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U.S. DEPARTMENT OF THE TREASURY

Press Center

U.S. Engaging with More than 50 Jurisdictions to Curtail Offshore Tax Evasion

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Treasury Continues to Build International Support for Combating Offshore Tax Evasion and Facilitating FATCA Implementation

WASHINGTON – The U.S. Department of the Treasury today announced that it is engaged with more than 50 countries and jurisdictions around the world to improve international tax compliance and implement the information reporting and withholding tax provisions commonly known as the Foreign Account Tax Compliance Act (FATCA). Enacted by Congress in 2010, these provisions target noncompliance by U.S. taxpayers using foreign accounts. Treasury's engagement with this broad coalition of foreign governments to efficiently and effectively implement FATCA marks an important milestone in establishing a common intergovernmental approach to combating tax evasion.

"Global cooperation is critical to implementing FATCA in a way that is targeted and efficient," said Treasury Assistant Secretary for Tax Policy Mark Mazur. "By working cooperatively with foreign governments and financial institutions, we are intensifying our ability to combat tax evasion while minimizing burdens on financial institutions."

This summer, Treasury published a model intergovernmental agreement for implementing FATCA and announced the development of a second model agreement. These models serve as the basis for concluding bilateral agreements with interested jurisdictions.

The Treasury Department has already concluded a bilateral agreement with the United Kingdom. Additional jurisdictions with which Treasury is in the process of finalizing an intergovernmental agreement and with which Treasury hopes to conclude negotiations by year end include: France, Germany, Italy, Spain, Japan, Switzerland, Canada, Denmark, Finland, Guernsey, Ireland, Isle of Man, Jersey, Mexico, the Netherlands, and Norway.

Jurisdictions with which Treasury is actively engaged in a dialogue towards concluding an intergovernmental agreement include: Argentina, Australia, Belgium, the Cayman Islands, Cyprus, Estonia, Hungary, Israel, Korea, Liechtenstein, Malaysia, Malta, New Zealand, the Slovak Republic, Singapore, and Sweden. Treasury expects to be able to conclude negotiations with several of these jurisdictions by year end.

The jurisdictions with which Treasury is working to explore options for intergovernmental engagement include: Bermuda, Brazil, the British Virgin Islands, Chile, the Czech Republic, Gibraltar, India, Lebanon, Luxembourg, Romania, Russia, Seychelles, Sint Maarten, Slovenia, and South Africa.

The Treasury Department will continue its outreach to interested jurisdictions that wish to consider an intergovernmental approach to implementing FATCA, including participation in a meeting hosted by the Qatar Central Bank in early December to provide information about FATCA and the intergovernmental agreements to invited senior government officials and financial institutions in the Gulf Cooperation Council.

The Treasury Department and the IRS will finalize the regulations implementing FATCA in the near term. Updates and further information on FATCA can be found by visiting the Treasury FATCA page at http://www.treasury.gov/resource-center/tax-policy/treaties/Pages/FATCA.aspx.

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