

FATCA glossary of acronyms

Closing the distance

Global Financial Services Industry



Description and definitions of words and acronyms associated with Foreign Account Compliance Act (FATCA).

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Terms/Acronyms	Definition
Account	Solely for purposes of Chapter 4 of the Internal Revenue Code, account means a financial account as defined in Treas. Reg. §1.1471-5(b) and includes a depository account, custodial account, any equity or debt interest in a financial institution, any cash value insurance contract and any annuity contract issued or maintained by a financial institution.
Account holder	The term account holder is the person listed or identified as the holder or owner of the account with the FFI that maintains that account, regardless of whether the entity is a flow-through entity.
Active NFFE	An active NFFE is any entity that is a NFFE if less than 50 percent of its gross income for the preceding calendar year is passive income and less than 50 percent of the weighted average percentage of assets (tested quarterly) held by it are assets that produce or are held for the production of passive income (i.e., dividends, interest, annuities etc.)
AML	Anti-Money Laundering
AML due diligence	The term AML due diligence means the customer due diligence procedures of a financial institution pursuant to the anti-money laundering or similar requirements to which a financial institution, or branch thereof, is subject. This includes identifying the customer (including the owners of the customer), understanding the nature and purpose of the account, and ongoing monitoring.
Beneficial owner	The term beneficial owner means the person who is the owner of the income for tax purposes and who beneficially owns that income. Thus, a person receiving income in a capacity as a nominee, agent or custodian for another person is not the beneficial owner of the income.
Broker	The term broker means any person, U.S. or foreign, that, in the ordinary course of a trade or business during the calendar year, stands ready to effect sales to be made by others. A broker includes an obligor that regularly issues and retires its own debt obligations, a corporation that regularly redeems its own stock, and a clearing organization that affects sales of securities for its members. A broker does not include an international organization that redeems or retires an obligation of which it is the issuer, a stock transfer agent that records transfers of stock for a corporation if the nature of the activities of the agent is such that the agent ordinarily would not know the gross proceeds from sales, an escrow agent that effects no sales other than such transactions as are incidental to the purpose of escrow (such as sales to collect on collateral), or a corporation that issues and retires long-term debt on an irregular basis.
Certified deemed-compliant FFI	A certified deemed-compliant FFI means an FFI that has certified as to its status as a deemed-compliant FFI by providing a withholding agent with the documentation applicable to the relevant deemed-compliant category. A certified deemed-compliant FFI is not required to register with the IRS.
CFC	Controlled Foreign Corporation
Chapter 3	For purposes of Chapter 4 of the Internal Revenue Code, any reference to Chapter 3 means Sections 1441 through 1464 and the regulations thereunder, but does not include Sections 1445 and 1446 and the regulations thereunder, unless the context indicates otherwise.
Chapter 4 of the Internal Revenue Code	The term Chapter 4 of the Internal Revenue Code means Sections 1471 through 1474 and the regulations thereunder.

Terms/Acronyms	Definition
Chapter 4 reportable amount	The term Chapter 4 reportable amount means an amount reportable on a Form 1042-S for purposes of Chapter 4 of the Internal Revenue Code (Sections 1471-1474). This means U.S. source FDAP income (regardless of whether subject to withholding under Chapter 4 and including a passthru payment that is U.S. source FDAP income); gross proceeds subject to withholding under Chapter 4; and foreign pass-thru payments subject to withholding under Chapter 4.
Chapter 4 status	The term Chapter 4 status means, with respect to a person, the person's status as a U.S. person, a specified U.S. person, a foreign individual, a participating FFI, a deemed-compliant FFI, a Model 1 FFI, an exempt beneficial owner, a nonparticipating FFI, a territory financial institution, a QI branch of a U.S. financial institution, an excepted NFFE or a passive NFFE.
Chapter 4 withholding	Refers to the 30% FATCA withholding
CIP	Customer Identification Program
Complex trust	A complex trust is a trust that is not a simple trust or a grantor trust.
Custodial account	The term custodial account means an account for the benefit of another person that holds any financial instrument or contract held for investment (including, but not limited to, a depository account, a share or stock in a corporation, a note, bond, debenture or other evidence of indebtedness, a currency or commodity transaction, a credit default swap, a swap based upon a non-financial index, a notional principal contract, an insurance or annuity contract, and any option or other derivative instrument) for the benefit of another person.
Customer master file	A customer master file includes the primary files of a participating FFI or deemed-compliant FFI for maintaining account holder information, such as information used for contacting account holders and for satisfying AML due diligence.
Deemed-compliant FFI	The term deemed-compliant FFI means an FFI that is treated as meeting the requirements of Section 1471(b). Also includes a QI branch of a U.S. financial institution that is a reporting Model 1 FFI.
Depository account	The term depository account means a commercial, checking, savings, time or thrift account, or an account which is evidenced by a certificate of deposit, thrift certificate, investment certificate, certificate of indebtedness or other similar instrument; and any amount held by an insurance company under an agreement to pay or credit interest thereon.
Documentary evidence	The term documentary evidence means documents, other than a withholding certificate or written statement that a withholding agent is permitted to rely upon to determine the Chapter 4 status of a person.
Documentation	The term documentation means withholding certificates, written statements, documentary evidence and other documents that may be relevant in determining the status of a person for the purpose of a reporting or withholding requirement under Chapter 4 of the Internal Revenue Code, including any document containing a determination of the account holder's citizenship or residency for tax or AML due diligence purposes or an account holder's claim of citizenship or residency for tax or AML due diligence purposes.

