June 4, 2025

1042 ATS Scenario 4

Taxpayer: Withholding Agent Three

TIN: 00-50000004

Forms Included in the Scenario:

- Form 1042
- Form 1042-S
- Form 1099-G
- Form 1099-K
- Form 1099-PATR

Additional Information: You must select “Yes” in the Return Header for the

IRSResponsiblePrtyInfoCurrInd

BusinessOfficer Grp:

PersonNm = Kirk Hickory
PersonTitleTxt = President
PhoneNum = 555-555-5555

Signing Officer Group:

SSN = 400-00-1031
PersonFirstNm = Mel Oak

Form 1042 filed by a WA (that is a QI) claiming a line 67 credit that is substantiated by Form 1042-S, 1099-G, 1099-K, 1099-PATR. This scenario also includes a credit claim.

Version A, Cycle 2

Form **1042**
Department of the Treasury
Internal Revenue Service

Annual Withholding Tax Return for U.S. Source Income of Foreign Persons

Go to *www.irs.gov/Form1042* for instructions and the latest information.

OMB No. 1545-0096

2025

If this is an amended return, check here . . . . . ☐

Name of withholding agent	Employer identification number	For IRS Use Only	
WITHHOLDING AGENT THREE	00-5000004	CC	FD
Ch. 3 Status Code 12	Ch. 4 Status Code 07	RD	FF
Number and street (If a P.O. box, see instructions.)	Room or suite no.	CAF	FP
2 Fig Square		CR	I
City or town / State or province / Country / ZIP or foreign postal code		EDC	SIC
London / — / UK / W1A 1AE			

If you do not expect to file this return in the future, check here ☐ Enter date final income paid

Section 1 Record of Federal Tax Liability (do not show federal tax deposits here)

Line No.	Period ending		Tax liability for period (including any taxes assumed on Form(s) 1000)	Line No.	Period ending		Tax liability for period (including any taxes assumed on Form(s) 1000)	Line No.	Period ending		Tax liability for period (including any taxes assumed on Form(s) 1000)
1	Jan.	7		21	May	7	25000	41	Sept.	7	
2		15	20720	22		15		42		15	
3		22		23		22	25000	43		22	
4		31		24		31		44		30	
5	Jan. total		20720	25	May total		50000	45	Sept. total		
6	Feb.	7		26	June	7		46	Oct.	7	
7		15		27		15		47		15	
8		22		28		22		48		22	
9		28		29		30		49		31	
10	Feb. total			30	June total			50	Oct. total		
11	Mar.	7		31	July	7		51	Nov.	7	
12		15		32		15		52		15	
13		22		33		22		53		22	
14		31		34		31	25000	54		30	
15	Mar. total			35	July total		25000	55	Nov. total		
16	Apr.	7		36	Aug.	7		56	Dec.	7	
17		15		37		15		57		15	25000
18		22		38		22		58		22	
19		30		39		31		59		31	
20	Apr. total			40	Aug. total			60	Dec. total		25000

Note: The totals from the above table are to be entered on lines 64b through 64d (as indicated in the instructions for those lines).

61	**No. of Forms 1042-S filed: a** On paper _____ **b** Electronically _____		
62	Total gross amounts reported on all Forms 1042-S and 1000:		
a	Total U.S. source FDAP income (other than U.S. source substitute payments) reported	62a	500000
b	Total U.S. source substitute payments reported:		
	(1) Total U.S. source substitute dividend payments reported	62b(1)	
	(2) Total U.S. source substitute payments reported other than substitute dividend payments . . .	62b(2)	
c	**Total gross amounts reported** (add lines 62a–b)	62c	500000
d	Enter gross amounts actually paid if different from gross amounts reported	62d	

Third Party Designee

Do you want to allow another person to discuss this return with the IRS? See instructions. ☐ Yes. Complete the following. ☐ No

