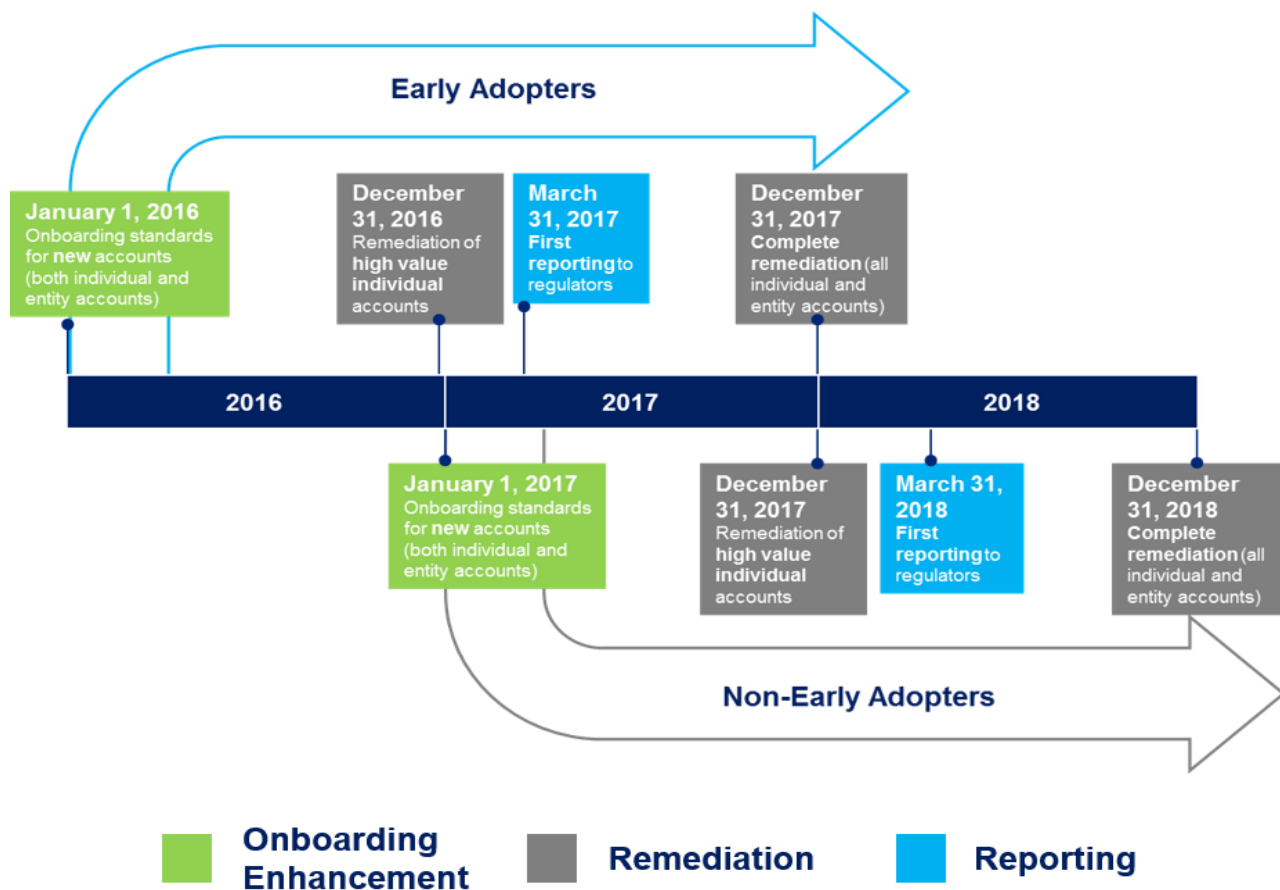


Understanding Common Reporting Standard Requirements

An overview of the Common Reporting Standard (CRS)

What is it?

