

**PPMS**  
(Personalized Property Management Services)

**Explanation of Forms**  
(2 Pages)  
(These can be overwhelming when you first start)

Congratulations on the purchase of your home here in Florida and of course your decision to have Personalized Property Management Services as your Management Company.

The US Tax year runs from January through December. Each property owner will file taxes with the US government, based on income and expenses. Each property will owe property taxes to the county where your property is located. This tax is based on your property value. You will also pay taxes to the county based on the value of your home furnishings

I am now going to give you a brief overview of the forms that you will need to prepare.

**FORM W-7:** Application for IRS Individual Taxpayer Identification Number. A non-resident Alien who has to file a USA Tax return and not eligible for a social security number.

**EACH OWNER:** listed on the deed of the property needs to have a Taxpayer Identification Number (TIN) this is the first tax form you should apply for.

**TANGIBLE PERSONAL PROPERTY TAX RETURN:** is required by the County where your property is located. It is due April 1<sup>st</sup> and reports the furnishings in your rental home.

**FORM W-8ECI:** Certificate of Foreign Person's Claim for Exemption from Withholding or Income Effectively Connected with the Conduct of a Trade or Business in the United States.

The property owners are required to complete this form and give it to their Property Management Company so that 30% of their income is not withheld and turned over to the U.S. Government. This form is valid for three years after the year in which it is filed. It is not the responsibility of the property owner to give this form to their Property Management Company; we request that you fill out this form when we first take you on as a client.

**FORM 1042-S:** This form is to be completed by your Property Management Company to Report the gross rent collected on your behalf. This form should be filled out for each owner of the property because it notifies the U.S. Government that you have received

income from U.S. sources. This form is required to be sent to you by March 15<sup>th</sup> each year. Your CPA will require this.

**FORM 1040-NR:** Your property manager should send you a year-end statement summarizing your P&L for the year, in addition you need to summarize the income and expenses that did not run through the property manager, (you could keep these on a spread sheet)

**FORM 1098:** is sent to you by your US mortgage holder, giving you details of interest paid; you CPA will require this. Year end mortgage statement shows details like interest, escrow payments, property taxes, homeowners insurance.

**FORM 8288-B:** If you ever decided to sell your property, it is very important to file form 8288-B with the United States Treasury Department to request exemption or partial exemption from the automatic 10% withholding on the sale price of your home. Property Owners are often surprised to learn that when they sell their property, the Government holds 10% of the gross sale price unless form 8288-B has been properly and timely filed prior to the sale of the property. If the form is not filed you may claim it when your year end tax return is filed.

**Interesting web-sites to explore:**

**Florida Department of Revenue:**  
[www.//sun6.dms.state.fl.us/dor/](http://sun6.dms.state.fl.us/dor/)

**United States Department of the Treasury:**  
[www.//www.irs.gov/formspubs/](http://www.irs.gov/formspubs/)

If you have any questions you can email [ppms@adelphia.net](mailto:ppms@adelphia.net)

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