Designee's name: Walter Orchid | Phone no.: 222-111-1111 | Personal identification number (PIN): 0 0 0 0 1

Sign Here

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

Your signature | Date | Capacity in which acting | Daytime phone number

Paid Preparer Use Only

Preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
Walter Orchid				P00000001
Firm's name: Walter Orchid Co.			Firm's EIN	00-0000079
Firm's address			Phone no.	222-111-1111

63	Total tax reported as withheld or paid by withholding agent on all Forms 1042-S and 1000:		
a	Tax withheld by withholding agent	**63a**	20000
b	Tax withheld by other withholding agents:		
	(1) For payments other than substitute dividends	**63b(1)**	120270
	(2) For substitute dividends	**63b(2)**	
c	Adjustments to withholding:		
	(1) Adjustments to overwithholding	**63c(1)**	(10000)
	(2) Adjustments to underwithholding	**63c(2)**	
d	Tax paid by withholding agent	**63d**	
e	**Total tax reported as withheld or paid** (add lines 63a–d)	**63e**	130270

Computation of Tax Due or Overpayment

64	Total net tax liability		
a	Adjustments to total net tax liability	**64a**	
b	Total net tax liability under chapter 3	**64b**	120270
c	Total net tax liability under chapter 4	**64c**	
d	Excise tax on specified federal procurement payments (total payments made x 2% (0.02))	**64d**	
e	**Total net tax liability** (add lines 64a–d)	**64e**	120270
65	Total paid by electronic funds transfer (or with a request for extension of time to file):		
a	Total paid during calendar year	**65a**	10000
b	Total paid during subsequent year	**65b**	
66	Enter overpayment applied as credit from 2024 Form 1042	**66**	
67	Credit for amounts withheld by other withholding agents:		
a	For payments other than substitute dividend payments	**67a**	120270
b	For substitute dividend payments	**67b**	
68	**Total payments.** Add lines 65 through 67	**68**	130270
69	If line 64e is larger than line 68, enter balance due here	**69**	
70a	Enter overpayment attributable to overwithholding on U.S. source income of foreign persons	**70a**	10000
b	Enter overpayment attributable to excise tax on specified federal procurement payments	**70b**	
71a	Apply overpayment (sum of lines 70a and 70b) to (**check one**): ☐ Credit on 2026 Form 1042 or ☐ Refund		
	To elect direct deposit for this amount, complete lines 71b, 71c, and 71d.		
b	Routing number	**c** Type: ☐ Checking ☐ Savings	
d	Account number		

Section 2 Reconciliation of Payments of U.S. Source FDAP Income

1	Total U.S. source FDAP income required to be withheld upon under chapter 4	**1**	
2	Total U.S. source FDAP income required to be reported under chapter 4 but not required to be withheld upon under chapter 4 because:		
a	Amount of income paid to recipients whose chapter 4 status established no withholding is required	**2a**	487070
b	Amount of excluded nonfinancial payments	**2b**	12930
c	Amount of income paid with respect to grandfathered obligations	**2c**	
d	Amount of income effectively connected with the conduct of a trade or business in the United States	**2d**	
e	Total U.S. source FDAP income required to be reported under chapter 4 but not required to be withheld upon under chapter 4 (add lines 2a–d)	**2e**	500000
3	Total U.S. source FDAP income reportable under chapter 4 (add lines 1 and 2e)	**3**	500000
4	Total U.S. source FDAP income reported on all Forms 1042-S (from lines 62a, 62b(1), and 62b(2))	**4**	500000
5	Total variance, subtract line 3 from line 4; if amount other than zero, provide explanation on line 6	**5**	0
6			

Section 3 Potential Section 871(m) Transactions

Check here if any payments (including gross proceeds) were made by the withholding agent under a potential section 871(m) transaction, including a notional principal contract or other derivatives contract that references (in whole or in part) a U.S. stock or other underlying security. See instructions ☑

Section 4 Payments by a Qualified Derivatives Dealer (QDD)

Check here if any payments were made by a QDD ☐

If the box is checked, you must do the following.