- The Common Reporting Standard (CRS) is the standard for automatic exchange of financial account information (“AEOI”) developed by the OECD
- Based upon the Foreign Account Tax Compliance Act (FATCA), CRS is a legal basis for exchange of tax data among participating jurisdictions
- Onboarding requirements for jurisdictions that are early adopters starts on January 1, 2016
- Reporting requirements for these jurisdictions commences on March 31, 2017
- 90+ participating jurisdiction to date



Countries to Implement CRS (96)

Sources:
[AEOI Commitments list](#) as of 03/02/16
[MCAA Signatories](#) as of 01/27/16

Signed (53)

Anguilla	Germany	Mexico
Argentina	Gibraltar	Montserrat
Barbados	Greece	Netherlands
Belgium	Greenland	Niue
Bermuda	Guernsey	Norway
British Virgin Islands	Hungary	Poland
Bulgaria	Iceland	Portugal
Cayman Islands	India	Romania
Colombia	Ireland	San Marino
Croatia	Isle of Man	Seychelles
Curacao	Italy	Slovak Republic
Cyprus	Jersey	Slovenia
Czech Republic	Korea	South Africa
Denmark	Latvia	Spain
Estonia	Liechtenstein	Sweden
Faroe Islands	Lithuania	Turks & Caicos Islands
Finland	Luxembourg	United Kingdom
France	Malta	

2017

Committed (2)

Dominica
Trinidad and Tobago

Signed (26)

Albania	Costa Rica	Saint Vincent and the Grenadines
Andorra	Ghana	Samoa
Antigua and Barbuda	Grenada	Sint Maarten
Aruba	Indonesia	Switzerland
Australia	Japan	
Austria	Marshall Islands	
Belize	Malaysia	
Canada	Mauritius	
Chile	Monaco	
China	New Zealand	
Cook Islands	Saint Lucia	

2018

Committed (15)

The Bahamas
Brazil
Brunei Darussalam
Hong Kong (China)
Israel
Kuwait
Macau (China)
Qatar
Russia
Saint Kitts and Nevis
Saudi Arabia
Singapore
Turkey
United Arab Emirates
Uruguay

FATCA vs. CRS

	FATCA	CRS
Governing Authority	• United States	• 96 separate tax jurisdictions
Withholding	• 30% withholding on Non-Compliant Persons	• No Withholding
Account Scope	• US Individual Accounts, US Entity accounts and Passive NFFE accounts held by substantial US owners	• Individual and Entity accounts held by tax residents of any CRS jurisdiction or Passive NFEs with controlling persons that are resident in a jurisdiction
Thresholds	• \$ 50,000 individuals • \$250,000 entities	• None, with the exception of preexisting entity accounts
Documentation requirements	• Forms W-8/ W-9 may be used to capture all tax data	• Must use self certifications

Key Points

- Requires monitoring of local jurisdictions requirements.
- Enforcement by the tax authorities of the signatory jurisdictions. – jurisdictions subject to peer review by Global Forum
- The number of CRS reportable accounts for a Reporting Financial Institution is likely to be greater
- Potentially limited impact for financial institutions that did not apply thresholds
- Must capture CRS specific data such as multiple tax residency, CRS legal entity classification.
- Controlling persons required to provide their own self-certification
- All Passive NFEs will ultimately have to identify Controlling Persons that are individuals

Implementing Common Reporting Standard Solution

Introducing Deloitte's Rapid Phased Approach

Our CRS approach leverages Deloitte's global tax reporting knowledge and experience and footprint to quickly and effectively identify impacted lines of business within the organization, consistently apply a global interpretive standard and jointly develop tested implementation processes within applicable timelines.

Phase 1

- Education and governance:** Inform and educate stakeholders of upcoming regulatory changes, form project team and institute governance structure
- Legal entity classification:** Classify organizational entities under CRS and implement guidelines proscribed per their classification
- Rapid understanding of business impact:** Determine how organization and Lines of Business (LOBs) are affected by CRS protocol

Phase 2

- Joint development of business requirements and policies:** Provide consistent organizational guidance and develop high level CRS Business Requirement Documents and functional specifications
- Implementation of ongoing support model:** Develop processes and technical capabilities to monitor and implement ongoing country/jurisdiction CRS requirements support model



Output

- Finalized Impact Assessment including Implementation Timeline with Key Milestones
- CRS product matrix
- CRS legal entity classification and key considerations by LOBs
- CRS Internal communications plan

Output

- Business requirements per legal entity/ line of business
- Reviewed policies and procedures
- Country updates

Leaders



Denise Hintzke, Director
Deloitte Tax LLP
+1 212 436 4792
dhintzke@deloitte.com



David Charlton, Principal
Deloitte Tax LLP
+1 617 437 2118
dcharlton@deloitte.com



Andrea G. Castelao, Sr. Manager
Deloitte Tax LLP
+1 212 436 3785
angarciacastelao@deloitte.com