



Bulletin 2020/1

Notices issued for the US IGA and CRS Reporting Deadlines

This Bulletin is issued under the provisions of Regulation 10 of The Income Tax (Approved International Agreements) (Implementation) (United Kingdom and United States of America) Regulations, 2014 and also the provisions of Regulation 12 of The Income Tax (Approved International Agreements) (Implementation) (Common Reporting Standard) Regulations, 2015.

Coronavirus COVID-19

The Revenue Service is closely monitoring the situation with regards to the COVID-19 pandemic and is conscious of the extenuating circumstances caused by the Coronavirus situation and the difficulties presented.

With regard to the reporting of 2019 financial account data, at present there has been no change to the date by which Guernsey must transmit the data to the vast majority of our AEOI Partner jurisdictions. It therefore remains necessary for all Reporting Guernsey Financial Institutions to submit their 2019 FATCA and CRS reports to the Revenue Service on or before 30 June 2020.

The Revenue Service continues to monitor the position and if there are any changes a further Bulletin will be published online and via the Information Gateway Online Reporter (“IGOR”) Messaging service.

Information Gateway Online Reporter (“IGOR”) Registration

In accordance with Regulation 4 of the Income Tax (Approved International Agreements) (Implementation) (United Kingdom and United States of America) Regulations, 2014, this Notice is issued to Reporting Guernsey Financial Institutions (“RGFIs”) for registration with and reporting through the IGOR system ahead of the FATCA reporting deadline of **30 June 2020**.

In accordance with Regulation 4 of the Income Tax (Approved International Agreements) (Implementation) (Common Report Standard) Regulations, 2015, this Notice is also issued to Reporting Financial Institutions in Guernsey (“RGFIs”) for registration with and reporting through IGOR ahead of the Common Reporting Standard (“CRS”) reporting deadline of **30 June 2020**.

For consistency, in this Bulletin references to “RGFI” should be read to apply equally to the terms RGFI and RFI from the respective above named regulations i.e. those Financial Institutions in Guernsey with reporting obligations to the Revenue Service for information for the calendar year 2019.

US IGA Reporting (FATCA)

In accordance with The Income Tax (Approved International Agreements) (Implementation) (United Kingdom and United States of America) Regulations, 2014 and The Income Tax (Approved International Agreements) (Implementation) (United Kingdom and United States of America) (Amendment) Regulations, 2015, the Revenue Service requires all RGFIs to make reports under the US IGA, implementing FATCA, in respect of the calendar year 2019 **on or before 30 June 2020**.

All RGFIs are required to submit the reports electronically, using the IGOR system.

US IGA Reporting (FATCA) Extension FAQ

On the 14 April 2020, the US Inland Revenue Service published an FAQ on their website confirming that they will provide an extension of time for Model 1 IGA jurisdictions (such as Guernsey) to provide their FATCA data for the calendar year 2019 to the U.S. Competent Authority. Model 1 IGA jurisdictions will have until 31 December 2020 to provide their data, although a jurisdiction may send calendar year 2019 data prior to that date.

The relevant IRS FAQ can be found here:

<https://www.irs.gov/businesses/corporations/frequently-asked-questions-fags-fatca-compliance-legal#reporting>

In previous years the reporting dates for CRS & FATCA have occurred concurrently at the end of June. On the basis that RFI's might have understandably predicted an identical timeframe for reporting then arrangements could exist (especially as the majority of RFIs have to report under both FATCA and CRS), preparatory work undertaken or systems configured, to comply with an end of June reporting date. In order not to destabilise existing arrangements designed to comply with expected timescales it is not proposed to introduce two differing reporting dates but continue alignment with the CRS reporting date.

If an RFI should, however, require an extension to the current deadline, in respect of their **FATCA report only**, then please submit a request to the Revenue Service at, AEOI_compliance@gov.gg. The request should explain the reason for the delay and a proposed submission date for consideration by the Revenue Service.

CRS Reporting

In accordance with The Income Tax (Approved International Agreements) (Implementation) (Common Reporting Standard) Regulations, 2015, the Revenue Service requires all RGFIs to make reports under the CRS, in respect of the calendar year 2019 **on or before 30 June 2020**.

All RGFIs are required to submit the reports electronically, using the IGOR system and the reports must be made in the OECD's CRS XML Schema v1.0 and User Guide 2.0.

As from **1st January 2021**, all new CRS reporting must use CRS XML Scheme Version 2.0 and CRS User Guide Version 3.0.

Copies of these are available at the following webpage:

<https://www.oecd.org/tax/automatic-exchange/common-reporting-standard/schema-and-user-guide/>

The Revenue Service will issue further guidance in relation to the new Schema, as necessary, after the current reporting period.