(1) Attach Schedule(s) Q (Form 1042). See instructions.

(2) Enter your EIN (other than your QI-EIN)

Form **1042-S**
Department of the Treasury
Internal Revenue Service

Foreign Person's U.S. Source Income Subject to Withholding

Go to *www.irs.gov/Form1042S* for instructions and the latest information.

2025

0 0 0 0 0 0 0 0 0 1 UNIQUE FORM IDENTIFIER ☐ AMENDED ☐ AMENDMENT NO.

OMB No. 1545-0096

Copy C for Recipient
Attach to any Federal tax return you file

1 Income code	
2 Gross income	
3 Chapter indicator. Enter "3" or "4"	3
3a Exemption code	
4a Exemption code	15
3b Tax rate	
4b Tax rate	
5 Withholding allowance	
6 Net income	
7a Federal tax withheld	75,600
7b Check if federal tax withheld was not remitted with the IRS because certain procedures were applied (see instructions)	☐
7c Check if withholding occurred in subsequent year with respect to partnership interest	☐
7d Check if you are a Qualified Intermediary, Withholding Foreign Partnership, or Withholding Foreign Trust that is reporting on Form 1042-S to report to a specified recipient	☐
8 Tax withheld by other agents	
9 Overwithheld tax repaid to recipient pursuant to adjustment procedures (see instructions)	( )
10 Total withholding credit (combine boxes 7a, 8, and 9)	75,600
11 Tax paid by withholding agent (all but not withheld (see instructions)	

12a Withholding agent's EIN	**12b** Ch. 3 status code	**12c** Ch. 4 status code
00-5000000	15	01

12d Withholding agent's name
PAYER A

12e Withholding agent's Global Intermediary Identification Number (GIIN)

12f Country code	**12g** Foreign tax identification number, if any
US	

12h Address (number and street)
25 ROSE STREET

12i City or town, state or province, country, ZIP or foreign postal code
NY, NY 10001

13a Recipient's name	**13b** Recipient's country code
WITHHOLDING AGENT THREE	UK

13c Address (number and street)
2 Fig Square

13d City or town, state or province, country, ZIP or foreign postal code
London W1A 1AE

13e Recipient's U.S. TIN, if any	**13f** Ch. 3 status code	12
00-5000004	**13g** Ch. 4 status code	07

13h Recipient's GIIN	**13i** Recipient's foreign tax identification number, if any	**13j** LOB code
01.XYZW.99999.SL.1		

13 Recipient account number

13l Recipient's date of birth (YYYYMMDD)

14a Primary Withholding Agent's name (if applicable)

14b Primary Withholding Agent's EIN	**15** Check if pro-rata basis reporting ☐

15a Intermediary or flow-through entity's EIN, if any	**15b** Ch. 3 status code	**15c** Ch. 4 status code

15d Intermediary or flow-through entity's name

15e Intermediary or flow-through entity's GIIN

15f Country code	**15g** Foreign tax identification number, if any

15h Address (number and street)

15i City or town, state or province, country, ZIP or foreign postal code

16a Payer's name	**16b** Payer's TIN

16c Payer's GIIN	**16d** Ch. 3 status code	**16e** Ch. 4 status code

17a State income tax withheld	**17b** Payer's state tax no.	**17c** Name of state

Version A, Cycle 2
Dimensions: 7.3" x 3.75"; .5" head margin to top rule
Only Copy A is non-fillable.

☐ CORRECTED (if checked)

PAYER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone no.

Payer B
123 Elm St
Atlanta, GA 30304

1 Unemployment compensation
$ 142,856

2 State or local income tax refunds, credits, or offsets
$

OMB No. 1545-0120
Form **1099-G**
(Rev. April 2026)
For calendar year 2025

Certain Government Payments

PAYER'S TIN: 00-5500000

RECIPIENT'S TIN: 00-5000004

3 Box 2 amount is for tax year

4 Federal income tax withheld
$ 40000

RECIPIENT'S name

Withholding Agent Three

Street address (including apt. no.)

