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Switzerland
Financial Services

FAHTCA*weekly*
Your snapshot of the week

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In this issue:

The View from Deloitte

Dear Reader,

On 20 February, the U.S. Department of Treasury (Treasury) and the Internal Revenue Service (IRS) released Temporary Regulations that revise and clarify the final FATCA Regulations (Temporary Regulations). Simultaneously, the U.S. released regulations coordinating Chapters 3 and 61 of the Internal Revenue Code (Code) with the final FATCA (Chapter 4) regulations (Coordination Regulations). The following initial analysis highlights several of the more significant updates to the final FATCA Regulations and also some of the noteworthy coordinating changes to Chapters 3 and 61, as well as to other assorted provisions.

MODIFICATIONS TO DEFINITIONS AFFECTING CLASSIFICATION OF ENTITIES

- An entity is considered a **Custodial Institution**, and thus a financial institution, if at least 20% of its income is attributable to holding financial assets for others and related financial services. The Temporary Regulations provide that **financial advisory fees** are considered income attributable to holding financial assets **only if those fees are earned with respect to financial assets held in (or to be held in) custody by the entity**.
- The term **U.S. Person now includes a non-U.S. insurance company that has made an election under Code section 953(d),** provided that either the non-U.S. insurance company is not a specified insurance company or the non-U.S. insurance company is a specified insurance company and is licensed to do business in any U.S. State.
    - A specified insurance company that is not licensed to do business in any U.S. State, however,

will continue to be treated as a non-U.S. person under the final FATCA Regulations.

- An **investment advisor and an investment manager will now be considered a Certified Deemed-Compliant Foreign Financial Institution (FFI)** if the entity is an FFI solely because it is an investment entity under Treas. Reg. § 1.1471-5(e)(4)(i)(A) and the entity does not maintain financial accounts.
    - **Deloitte remark:** Although the Swiss IGA introduced this compliance path, the Swiss Investment Advisers category in its Annex II is a Registered Deemed-Compliant FFI, thus necessitating registration on the part of the entity. However, all entities subject to the Swiss IGA may also access the compliance path options set forth in the Treasury Regulations according to Part A, Article 2 (16) of the Swiss IGA.
        - **Therefore, entities qualifying for the Swiss Investment Advisers category may access the same category via the Treasury Regulations <u>without</u> the burden of registration.**
- The requirements for an entity to be a **limited life debt investment entity (LLDIE)** have been liberalized to expand the types of securitization vehicles that will qualify as an LLDIE. The changes include the removal of the requirement that the LLDIE's organizational documents cannot be amended without the consent of all investors.
- An entity otherwise qualifying as **Excepted Inter-Affiliate FFI** may hold financial accounts with financial institutions outside its own Expanded Affiliated Group (EAG) so long as those accounts are limited to depository accounts maintained and used to pay for expenses in the country in which the entity is operating.
- Passive non-financial foreign entities (NFFEs) can now choose to be **"Direct Reporting NFFEs"** or **"Sponsored Direct Reporting NFFEs",** and the definition of "excepted NFFE" has been updated to include these two types of NFFEs.
    - **Deloitte remark:** Entities opting for both these **Direct Reporting NFFE** compliance path categories will **obtain their own GIINs**.
- In order to qualify as a **Non-Reporting FI**, a Model 1 or Model 2 FI that opts **to access a compliance path category via the Treasury Regulations**, as permitted, must qualify as a Certified Deemed-Compliant FFI.
    - **Deloitte remark:** This definition implicitly confirms that where a Model 1 or Model 2 FI qualifies via the Treasury Regulations as a Registered Deemed-Compliant FFI (e.g. Registered Deemed-Compliant Non-Reporting Member of a PFFI Group), it may not assume the less onerous compliance responsibilities of a Non-Reporting FI, but must rather **fulfil the obligations of the category as set out in the relevant provisions of the Treasury Regulations, including registration and reporting, as applicable.**