Compliance Pointers

The following information is provided as guidance and key areas to consider when preparing and completing a submission.

1. US IGA Registration

RGFIs are reminded that when registering any new/amended RGFI on IGOR for the purposes of reporting under the US IGA this registration is verified by cross referencing the most recent FATCA GIIN list, and a RGFI is only able to register with IGOR (for the purposes of reporting under the US IGA) once they have registered with the IRS and the GIIN list has been updated to include them.

Once the online registration has been completed, it will be reviewed and approved by the Revenue Service. Only once registration has been approved, will the RGFI be able to submit reports.

The IRS only refresh the GIIN list on the first day of the month, and applications for a GIIN made and approved in the last 7 days of the preceding month are not likely to make that month's updated list.

Accordingly, it is recommended that if RGFIs have not already registered, that they ensure that they have left adequate time to submit their registration with the IRS, in order to receive approval and a GIIN to then be in a position to register with IGOR for timely reporting of 2019 data by 30 June 2020.

In view of the timeframe detailed above the Revenue Service has estimated that the final date for a RGFI to register with the IRS for a GIIN, (assuming a 1-2 week approval time) is likely to be 10 May 2020 or earlier, in order to ensure their GIIN appears on the Global GIIN list on 1 June 2020, to then enable the RGFI to register on IGOR.

2. Undocumented Accounts

Since the last exchange of information the Revenue Service has undertaken a review of the accuracy and thoroughness of the information submitted. The analysis has confirmed distinct improvement in determining accounts reported as 'Undocumented', as the research conducted evidenced a reduction and low use in the number of instances reported. RGFIs are requested to continue to follow the guidance for undocumented accounts provided in Bulletin 2019/3.

3. Schema Data

Data analysis conducted on previous submissions included researching the accuracy and completeness of the reported information. It was evident that some data fields are being populated incorrectly. Examples seen included what appears to be, the inputting of improbable and/or dummy dates of birth for natural persons.

RGFIs are reminded that it is a requirement of the Regulations to provide accurate information and are requested to check their submission prior to issue. In all cases the submissions by RGFIs will be reviewed for compliance and regulatory action may be taken where there is a breach of Regulations.

4. Addresses and Country Codes

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RGFIs are reminded to check the accuracy of submitted addresses and country codes of all reportable persons. Addresses should be full and complete with the correct corresponding country codes.

RGFIs are also specifically requested to check that:-

- The country code "GU" is used for Guam.
- The country code "GY" is used for Guyana.
- The country code "ZA" is used for South Africa (not "SA" which is for Saudi Arabia)
- The country code "GB" is used for the United Kingdom (not "UK")

5. Tax Identification Numbers ("TIN")

RGFIs are reminded of the information published in Bulletins 2018/1 and 2019/3, which informed RGFIs that a TIN must be reported in accordance with the conditions as specified by the IRS Notice 2017-46, available at:-

<https://www.irs.gov/pub/irs-drop/n-17-46.pdf>

This transitional relief for missing TINs provided in IRS Notice 2017-46 expired on 31 December 2019 in accordance with the latest updates by the IRS. Confirmation of this position is contained in the updated FAQ ("Reporting" –Q3) issued by the IRS. This can be found at:

<https://www.irs.gov/businesses/corporations/frequently-asked-questions-faqs-fatca-compliance-legal#reporting>

Tax Identification Numbers (TINs) For Jersey individuals and entities

All Jersey Individuals and Entities have been assigned a new 10 digit Tax Identification Number (TIN). For the purposes of Automatic Exchange of Information any of the following can be accepted as a TIN:

- For individuals, the new 10 digit TIN or a Jersey social security number.
- For entities, the new 10 digit TIN, their old tax reference number or their company registration number.

6. Personal Identification Numbers (“PINs”)

The Ministry of Taxes of the Republic of Azerbaijan has requested the Revenue Service inform financial institutions that TINs are not issued to Azerbaijani citizens and that instead personal customers use a PIN.

<https://www.oecd.org/tax/automatic-exchange/crs-implementation-and-assistance/tax-identification-numbers/Azerbaijan-TIN.pdf>

7. Communication

Any messages or queries from the Revenue Service arising from the submitted schemas will be communicated to the RGFIs using the IGOR messaging service. RGFIs should, therefore check that their contact details are up to date and that IGOR users regularly monitor the system for receipt of messages.

Further Information

Should you wish to obtain further information concerning the US IGA or the CRS please visit the relevant Income Tax Office webpages which are dedicated to these matters:

<https://gov.gg/article/119720/Intergovernmental-agreements-FATCA>

<https://gov.gg/crs>

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