3 Fig Square

City or town, state or province, country, and ZIP or foreign postal code

London, W1A 1AE

Account number (see instructions)

5 RTAA payments
$

6 Taxable grants
$

7 Agriculture payments
$

8 If checked, box 2 is trade or business income ☐

9 Market gain
$

10 Family leave benefits
$

11a State	**11b** State identification no.	**12** State income tax withheld
		$
		$

Copy B
For Recipient

This is important tax information and is being furnished to the IRS. If you are required to file a return, a negligence penalty or other sanction may be imposed on you if this income is taxable and the IRS determines that it has not been reported.

Form **1099-G** (Rev. 4-2026) (keep for your records) www.irs.gov/Form1099G Department of the Treasury - Internal Revenue Service

DRAFT — DO NOT FILE

☐ CORRECTED (if checked)

FILER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone no.	FILER'S TIN	OMB No. 1545-2205	**Payment Card and Third Party Network Transactions**
WITHHOLDING AGENT THREE 2 FIG SQUARE LONDON, WA1A 1AE	00-5000004 PAYEE'S TIN 00-5555550	Form **1099-K** (Rev. March 2024)	
	1a Gross amount of payment card/third party network transactions $ 12,930	For calendar year 2025	

Check to indicate if FILER is a (an):	Check to indicate transactions reported are:	**1b** Card Not Present transactions	**2** Merchant category code	**Copy 2**
Payment settlement entity (PSE) ☑ Electronic Payment Facilitator (EPF)/Other third party ☐	Payment card ☑ Third party network ☐	$	1234	
		3 Number of payment transactions 1	**4** Federal income tax withheld $ 3,620	

PAYEE'S name	**5a** January	**5b** February	To be filed with the recipient's state income tax return, when required.
Payer C Street address (including apt. no.)	**5c** March $	**5d** April $	
	5e May $	**5f** June $	
Anytown KC 10000 City or town, state or province, country, and ZIP or foreign postal code	**5g** July $	**5h** August $	
	5i September $	**5j** October $	
PSE'S name and telephone number	**5k** November $	**5l** December $ 12,930	

Account number (see instructions)	**6** State	**7** State identification no.	**8** State income tax withheld
			$ $

☐ CORRECTED (if checked)

PAYER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone no.	1 Patronage dividends	OMB No. 1545-0118	**Taxable Distributions Received From Cooperatives**
Payer D 123 Avenue NY,NY 10001	$ 5357	Form **1099-PATR**	
	2 Nonpatronage distributions $	(Rev. April 2025)	
	3 Per-unit retain allocations $	For calendar year 2025	

PAYER'S TIN	RECIPIENT'S TIN	**4 Federal income tax withheld**	5 Redeemed nonqualified notices	**Copy B For Recipient**
00-5555555	00-5000004	$ 1,500	$	This is important tax information and is being furnished to the IRS. If you are required to file a return, a negligence penalty or other sanction may be imposed on you if this income is taxable and the IRS determines that it has not been reported.
RECIPIENT'S name Withholding Agent Three		**6** Section 199A(g) deduction	**7** Qualified payments (Section 199A) $	
Street address (including apt. no.) 2 Fig Square		**8** Section 199A(a) qual. items $	**9** Section 199A(a) SSTB items $	
City or town, state or province, country, and foreign postal code London W1A 1AA		Investment $	Work opportunity credit $	
Account number (see instructions)		**12** Other credits and deductions $	**13** Specified Coop ☐	

Form **1099-PATR** (Rev. 4-2025) (keep for your records) www.irs.gov/Form1099PATR Department of the Treasury - Internal Revenue Service