Terms/Acronyms	Definition
Dormant account	A dormant account is an account (other than a cash value insurance contract or annuity contract) treated as a dormant or inactive account under applicable laws or regulations or the normal operating procedures of the participating FFI that are consistently applied for all accounts maintained by such institution in a particular jurisdiction. If neither applicable laws or regulations nor the normal operating procedures of the participating FFI maintaining the account address dormant or inactive accounts, an account will be treated as a dormant account if the account holder (A) has not initiated a transaction with regard to the account or any other account held by the account holder with the FFI in the past three years; and (B) has not communicated with the FFI that maintains such account regarding the account or any other account held by the account holder with the FFI in the past six years.
ECI	Effectively Connected Income
EIN	The term EIN means an employer identification number (also known as a federal tax identification number).
Electronically searchable information	The term electronically searchable information means information that an FFI maintains in its tax reporting files, customer master files or similar files that is stored in the form of an electronic database against which standard queries in programming languages, such as Structured Query Language, may be used. Information, data or files are not electronically searchable merely because they are stored in an image retrieval system (such as portable document format (.pdf) or scanned documents).
Entity	The term entity means any person other than an individual.
Excepted NFFE	The term excepted NFFE means an NFFE that is one of the following: (i) publicly traded corporation whose stock is regularly traded on one or more established securities markets; (ii) certain affiliated entities related to a publicly traded corporation; (iii) any corporation that is a member of the same expanded affiliated group as a corporation, (iv) certain territory entities that is directly or indirectly wholly owned by one or more bona fide residents of the same U.S. possession under the laws of which the entity is organized he term “bona fide resident of a U.S. possession” means an individual who qualifies as a bona fide resident); (v) an active NFFE; (vi) excepted nonfinancial entities like holding companies, treasury centers and captive finance companies that are members of a nonfinancial group; start-up companies; entities that are liquidating from bankruptcy; and non-profit organizations; and (vii) direct reporting NFFEs and sponsored direct reporting NFFEs.
Exempt beneficial owner	The term exempt beneficial owner includes a foreign government, any political subdivision of a foreign government or any wholly owned agency or instrumentality of any one or more of the foregoing; any international organizations and any wholly owned agency or instrumentality thereof; any foreign central bank of issue; governments of U.S. possessions; certain retirement funds; and entities wholly owned by exempt beneficial owners.