EXPANDED AFFILIATED GROUP (EAG) ALSO REDEFINED

- The Temporary Regulations modify the definition of an EAG to allow a partnership, a trust or another non-corporate entity to **elect to be treated as the common parent entity of an EAG**.
- Where such a **non-corporate entity** serves as the common parent of an EAG, it may also qualify as a **Holding Company FFI** should it meet the relevant criteria for the FFI type.
- The Temporary Regulations also set forth new rules for establishing the ownership requirements for determining if an entity is a member of an EAG.
    - For example, a corporation owned by a partnership or other non-corporate entity can now be

included in a chain of entities that are part of the same EAG.

- In determining whether an entity is an EAG member, **only direct – not indirect or constructive – ownership** is considered.

OTHER DEFINITIONAL AND INTERPRETIVE CHANGES

- The final FATCA Regulations included a **grantor trust exception** to the general definition of account holder that would have **treated the grantor of the trust as an account holder**. The Temporary Regulations remove this rule so that **the grantor trust is now treated as the account holder** of any account. Therefore, a grantor trust must provide documentation of its Chapter 4 status as an FFI or NFFE.
- The term "**branch**" with respect to an FFI is modified to include an entity that is a **Disregarded Entity** (DRE) separate from the FFI, thereby obliging a Participating FFI (PFFI) to list its cross-border DRE subsidiaries as part of its registration process and obtain a branch GIIN for use by each DRE.
    - **Deloitte remark:** Withholding agents processing payments for DREs must apply the same GIIN verification procedures for a branch of an FFI and will therefore treat the DRE as an NPFFI if it is located in a jurisdiction other than the one of the parent FFI and cannot provide a branch GIIN connected to that jurisdiction.
- A **sponsored FFI remains liable for its withholding and reporting** obligations even if a sponsoring entity performs these obligations on its behalf. The Temporary Regulations clarify that **a sponsoring entity will not be jointly and severally liable** for the sponsored entity's obligations unless the sponsoring entity is also a withholding agent that is separately liable for such obligations.
- The term "offshore obligation" is now used instead of "offshore account", and the definition used under the Code section 6049 regulations is adopted.

DUE DILIGENCE

- **Identification of U.S. Persons** – Presumption Rules for Pre-existing Obligations - The final FATCA Regulations required a U.S. Withholding Agent (USWA) that made a payment with respect to a pre-existing obligation to treat the payee as a U.S. Person only if it previously reviewed a Form W-9 or other documentation that established the payee as a U.S. Person that was an exempt recipient under Chapter 61. The Temporary Regulations modify this rule to allow USWAs to treat a payee as a U.S. Person if the withholding agent has previously established, either through documentation or the application of the "eyeball test" and other rules set forth in Treas. Reg. § 1.6049-4(c)(1)(ii), that the payee is an exempt recipient for purposes of Chapter 61. This rule is only applicable for pre-existing obligations. USWAs will be required to collect Forms W-9 or other documentation to establish the exempt recipient status of new account holders.
- **Substitute Form Requirements** – A withholding agent can substitute its own form for an official Form W-8 as long certain substitute form requirements are met. The Temporary Regulations clarify that a withholding agent may choose to provide a substitute form that does not include all of the Chapter 4 statuses provided on the official Form W-8, but **must include any Chapter 4 status for which withholding may apply**, such as the categories for a nonparticipating FFI or passive NFFE.
    - The Temporary Regulations also provide that a substitute form for individuals (non-IRS form for individuals) no longer must contain the city of a person's birth but the new rules now require that the substitute form contains the individual's date of birth, without regard to whether a non-U.S. tax identification number is provided.

