

## Foreign Vendor Purchases

We have found out that credit card merchants will not do IRS withholdings or file year end IRS paperwork on purchases made to foreign vendors. So, it is not feasible to use credit cards to make payments to foreign vendors any longer.

Before you make a purchase from a foreign vendor, we must have paperwork in order and determine if a portion of the payment needs withheld and sent to the IRS. Below are the steps that must be taken if you are planning to make a purchase from a foreign vendor.

- 1. Before the purchase is made from a foreign vendor, request a W-8 from the vendor. Send the W-8, vendor contact information and details of what is being purchased to the Finance Department for review.**
- 2. The Finance Department will review the W-8 and determine if it is required that a portion of the payment be withheld to be sent to the IRS.**
- 3. If the department and the vendor wish to continue with the purchase after this decision, a vendor invoice and an Affidavit Claim Form will need submitted by the Department making the purchase.**
- 4. The claim will then be put on the Board of Supervisors meeting agenda for approval.**
- 5. If approved by the Board of Supervisors, the payment will be made to the vendor. The purchase will then be published in the paper including the name of the department that made the purchase and the amount of the purchase.**

Due to the strict guidelines in place by the IRS, this may slow down the process before the purchase can be made. Please plan accordingly for necessary products and services. Due to taxpayer funds being paid outside of the US, there may also be other questions that need answered before the purchase is approved.