Terms/Acronyms	Definition
Expanded affiliated group	A financial institution generally would be part of an “expanded affiliated group” that includes another financial institution if: (i) one financial institution controls the other financial institution directly or through a chain of controlled entities or (ii) they are both under the common control (directly or through a chain of controlled entities) of a single corporation (whether or not such corporation is a financial institution itself). FATCA defines an “expanded affiliated group” as an “affiliated group,” as defined by Section 1504(a), but by substituting a more-than-50% ownership requirement for the at-least-80% ownership requirement in each place where it appears in Section 1504(a), and disregarding the Section 1504(b)(2) prohibition on including insurance companies in an affiliated group and the Section 1504(b)(3) prohibition on including non-U.S. corporations in an affiliated group. It also includes partnerships and trusts if they are controlled, within the meaning of Section 954(d)(3), by other members of the expanded affiliated group (including other controlled partnerships or trusts). Under FATCA, all FFI entities that are part of a FFI’s expanded affiliated group must be a participating FFI or a registered deemed-compliant FFI.
FATCA	The Foreign Account Tax Compliance Act (FATCA) is codified as Chapter 4 of the Internal Revenue Code. It represents the Treasury Department’s efforts to prevent U.S. taxpayers who hold financial assets in non-U.S. financial institutions (foreign financial institutions or FFIs) and other offshore vehicles from avoiding their U.S. tax obligations. The intent behind the law is for foreign financial institutions (FFIs) to identify and report to the IRS U.S. persons holding assets abroad and for certain non-financial foreign entities (NFFE) to identify their substantial U.S. owners. In order to comply with the rules, FFIs are required to enter into an FFI agreement with the U.S. Treasury or comply with intergovernmental agreements (IGAs) entered into by their local jurisdictions. U.S. withholding agents (USWAs) must document all of their relationships with foreign entities in order to assist with the enforcement of the rules. Failure to enter into an agreement or provide required documentation will result in the imposition of a 30% withholding tax on certain payments made to such customers and counter-parties. Failure to impose the requisite withholding under FATCA requirements could result in significant financial exposure.
FATCA	Foreign Account Tax Compliance Act
FATCA registration portal	The FATCA registration portal is a web-based tool that will be implemented to manage all required registrations, agreements and certifications between institutions subject to FATCA requirements and the IRS.
FATF	The term FATF means the Financial Action Task Force, which is an inter-governmental body that develops and promotes international policies to combat money laundering and terrorist financing.
FATF-compliant	The term FATF-compliant means the relevant jurisdiction is not subject to a FATF call on its members and other jurisdictions to apply counter-measures to protect the international financial system from the on-going and substantial money laundering and terrorist financing (ML/TF) risks emanating from the jurisdiction; is not a jurisdiction with strategic AML/CFT deficiencies that has not made sufficient progress in addressing the deficiencies; and is not a jurisdiction with strategic AML/CFT deficiencies irrespective of whether the jurisdiction has agreed upon an action plan with the FATF.
FDAP	Fixed, Determinable, Annual, Periodic
FDAP income	The term FDAP income means fixed or determinable annual or periodic income. Includes interest, dividends, rents, royalties, commissions, fees and premiums.
FFI	Foreign Financial Institution

Terms/Acronyms	Definition
Foreign financial institution (FFI)	An FFI is defined as any financial institution that is a foreign entity, other than a financial institution organized under the laws of a possession of the United States. Financial institution means any entity that: (i) accepts deposits or other similar investments of funds in the ordinary course of a banking or similar business (Depository Institution); (ii) holds, as a substantial portion of its business, financial assets for the benefit of one or more other persons (Custodial Institution); (iii) primarily conducts trading in money market instruments, foreign currency, foreign exchange interest rate, and index instruments, transferable securities or commodity futures; individual or collective portfolio management; or investing, administering or managing funds, money or financial assets on behalf of other persons (Investment Entity); (iv) is an insurance company or holding company within an expanded affiliated group that includes an insurance company, and the insurance company or holding company issues, or is obligated to make payments with respect to a cash value insurance or annuity contract (Specified Insurance Company); or (v) is a holding company that holds stock in other members of its expanded affiliated group or treasury center that is part of an expanded affiliated group that includes a depository institution, custodial institution, insurance company or investment entity, or is formed in connection with or availed of by a an investment vehicle established with an investment strategy of investing, reinvesting or trading in financial assets (Holding Company or Treasury Center).
FFI agreement	The term FFI agreement refers to an agreement between the IRS and the participating FFI. An FFI agreement includes a QI agreement, a withholding partnership agreement and a withholding trust agreement that is entered into by a FFI Model 1 FFI) that has an effective date or renewal date on or after June 30, 2014.
Financial account	Section 1471(d)(2) defines a financial account as any depository account, any custodial account, and any equity or debt interest in an FFI, other than interests that are regularly traded on an established securities market. It includes traditional bank, brokerage, money market accounts, and interests in investment vehicles, and excludes most debt and equity securities issued by banks and brokerage firms, subject to an anti-abuse rule. It excludes certain savings accounts (including both retirement and pension accounts and nonretirement savings accounts) that meet certain requirements with respect to tax treatment and the type and amount of contributions. It also excludes any account that otherwise constitutes a financial account if it is held solely by one or more exempt beneficial owners or by nonparticipating FFIs that hold the account as intermediaries solely on behalf of one or more such owners. Thus, a participating FFI need not determine whether such an account is a U.S. account or held by a recalcitrant account holder.
FI	Financial Institution
Financial Institution (FI)	Financial Institution - any entity that (i) accepts deposits in the ordinary course of a banking or similar business, (ii) holds financial assets for the account of others as a substantial portion of its business, or (iii) is engaged (or holding itself out as being engaged) primarily in the business of investing, reinvesting, or trading securities, partnership interests, commodities or similar financial instruments

