

Cyprus Tax News

FATCA (Foreign Account Tax Compliance Act) Update



29 April 2014

On 25 April 2014 the U.S. Department of Treasury has announced that Cyprus is within the jurisdictions that have reached into an Intergovernmental Agreement (“IGA”) with the U.S. Department of Treasury to improve International Tax Compliance with respect to FATCA effective as of 22 April 2014. The IGA will be based on the most recent version of the Model 1-A IGA and will include the FATCA deadlines consistent with Notice 2013-43 of the U.S. Department of Treasury.

A financial institution resident in a jurisdiction that is treated as having an IGA in effect will be permitted to register on the FATCA registration website as a registered deemed-compliant FFI (which would include all reporting Model 1 FFIs). FFIs located in a jurisdiction that signed a Model 1 IGA will need to register and obtain a GIIN prior to 22 December 2014, in order to ensure inclusion on the IRS FFI list on 1 January 2015.

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