

Operational Tax News

QI and CRS updates

4 April 2017

Extension for QI Agreement renewal

On 31 March 2017, the Internal Revenue Service (IRS) announced an extension of the deadline to renew the Qualified Intermediary (QI) Agreement to 31 May 2017—instead of 31 March 2017.

With this extension, an effective date of 1 January 2017 will be granted by the IRS, for all properly submitted and approved renewal applications until 31 May 2017. Renewals that contain a request for Qualified Derivatives Dealer (QDD) status will also benefit from this extension.

New ABBL guidelines on the OECD's Common Reporting Standard

On 31 March 2017, the Luxembourg Banker's Association (ABBL) released a new set of guidelines for the purpose of the implementation of the Common Reporting Standard (CRS) in Luxembourg.

The purpose of the newly issued guidelines by the ABBL, in the form of 60 questions and answers, is to provide technical guidance with respect to specific points of attention that have been identified during the initial phase of the CRS implementation in Luxembourg.

The document is available for consultation [here](#).

Grand Ducal Decree on Reportable Jurisdictions published

On 28 March 2017, the Luxembourg Tax Authorities published the [Grand Ducal Decree](#) dated 24 March 2017, setting the list of Reportable Jurisdictions for the purpose of the CRS reporting in Luxembourg.

The decree, which modifies the previous Grand Ducal Decree of 15 March 2016, delimits the territorial scope of the obligations regarding the financial institutions in Luxembourg under CRS with respect to accounts maintained in 2016.

More specifically, Luxembourg Financial Institutions will need to report the financial information as described in the Luxembourg [CRS law](#), with respect to the accounts maintained in 2016 by tax resident individuals and entities (and controlling persons) of the countries listed in the decree.

The deadline for reporting the information to the Luxembourg tax authorities is set to 30 June 2017.

New FAQ on QI and QDD published

On 17 March 2017, the IRS has added seven FAQs on the FATCA General FAQs [website](#). The questions aim to provide more details on specific sections of QI, WP, and WT agreements as well as guidance on completing the QDD questions of the QI agreement for applicants.

More specifically, questions 14 to 20 have been included to provide the following information for applicants:

- How to populate the types of transactions for applications submitted in 2017
- How to provide the approximate value of transactions by account holder type for applications submitted in 2017
- Mandatory information to provide when describing why the applicant is an “eligible entity”
- Necessary information to describe how an applicant should determine which transactions are included in its QDD business
- Whether applicants should address non-delta one transactions when completing Section 3 of the application
- Confirmation on whether a partnership can apply for a QDD status
- The definition of entities who fall under the category of “Any other person otherwise acceptable to the IRS”

More details can be found on the [FATCA FAQ page](#).

If you have any questions regarding the above, please do not hesitate to contact us.

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