Terms/Acronyms	Definition
Financial account	Section 1471(d)(2) defines a financial account as any depository account, any custodial account, and any equity or debt interest in an FFI, other than interests that are regularly traded on an established securities market. It includes traditional bank, brokerage, money market accounts, and interests in investment vehicles, and excludes most debt and equity securities issued by banks and brokerage firms, subject to an anti-abuse rule. It excludes certain savings accounts (including both retirement and pension accounts and nonretirement savings accounts) that meet certain requirements with respect to tax treatment and the type and amount of contributions. It also excludes any account that otherwise constitutes a financial account if it is held solely by one or more exempt beneficial owners or by nonparticipating FFIs that hold the account as intermediaries solely on behalf of one or more such owners. Thus, a participating FFI need not determine whether such an account is a U.S. account or held by a recalcitrant account holder.
Flow-through entity	The term flow-through entity means a partnership, simple trust or grantor trust, as determined under U.S. tax principles.
Flow-through withholding certificate	The term flow-through withholding certificate means a Form W-8IMY submitted by a foreign partnership, foreign simple trust or foreign grantor trust.
Foreign entity	A foreign entity is any entity that is not a U.S. person, including a territory entity.
Foreign passthru payments	The final regulations reserve on the definition of a foreign passthru payment.
Foreign payee	The term foreign payee means any payee other than a U.S. payee.
Foreign person	The term foreign person means any person other than a U.S. person and includes, with respect to a withholdable payment, a foreign branch of a U.S. person that furnishes an intermediary withholding certificate indicating that it is a QI.
FWP	Foreign Withholding Partnership
FWT	Foreign Withholding Trusts
GIIN	Global Intermediary Identification Number
Global Intermediary Identification Number (GIIN)	A GIIN is the identification number used to identify the FFI for FATCA registration purposes and U.S. information reporting purposes. This represents combination of the FATCA ID and FFI EIN that were outlined in the proposed regulations.
Grandfather obligations	Grandfather obligations are any obligation outstanding on July 1, 2014 but does not include any legal agreement or instrument that: (1) is treated as equity for U.S. tax purposes (2) lacks a stated expiration or term (for example, a savings deposit or demand deposit, a deferred annuity contract or a life insurance contract or annuity contract that permits a substitution of a new individual as the insured or as the annuitant under the contract); (3) is a brokerage agreement, custodial agreement, investment linked insurance contract, investment linked annuity contract or similar agreement to hold financial assets for the account of others and to make and receive payments of income and other amounts with respect to such assets; or (4) is a master agreement that merely sets forth standard terms and conditions that are intended to apply to a series of transactions between parties but that does not set forth all of the specific terms necessary to conclude a particular transaction.
Grantor trust	A grantor trust is a trust where one or more persons are treated as owners of all or a portion of the trust under Sections 671 through 679. If only a portion of the trust is treated as owned by a person, that portion is a grantor trust with respect to that person.

