



Information About Your Foreign Photocopying Royalty Check

Why am I receiving a check from Copyright Clearance Center?

Under bilateral agreements with Reproduction Rights Organizations (RROs) around the world, Copyright Clearance Center (CCC) is able to distribute to thousands of rightsholders like you royalties for photocopying of printed texts outside the United States. The foreign RROs from which this payment is being made collect license fees for photocopying under special legislation in their respective countries that permits the use of U.S. works without authorization from the U.S. rightsholder. Fees are collected for uses in schools, universities, businesses, research centers and elsewhere. The check you have received is for the portion of those fees that has been designated for you, per regulations and special arrangements in the collecting country. CCC did not authorize use of your works; CCC's only role is to work with the foreign RROs to repatriate these funds.

What is a Reproduction Rights Organization or RRO?

RROs began in response to the need to license wide-scale photocopy access to the world's scientific and cultural printed works. RROs are a form of "collecting societies" that also exist in other creative areas, such as music performance rights (e.g., ASCAP and BMI). The RRO for the United States, Copyright Clearance Center was formed as a not-for-profit organization in 1978 at the suggestion of the U.S. Congress to facilitate compliance with copyright law. For more information, see the Web site of the International Federation of Reproduction Rights Organizations (IFRRO) at www.ifrro.org.

How were you able to locate me?

CCC uses a variety of resources to locate authors and other rightholders, including our database of existing rightsholders, other commercially available databases, Internet research, online telephone directories, and communication with publishers, literary agents, and other organizations.

Do you know what works of mine were copied?

No, the foreign RRO(s) from which this payment is being made have not collected information about what works or how much of any work has been photocopied.

Isn't it illegal for someone in a foreign country to photocopy my material without permission?

Copyright law in some other countries can vary greatly from U.S. copyright law. In particular, users in some other countries do not necessarily require permission from any rightsholder or creator to re-use printed material by photocopying it. However, the foreign RROs that have collected these photocopy license fees have done so with full legal authority in their own countries.

If I have previously assigned copyright(s) to my publisher(s), doesn't this money belong to them?

CCC distributes these funds in accordance with the rules of the country that collected the funds. These rules usually specify that a certain percentage of the funds be distributed to publishers, and a certain percentage be distributed directly to authors/creators. In doing so, the foreign RROs follow their own countries' copyright laws and practices rather than U.S. contract law.

How do I treat this income when filing my tax return?

This is royalty income, which is ordinarily subject to income tax. Where it should be shown on your tax return depends on the manner in which you have organized your business as a writer. Before a payment is due to be issued, CCC sends a request for an I.R.S. Form W-9 (Request for Taxpayer Identification and Certification) to new rightsholders in our database. If CCC has an I.R.S. Form W-9 with your taxpayer identification number on file for you, no income tax withholding is taken from your payment. If CCC does not have a W-9 on file for you, however, income tax withholding of 30% is taken from your payment, and the tax and identifying information is forwarded to the I.R.S. This withholding is indicated on your check stub, and will also be reported to you and to the I.R.S. on Form 1099 at the end of the tax year (at which point you will be able to credit the amount withheld against your income tax obligations).