- **Documentation from Participating FFIs and Registered Deemed-Compliant FFIs** – The final FATCA Regulations provided a transitional rule that allows a withholding agent to treat a payee as a PFFI or registered deemed-compliant FFI (RDC FFI) with respect to a payment made prior to 1 January 2017 on a pre-existing obligation. Under that rule, the PFFI or RDC FFI does not need to provide the withholding agent with a withholding certificate but only its GIIN (to be verified by the withholding agent) and an indication of whether the FFI is a PFFI or RDC FFI. The Temporary Regulations modify this transitional rule to coordinate with the rules under Chapters 3 and 61, now requiring the payee to also provide the withholding agent with a pre-FATCA Form W-8, on the basis that payees that receive U.S. source FDAP income would have already been required to provide a withholding certificate.
- **Standard of Knowledge for Chapter 4 Status** – The Treasury Regulations impose a "reason to know" standard on withholding agents for reviews of payees' Chapter 4 statuses. In the preamble to the Temporary Regulations, the IRS seems to state that a comparison of the claimed Chapter 4 status with existing industry codes used to classify account holders for other purposes suffices to satisfy this obligation. However, the actual provision in the Temporary Regulations setting out the standard indicates that the industry code contrast is one of several unspecified items that a withholding agent ought to consider while validating a payee's status.
    - **Deloitte remark:** In light of the disconnect cited above, the correct approach remains unsettled. However, to the extent the IRS does not clarify their reasoning, the provisions within the Regulations shall override the paragraphs of the preamble.
- **Documentation Collected by U.S. Paying Agent of PFFI** - The final FATCA Regulations do not require a PFFI to perform an electronic search or enhanced review if the PFFI previously established an account holder's status as non-U.S. in order to fulfill its reporting obligation as a U.S. payor under Chapter 61. The Temporary Regulations update this rule to expand this exception to circumstances where a paying agent of the PFFI is a U.S. payor that has previously obtained documentation to establish the account holder's status as a non-U.S. individual under its Chapter 61 obligations.

REPORTING

- **Reporting Options Concerning Accounts Maintained at Branches of PFFIs** – The Temporary Regulations allow a PFFI to report on all of its U.S. and recalcitrant accounts, or separately with respect to any clearly identified group of accounts, such as by business line or location. However, the PFFI must include the GIIN assigned to the PFFI or its branch (including a disregarded entity of the FFI), if applicable to identify the jurisdiction of the FFI (or its branch or disregarded entity) that maintains the accounts subject to reporting.
- **Transitional Reporting of Nonparticipating FFIs** – The Temporary Regulations incorporate the changes announced in Notice 2013-69 and the final FFI Agreement regarding **the transitional reporting of non-U.S.-source reportable amounts paid to nonparticipating FFIs**. The transitional reporting applies only with respect to payments made to an NPFFI that maintains an account with the PFFI, and allows the PFFI to report all payments made with respect to an account, not just payments of non-U.S.-source reportable amounts. The Temporary Regulations also modify the definition of a non-U.S.-source reportable amount to mean non-U.S.-source payments paid to or with respect to an account.
- **Reporting for U.S. Payors Other than U.S. Branches** – The Temporary Regulations allow a PFFI that is a U.S. payor to satisfy its Chapter 4 reporting obligations with respect to U.S. accounts or

accounts held by owner-documented FFIs either by reporting the information that would be made on Form 1099 for U.S. accounts that are not U.S.-owned NFFEs or by reporting the information that would be made on Form 8966 with respect to accounts held by specified U.S. Persons, U.S. owned foreign entities, and by owner-documented FFIs. If a PFFI chooses to report on Form 8966, but is also required to report on such accounts under Chapter 61, the PFFI will not be relieved of that obligation.

- **Automatic 90-day Extension of Time to File Form 8966** – The IRS will grant an automatic 90-day extension to file Form 8966, but a request for extension must be filed no later than the due date of Form 8966. The IRS may grant an additional 90-day extension under certain hardship conditions.
- **Transitional Reporting Recipient Copy of Form 1042-S** – For calendar year 2014 reporting, a withholding agent will be permitted to include more than one type of income or other payment on the recipient copy of Form 1042-S. However, beginning in calendar year 2015, the Form 1042-S and accompanying instructions will require a separate Form 1042-S for each type of income or other payment.