Terms/Acronyms	Definition
Gross proceeds	The term gross proceeds means the proceeds from any sale, exchange or disposition of property that requires recognition of gain or loss under Section 1001, without regard to whether the owner of such property is a foreign person that is not subject to U.S. federal income tax with respect to such sale, exchange or disposition. For purposes of this definition, property is of a type that can produce interest or dividends that would be U.S. source FDAP income.
HIRE Act	Hiring Incentives to Restore Employment; FATCA was enacted as part of HIRE
Insurance company	The term insurance company means a company more than half of the business of which during the calendar year is issuing (or being obligated to make payments with respect to) insurance or annuity contracts or the reinsuring of such contracts.
IGAs	Intergovernmental Agreements
Intergovernmental agreements (IGAs)	Intergovernmental agreements are intended to enable FFIs to identify and report to the IRS U.S. persons that hold assets abroad and for certain non-financial foreign entities (NFFEs) to identify their substantial U.S. owners. In order to comply with the rules, FFIs are required to enter into an FFI agreement with the U.S. Treasury or comply with IGAs entered into by their local jurisdictions. USWAs must document all of their relationships with foreign entities in order to assist with the enforcement of the rules.
Indicia	A U.S. legal term meaning indication. In the context of FATCA, indicia refer to evidence or indications that an account holder might be a U.S. person
Intermediary	An intermediary means, with respect to a payment that it receives, a person that, for that payment, acts as a custodian, broker, nominee or otherwise as an agent for another person, regardless of whether such other person is the beneficial owner of the amount paid, a flow-through entity or another intermediary
Intermediary withholding certificate	The term intermediary withholding certificate means a Form W-8IMY submitted by an intermediary.
IRS	Internal Revenue Service
ISDA	International Swaps and Derivatives Association
KYC	Know-Your-Customer
Limited branch	A limited branch is a branch of an FFI that, under the laws of the jurisdiction as of February 15, 2012 and that apply with respect to the accounts maintained by the branch, cannot do certain things. It cannot, with respect to accounts and the FFI agreement it is required to treat as U.S. accounts, report such accounts to the IRS, close such accounts within a reasonable period of time or transfer such accounts to a branch of the FFI, a participating FFI member of the expanded affiliated group of the FFI, or another participating FFI that may so report. It also cannot, with respect to recalcitrant account holders and accounts held by nonparticipating FFIs, withhold with respect to each such account, block such accounts (an account is considered blocked when the FFI prohibits the account holder from effecting any transactions with respect to an account until such time as the account is closed, transferred or the account holder provides the documentation for the FFI to determine the U.S. or non-U.S. status of the account), close each such account within a reasonable period of time or transfer such account to another branch of the FFI or a participating FFI member of the expanded affiliated group of the FFI that is not subject to the restrictions with respect to such account holders.

Terms/Acronyms	Definition
Limited FFI	A limited FFI is a member of an expanded affiliated group that includes one or more participating FFIs that agrees to the conditions to become a limited FFI and if under the laws of each jurisdiction that apply with respect to the accounts. A limited FFI is required to treat as U.S. accounts, report such accounts to the IRS, close such accounts within a reasonable period of time or transfer such accounts to an affiliate or other participating FFI that may so report. With respect to recalcitrant account holders and accounts held by nonparticipating FFIs, a limited FFI is required to withhold with respect to each such account, block each such account, close each such account within a reasonable period of time or transfer each such account to an affiliate of the FFI that is a participating FFI.
NFFEs	Non-Financial Foreign Entities
Non-financial foreign entity (NFFE)	The term NFFE means a foreign entity that is not a financial institution (including a territory NFFE). The term also means a foreign entity treated as an NFFE pursuant to a Model 1 IGA or Model 2 IGA.
Nonparticipating FFI	The term nonparticipating FFI means an FFI other than a participating FFI, a deemed-compliant FFI or an exempt beneficial owner.
NQI	Nonqualified Intermediary
Nonqualified Intermediary (NQI)	A nonqualified intermediary means any intermediary that is not a U.S. person and not a qualified intermediary, or a qualified intermediary that is not acting in its capacity as a qualified intermediary with respect to a payment.
Nonqualified intermediary withholding statement	A NQI shall provide a withholding statement to the extent the nonqualified intermediary is required to furnish, or does furnish, documentation for payees on whose behalf it receives reportable amounts or to the extent it otherwise provides the documentation of such payees to a withholding agent.
NPFFI	A Non-Participating FFI - an FFI that is not a participating FFI, or a Deemed Compliant FFI or otherwise excluded from the application of FATCA. Sometimes called a Bad FFI
NQI	Non Qualifying Intermediary
NWP	Non-withholding Foreign Partnership
Non-withholding partnership (NWP)	The term non-withholding foreign partnership or NWP means a foreign partnership that is not a withholding foreign partnership.
NWT	Non-withholding Foreign Trust
Non-withholding Trust (NWT)	The term non-withholding foreign trust or NWT means a foreign trust that is a simple trust or grantor trust and is not a withholding foreign trust.
Offshore obligation	The term offshore obligation means any account, instrument or contract maintained and executed at an office or branch of a withholding agent at any location outside of the United States or in any location in a possession of the United States. The term payment with respect to an offshore obligation means a payment made outside of the United States, within the meaning of 1.6049-5(e), with respect to an offshore obligation.
OID	Original Issue Discount
PFFI	Participating Foreign Financial Institutions
Participating FFI	The term participating FFI means an FFI that has agreed to comply with requirements of an FFI agreement, including an FFI described in a Model 2 IGA that has agreed to comply with the requirements of an FFI agreement. The term also includes a QI branch of a U.S. financial institution, unless such branch is a reporting Model 1 FFI.

