-111	None
	6d Identification document(s) submitted (see instructions) <input checked="" type="checkbox"/> Passport <input type="checkbox"/> Driver's license/State I.D. <input type="checkbox"/> USCIS documentation <input type="checkbox"/> Other _____		
	Date of entry into the United States Issued by: Canada No.: 123456789 Exp. date: 0 7/0 1/2 0 1 4 (MM/DD/YYYY) / /		
6e Have you previously received a U.S. temporary taxpayer identification number (TIN) or employer identification number (EIN)? <input checked="" type="checkbox"/> No/Do not know. Skip line 6f. <input type="checkbox"/> Yes. Complete line 6f. If more than one, list on a sheet and attach to this form (see instructions).			
6f Enter: TIN or EIN ► _____ and Name under which it was issued ► _____			
6g Name of college/university or company (see instructions) _____ City and state _____ Length of stay _____			

Sign Here

Under penalties of perjury, I (applicant/delegate/acceptance agent) declare that I have examined this application, including accompanying documentation and statements, and to the best of my knowledge and belief, it is true, correct, and complete. I authorize the IRS to disclose to my acceptance agent returns or return information necessary to resolve matters regarding the assignment of my IRS individual taxpayer identification number (ITIN), including any previously assigned taxpayer identifying number.

Keep a copy for your records.	Signature of applicant (if delegate, see instructions)	Date (month / day / year)	Phone number
		/ /	416-999-9999
Acceptance Agent's Use ONLY	Name of delegate, if applicable (type or print)	Delegate's relationship to applicant	<input type="checkbox"/> Parent <input type="checkbox"/> Court-appointed guardian <input type="checkbox"/> Power of Attorney
	Signature	Date (month / day / year)	Phone
	Name and title (type or print)	Name of company	Fax
			EIN
			Office Code

For Paperwork Reduction Act Notice, see separate instructions.

Cat. No. 10229L

Form **W-7** (Rev. 1-2012)

Qualifications

This Guide is not intended to be a formal opinion of tax consequences and, thus, may not contain a full description of all the facts or a complete exposition and analysis of all relevant tax authorities. The Guide is intended to represent general tax comments only.

The tax comments in this Guide are not binding on the Internal Revenue Service (the “IRS” or “Service”) and there can be no assurance that the Service will not take a contrary position and that such position, if taken, will not be sustained.

Our views and comments expressed herein are based upon our interpretation of the relevant provisions of the U.S. Internal Revenue Code, the Convention between Canada and the U.S. with respect to Tax on Income and Capital, regulations and legislation in force on the date hereof, all proposed amendments thereto publicly announced by the IRS, our interpretation of relevant jurisprudence and our understanding of the current administrative practices and policies of the IRS.

Each of these authorities is subject to change at any time, and any such change could have a retroactive effect. Further, there is no certainty that proposed legislative or regulatory amendments will be enacted in their current form or that new proposals will not be introduced with retroactive effect. Any such development could cause the tax comments provided herein to become invalid, in whole or in part, with respect to any entity or person involved in the transactions described herein. Our conclusions are valid as of the date of this Guide and we have no responsibility to report any changes or to update this Guide for any changes in applicable law or authorities occurring after this date except if engaged by Re:Sound to update it at a future date.

Any U.S. Federal, state, or local tax advice included in this written or electronic communication was not intended or written to be used, and it cannot be used by the taxpayer, for the purpose of avoiding any penalties that may be imposed by any U.S. Federal, state or local governmental taxation authority or agency.