WITHHOLDING

- **Grandfathered Obligations – Material Modifications** – An outstanding obligation that constitutes indebtedness can lose its grandfathered status under the FATCA regulations if the obligation is materially modified after 30 June 2014. The Temporary Regulations provide that a withholding agent, other than the issuer of the obligation (or its agent) is required to treat a modification of the obligation as material **only if the withholding agent has actual knowledge of such material modification**, such as in the case where the withholding agent receives a disclosure indicating there has been or will be a material modification to the obligation.
- **Modifications to FFI Withholding Statements** – The Temporary Regulations clarify the FFI withholding statement requirements, including with respect to rules on **when a Chapter 4 withholding rate pool may be used by an FFI to allocate withholdable payments to a class of persons within a particular withholding rate pool**. In some cases, a PFFI will not need to provide payee specific information to the withholding agent with respect to the account holder even if such information typically would be required under Chapter 61 because the information will be reported to the IRS under Chapter 4.
- **Transitional Rule for Withholding on Offshore Payments of U.S. Source Fixed, Determinable, Annual, Periodical (FDAP) Income and on Collateral** – The Temporary Regulations provide that the transitional withholding exclusion for U.S.-source FDAP income paid with respect to offshore obligations prior to 1 January 2017 **does not apply in the case of payments made with respect to debt or equity issued by a non-U.S. branch of a U.S. Person**. The exclusion continues to apply to interest payments made by a non-U.S. branch of a U.S. financial institution with respect to depository accounts it maintains for retail customers.
    - The Temporary Regulations also provide that **a withholdable payment does not include a payment made prior to 1 January 2017, by a secured party with respect to collateral securing one or more transactions under a collateral arrangement**, provided that only a commercially reasonable amount of collateral is held by the secured party as part of the collateral arrangement.
- **Optional Escrow Procedure for Dormant Accounts** – A PFFI that withholds on a withholdable payment not otherwise subject to Chapter 3 withholding or backup withholding made to a recalcitrant

account holder of a dormant account **may set aside the amount in escrow until the date the account ceases to be a dormant account**, at which time the tax withheld becomes due 90 days following such date if the account holder does not provide the documentation required to establish that withholding does not apply.

FFI AGREEMENT

- **Verification Procedures –** The Temporary Regulations provide that, as part of its general inquiries, in addition to requesting information in its review of Form 8966, **the IRS may request additional information to determine an FFI's compliance with its FFI Agreement** and to assist the IRS with its review of account holder compliance with tax reporting requirements. Further, the IRS can request information from a sponsoring entity regarding the substantial non-compliance of any sponsored FFI.
- **Events of Default** – The Temporary Regulations also clarify that an event of default for failing to significantly reduce, over a period of time, **the number of account holders or payees of a PFFI that must be treated as recalcitrant account holders or nonparticipating FFIs occurs only if the PFFI failed to actually comply with the due diligence procedures for the identification and documentation of account holders and payees as set forth in the FFI Agreement.**
    - **Deloitte remark:** As a result of the requirement that the non-reduction in the number of NPFFI accounts or payees result from failure in identification and documentation of new account holders, it appears that PFFIs may in fact increase their NPFFI account holders without risking an event of default, so long as those NPFFIs affirm such status.

FUTURE GUIDANCE

- **Verification Requirements of Sponsoring Entities** – The IRS will separately issue *additional* proposed regulations describing **the verification requirements of sponsoring entities**. Under these proposed regulations, a sponsoring entity will be required to make two separate compliance certifications. The first will be on behalf of its sponsored FFI or sponsored direct reporting NFFE with respect to the compliance of those entities. The second certification will be on the sponsoring entity's own behalf with respect to its compliance as a sponsoring entity.
    - **Deloitte remark:** Although not expressly promised in the announcement concerning the Verification Requirements of Sponsoring Entities, presumably any such future guidance will also clearly define the role and accordant responsibilities of the sponsoring RO.
- **FFI Agreement** – Treasury and IRS also intend to publish a revenue procedure revising the final FFI Agreement in conformity with the Temporary Regulations.