Terms/Acronyms	Definition
Participating FFI group	The term participating FFI group means an expanded affiliated group that includes one or more participating FFIs. The term participating FFI group also means an expanded affiliated group in which one or more members of the group is a reporting Model 1 FFI and each member of the group that is an FFI is a registered deemed-compliant FFI, nonreporting IGA FFI, limited FFI or retirement fund described in §1.1471-6(f).
Partnership	The term partnership means a business entity that is not a corporation and that has at least two members.
Passive NFFE	The term passive NFFE means an NFFE other than an excepted NFFE.
Passthru payment	The term passthru payment means any withholdable payment and any foreign passthru payment.
Payee	For purposes of Chapter 4 of the Internal Revenue Code, a payee is the person to whom a payment is made, regardless of whether such person is the beneficial owner of the amount.
Payor	The term payor means any person who is required to make an information return with respect to any reportable payment, including any middlemen.
Person	The term person means an individual, a trust, estate, partnership, association, company or corporation. The term person does not include a wholly owned entity that is disregarded for federal tax purposes as an entity separate from its owner. Notwithstanding the previous sentence, the term person includes, with respect to a withholdable payment, a foreign branch of a U.S. person that furnishes an intermediary withholding certificate indicating that it is a QI.
PFIC	Passive Foreign Investment Company
Possession of the United States	The term possession of the United States means American Samoa, Guam, the Northern Mariana Islands, Puerto Rico or the U.S. Virgin Islands.
PPP	Passthru Payment Percentage - the ratio of a PFFI's U.S. to total assets
Pre-existing account	Any financial account held prior to the date the FFI's agreement with the IRS comes into force
Preexisting entity account	A preexisting entity account is a financial account held by one or more entities that is a preexisting obligation.
Preexisting individual account	A preexisting individual account is a financial account held by one or more individuals that is a preexisting obligation.
Preexisting obligation	The term preexisting obligation means any account, instrument or contract maintained or executed by the withholding agent as of July 1, 2014. With respect to a participating FFI, the term preexisting obligation means any account, instrument or contract maintained or executed by the FFI prior to the date that the participating FFI's FFI agreement becomes effective. With respect to a registered deemed-compliant FFI, a preexisting obligation means any account, instrument or contract maintained or executed by the FFI prior to the earlier of the date that the FFI registers as a deemed-compliant FFI or the date the FFI implements its required account opening procedures.
Presumption rules	A set of rules used to determine the status of the account holder or person you pay as U.S. or foreign and other relevant characteristics, including their status under chapter 3 and 4, where you cannot reliably associate an account holder or payment with valid documentation.

