

# BEP Taxation Overview – Non-U.S. Investors – IRC 1446(f)

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- In May 2022, the U.S. Internal Revenue Service (“IRS”) released an advance version of Notice 2022-23 describing the requirement for some publicly traded partnerships (“PTPs”), brokers or qualified intermediaries to withhold 10% U.S. tax on the dispositions of PTPs units by certain investors after January 1, 2023
- PTPs not directly engaged in a trade or business within the United States are not captured by these requirements
- Brookfield Renewable Partners, LP (“BEP”) holds its operating asset portfolio via corporate subsidiaries
- Due to the organizational structure, BEP and its unitholders are not expected to be directly engaged in a trade or business within the United States. **Therefore, no withholding is required.**
- BEP intends to issue qualified notices in accordance with Treas. Reg. Sec. 1.1446(f)-4(b)(3)(iii), as applicable, describing BEP as not having engaged in a U.S. trade or business within the meaning of Treas. Reg. Sec. 1.1446(f)-4(b)(3)(ii)(A)(2)
- The purpose of the qualified notice, among other things, is to notify brokers and others that no withholding applies under Section 1446(f) of the United States Internal Revenue Code of 1986, as amended, to transfers of limited partnership units of BEP effected through a broker
  - Qualified notices will also be posted and retained on BEP’s website
- More information pertaining to Section 1446(f) may be found on BEP’s [website](#), including a letter from Torys LLP ([BEP’s tax counsel in connection with its posting of a qualified notice within the meaning Treasury Regulations Section 1.1446-4\(b\)\(4\)](#))