COORDINATION REGULATIONS

Treasury and the IRS released Coordination Regulations, under Chapters 3 and 61, and Code section 3406, intended to harmonize and conform elements of those regulations with the FATCA regulations. In most cases, but with some notable exceptions discussed below, these Coordination Regulations adopt concepts implemented in the FATCA regulations that affect requirements for identifying payees and also coordinate the current rules with the FATCA regulations with the intent of reducing duplicative requirements.

- Crucially, the revised QI Agreement itself remains unavailable.

The Coordination Regulations seek to implement uniform definitions, examples and cross references amongst the various sets of requirements. Some notable changes to the current rules under Chapters 3 and 61, and section 3406 are highlighted below:

- **Coordinated and Conformed Rules for Identifying the Payee** – Chapters 3 and 61 contain a set of presumptions that withholding agents apply **to determine the status of a payee for withholding and reporting purposes** in the absence of specified documentation. The Coordination Regulations generally adopt the changes to the presumption rules implemented in the FATCA regulations, including:
    - Limiting the so called "eyeball" test for identifying exempt U.S. payees;
    - Adopting specific conditions articulated under the FATCA regulations as to when a withholding agent will have "reason to know" that a withholding certificate is invalid or has U.S. indicia; and
    - Changing the current presumption rule with respect to payments to a U.S. branch of a non-U.S. person that treats the payment as effectively connected income (ECI) if there is no withholding certificate to require that a withholding agent either obtain an employer identification number (EIN) from a U.S. branch before it may treat the income as ECI, or if no EIN is obtained, then treat the payment as made to a non-U.S. person and not as ECI.
- The Coordination Regulations also adopt several concepts from the FATCA regulations regarding the **validity of withholding certificates** and clarify certain issues with respect to documentation, including:
    - Extending the validity period for all existing withholding certificates that would have expired on 31 December 2013 to 1 January 2015, unless a change in circumstances occurs before the latter;
        - **Deloitte remark:** The mass expiration of pre-FATCA withholding certificates may necessitate that financial institutions re-document two-thirds of their population of entity accounts (on average) as of 1 January 2015. As a consequence, these entity account holders will need to provide their own FATCA classifications on the renewed forms well in advance of expectations based on the due diligence timelines for entity accounts.
    - Requiring certain withholding certificates from FFIs to present a valid GIIN to be valid for Chapter 3 purposes, but also providing some allowance for a withholding agent to rely on a substitute withholding certificate for Chapter 3 purposes that omits FATCA-related information that is irrelevant to the transaction and not necessary for the withholding agent to perform its Chapter 3 obligations;
    - Allowing electronic transmission and storage of withholding certificates, withholding statements, and documentary evidence under certain conditions and removing the requirement to withhold on payments during the grace period when a form is received by fax;
    - Permitting indefinite validity for withholding certificates from individuals and certain entities provided a treaty claim is not being made;
    - Requiring a withholding agent to obtain certain documentation to cure a withholding certificate obtained after the payment date;
    - Setting forth a list of persons authorized to sign a withholding certificate; and
    - Adopting some of the shared/consolidated withholding certificate and account management concepts in the FATCA regulations pertaining to shared information systems within an EAG, information obtained from acquired companies, and information collected under principal-agency rules, but not allowing reliance on information from third-party data providers as allowed in some circumstances under Chapter 4.