Terms/Acronyms	Definition
Prima facie FFI	A prima facie FFI is any payee if the withholding agent has available as a part of its electronically searchable information a designation for the payee as a QI or NQI; or for an account maintained in the United States, the payee is presumed to be a foreign entity or is documented as a foreign entity for purposes of Chapter 3 or 61; and the withholding agent has recorded as part of its electronically searchable information a standardized industry code that indicates that the payee is a financial institution.
QFFI	A Qualifying FFI is one which has entered an agreement with the IRS under FATCA. Essentially the same as a PFFI
OID	Original Issue Discount
QI	Qualified Intermediary
Qualified intermediary (QI)	With respect to a payment to a foreign person, the term qualified intermediary means a person that is a party to a withholding agreement with the IRS and such person is: (A) a FFI or a foreign clearing organization; (B) a foreign branch or office of a U.S. financial institution or a foreign branch or office of a U.S. clearing organization; (C) a foreign corporation for purposes of presenting claims of benefits under an income tax treaty on behalf of its shareholders; or (D) any other person acceptable to the IRS.
QI agreement	A QI agreement is a withholding agreement entered into with the Internal Revenue Service (IRS) pursuant to Rev. Proc. 2014-39 and Treasury Regulation §1.1441-1(e)(5) by a foreign entity. Under its terms, the QI generally must report annually certain aggregate information concerning the beneficial owners of U.S. source payments and make any necessary tax payments to the IRS. Rev. Proc 2000-12, 2000-4 I.R.B. 387, which previously set forth the QI agreement, has been superceded by the 2014 agreement.
Recalcitrant account holder	The term recalcitrant account holder means any account holder of an account maintained by a participating FFI if such account holder is not an FFI (or presumed to be an FFI), the account does not meet the exception to U.S. account status (applying to depository accounts with a balance of \$50,000 USD or less) or does not qualify for any of the exceptions from the documentation requirements (including if the participating FFI elects not to apply such exceptions), and the account holder fails to comply with requests by the participating FFI for the documentation or information that is required for determining the status of such account as a U.S. account or other than a U.S. account; the account holder fails to provide a valid Form W-9 upon request from the participating FFI or fails to provide a correct name and TIN combination upon request from the participating FFI when the participating FFI has received notice from the IRS indicating that the name and TIN combination reported by the participating FFI (or branch or division thereof) for the account holder is incorrect; or if foreign law would prevent reporting by the participating FFI (or branch or division thereof) on information with respect to such account, the account holder (or substantial U.S. owner of an account holder that is a U.S.-owned foreign entity) fails to provide a valid and effective waiver of such law to permit such reporting.
Recalcitrant NFFE	An NFFE that does not disclose its substantial U.S. owners or that fails to certify it does not have substantial U.S. owners
Recipient	The term recipient means a person that is a recipient of a Chapter 4 reportable amount, and includes the person required to be reported on a Form 1042-S with respect to a payment of U.S. source FDAP income. With respect to a payment other than U.S. source FDAP income, the regulations reserve.

Terms/Acronyms	Definition
Responsible Officer	An officer of a participating FFI, registered deemed-compliant FFI, or a compliance FI with sufficient authority to ensure the FFI meets its applicable FFI requirements. Among other things, the responsible officer of a participating FFI must certify every three years that the entity remains compliant.
SEC	Securities and Exchange Commission
SICAV	Societe d'Investissement A Capital Variable
SPE	Special Purpose Entity
Specified U.S. Person	A U.S. citizen or resident alien, privately owned U.S. Corporation or U.S. Owned Foreign Entity
SPV	Special Purpose Vehicle
Substantial U.S. Owner	A U.S. owner that has a more than 10% interest in an NFFE
TIN	Taxpayer Identification Number
Tax Identification Number	A Taxpayer Identification Number (TIN) is an identification number used by the Internal Revenue Service (IRS) in the administration of tax laws.
USD	United States Dollar
USWA	United States Withholding Agent
U.S. Account	A financial account held by a specified U.S. person or by an entity that, directly or indirectly, has one or more "substantial" U.S. owners
U.S. Indicia	Data which is indicative of an account holder being a U.S. Account, for example U.S. place of birth, U.S. passport, green card, U.S. address, substantial U.S. presence, regular payments to or from a USFI
U.S. Owned Foreign Entity	A foreign entity which has one or more Substantial U.S. Owners
U.S. Person	An account holder who is a U.S. citizen or taxpayer. Includes U.S. entities and other qualifying persons such as Green Card holders
USFI	U.S. Financial Institution - a Broker or Dealer, Investment Fund, Investment Adviser, Bank, Trust Companies based in the USA
Withholding	The act of holding some of the value of a payment, for the purpose of paying tax.
Withholding agent	A USWA is any U.S. person that is a withholding agent. That includes any person that has the control, receipt, custody over the disposal or payment of a withholdable payment or foreign passthru payment. This is generally a non-individual U.S. person and includes domestic partnerships, domestic corporations, any non-foreign estates and any trusts if a U.S. court is able to exercise primary supervision over the trust's administration and one or more U.S. persons have authority to control all substantial decisions of the trust. A U.S. person also includes a foreign branch of a U.S. person that is not a qualified intermediary acting as an intermediary with respect to a payment.
Withholdable payment	The term withholdable payment means any payment of U.S. source FDAP income and any gross proceeds from the sale or other disposition of any property of a type that can produce interest or dividends that are U.S. source FDAP income.
WP	Withholding Foreign Partnership
WT	Withholding Foreign Trust

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