- However, the Coordination Regulations did not adopt all concepts from the FATCA regulations. For example, in order to avoid potential deficits in Chapter 3 withholding, **they did not extend to Chapter 3 the rule under the final FATCA Regulations that permits a withholding agent to apply a 90-day grace period during which they can rely on the payee's claimed FATCA status while waiting on new documentation following a change in circumstances**.
- **Coordinated and Conformed Rules for Withholding** – The Coordination Regulations also clarify and **generally eliminate situations where duplicative withholding** could be required under Chapters 3, 4 and 61, and under section 3406.
- Additionally, the Coordination Regulations implement other notable changes, such as:
    - Coordinating rules for withholding under Chapters 3 and 4, and section 3406 on payments to nonqualified intermediaries and qualified intermediaries involving withholding rate pools and underlying beneficial owner information;
    - Expanding the existing rules under Chapter 3 that allow for a reduced rate of withholding under a tax treaty if the payee provides a U.S. tax identification number (TIN) to also allow the payee to provide its non-U.S. TIN as an alternative;
        - **Deloitte remark:** This modification promises substantial relief for withholding agents and their non-resident alien (NRA) clients who previously obtained U.S. TINs primarily (or even solely) due to this requirement.
    - Modifying and clarifying definitions of certain payees, including U.S. agents of non-U.S. persons, U.S. branch of non-U.S. banks and authorized non-U.S. agents; and
    - Conforming the definition of financial institutions to the FATCA definition.
- **Coordinated and Conformed Rules for Information Reporting** – The Coordination Regulations clarify and eliminate situations where duplicative reporting may be required under Chapters 4 and 61.
    - FFIs and passive foreign investment companies required to report both under Chapter 4 on Form 8966 and under Chapter 61 on Form 1099 can generally meet their Chapter 4 requirements with Form 1099 reporting. However, Model 1 FIs may still be required to comply with separate reporting requirements in their own jurisdictions under an applicable intergovernmental agreement;
    - In some cases, an FFI may be able to satisfy its Chapter 61 reporting obligations, if any, by reporting on a Form 8966; and
    - U.S. financial institutions that have reporting requirements under Chapters 4 and 61, however, will not be able to use Forms 8966 under Chapter 4 to meet their Chapter 61 requirements, but will instead have to continue to report on Forms 1099.
- **Internal Reviews in Lieu of QI Audits** – As part of the alignment with FATCA, it seems that the IRS will no longer compel QIs to undergo periodic external audits of the QI implementation. Instead QIs must conduct internal reviews, which potentially may be supplemented with third party audits.

The issuance of these two sets of new regulations, totaling nearly 600 pages, poses a huge challenge to FFIs with FATCA compliance programs underway. FFIs must now revisit determinations made previously in order to confirm that the prior decisions remain sound in light of the new information. Additionally, all systems and process changes currently in progress should pause to re-assess their underlying rationales in part to challenge the prior assumptions on which they were predicated and in part to ascertain whether efficiency saving are viable due to the clarity offered by the Coordination Regulations.

Unfortunately, these are not even the final words on the matter. Speaking at an event on 28 February, the international tax counsel at the U.S. Treasury Department alerted the audience that the IRS expected to issue a second set of technical corrections on the final FATCA Regulations before considering them settled. She did not provide a date for their release, but did repeat that the implementation date for FATCA of 1 July 2014 was not subject to postponement.

Regards,

Markus Weber
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Brandi Caruso
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Paul Millen
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News Switzerland

Major Swiss Bank Admits Helping Clients Evade U.S. Taxes

In the wake of a report released by the Senate Homeland Security and Governmental Affairs Permanent Senate Sub-Committee for Investigations on 26 February, alleging that a major Swiss bank had aided American account holders in their concealment of taxable assets, the CEO of the bank testified before a committee panel that a small cohort of private bankers had helped their U.S. clients hide and repatriate untaxed assets. He insisted, however, that the senior management had neither knowledge of nor complicity in this conduct. Moreover, the bank CEO assured his Senate interrogators that the bank had investigated the matter thoroughly, identified the wrongdoing and adopted measures to ensure that such misconduct not happen again. **Your Deloitte contact: David Fidan**

Swiss Finance Minister Promotes Accelerated Shift to Automatic Information Exchange

The Swiss Finance Minister announced that the country would accelerate its shift towards automatic information exchange in response to the draft Common Reporting Standard (CRS) proposal issued by the Organisation for Economic Cooperation and Development (OECD) on 13 February (for further details on CRS, please see the previous edition of the newsletter, **here**). Previously, the Swiss government had insisted that the country would not abandon its well-known bank confidentiality rules until widespread adoption by other international financial centers had established financial data transparency as the global norm. However, in the wake of the CRS release, the Federal Council plans to unilaterally apply the OECD standard on the exchange of information to all double taxation treaties not yet adapted to it and instructed the Federal Finance Department to prepare a corresponding draft. **Your Deloitte contact: Annemarie Ruegger**

News Europe

HMRC Releases Revised FATCA IGA Guidance Notes

On 28 February, Her Majesty's Revenue & Customs, the UK tax authority, released updated Guidance Notes,

revising the materials issued in August 2013 to accompany the introduction of the FATCA enabling legislation. Under a Model 1 IGA, the FATCA Partner jurisdiction must codify FATCA, as modified by the relevant terms of IGA, into domestic law. The August 2013 UK versions of these documents qualified as the first of their kind to emerge from the process of IGA negotiations and implementation. Since then Ireland and the Crown Dependencies issued their own version of the IGA Guidance Notes, substantial portions of which mirrored the content set out in the HMRC guidance. **Your Deloitte contact: Brandi Caruso**

News International

IRS Releases New Forms W-8BEN and W-8ECI

On 4 March, the IRS released the new final Forms W-8BEN (plus instructions) and W-8ECI. The former is the certificate of non-U.S. status of beneficial owner for U.S. tax withholding and reporting (individuals) and the latter is the certificate for a non-U.S. person's claim that income is effectively connected with the conduct of a trade or business in the U.S. The final Forms W-8BEN-E, W-8EXP and W-8IMY are expected shortly. **Deloitte contact: Paul Millen**

U.S. Treasury Announces Australian IGA

On 21 February, U.S. Treasury Secretary Jacob Lew announced a FATCA intergovernmental agreement (IGA) between the United States and Australia. The agreement reportedly resembles the Model 1 IGAs signed by most EU countries. Model 1 IGAs, in principal contrast to the Model 2 counterparts, provide for intermediation between the IGA FATCA Partner jurisdiction's financial institutions and the IRS by the country's tax authorities, while committing Partner jurisdiction to enact FATCA into domestic legislation. **Your Deloitte contact: Brandi Caruso**

Deloitte FATCA Responsible Officer (RO) School Opens

Every PFFI and Reporting Model 2 FI must nominate an RO to sign the FFI Agreement, oversee the compliance program and periodically certify the entity's compliance to the IRS. Deloitte is offering ROs a three-day school over 12 months to better understand this new position. In the course of Deloitte's FATCA RO school, you will obtain an understanding of the significance of the RO role and the obligations for this position. Specialists from Deloitte's FATCA team will discuss requirements and current industry approaches. The first class will be held on 7 May. For more information, please contact **Kaitlin Barbier** directly**.**

FATCA-in-a-Box for Trusts is Here

FATCA-in-a-Box for Trusts merges the tax knowledge of Deloitte's FATCA specialists and the expertise of a major Swiss Trust Company with software technology to deliver a unique FATCA compliance product for the Trust industry. Deploying interpretations and methodologies developed with external Swiss trust experts over the past year-and-a-half, FATCA-in-a-Box reduces the compliance process for trust administrators to a series of simple steps. For more information, please visit the Deloitte **FATCA-in-a-Box webpage** or contact **Brandi Caruso, Paul Millen** or **Kaitlin Barbier** directly**.**

Reason for the Spelling of our Title

The unusual spelling of our title indicates that the newsletter covers more than FATCA, encompassing all the

current and upcoming issues concerning **F**oreign **A**ccount **H**olders by condensing key developments in all pertinent tax and regulatory matters into a compact, up-to-date and easily accessible digest of critical information.

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