

Financial Institutions who have not met the obligation to report by 30 June 2015 and extension to ARR election dates.

Bulletin 2015/4

1. Financial Institutions who have not met the obligation to report by 30 June 2015

The first reporting, in respect of calendar year 2014 information for US Reportable Accounts, was 30 June 2015. This date has now elapsed and it may be that not all Financial Institutions have met their obligations in accordance with the Income Tax (Approved International Agreements) (Implementation) (United Kingdom and United States of America) Regulations, 2014, and therefore could be subject to penalties. As this is the first year of reporting, the Director is not intending to impose penalties immediately on Financial Institutions who appear not to have met their obligations yet, recognising that some Financial Institutions may have encountered unexpected issues which have led to a delay in submission. It is important, however, that any outstanding reports are now submitted promptly in order to avoid the imposition of penalties.

If any Financial Institution has already registered with IGOR, but has no reports to make for 2014 reporting, a simple 'nil return' is all that is required.

If a Financial Institution which has reports to make has not already registered on IGOR, or registered subsequent to 30 June 2015, they are urged to register and/or submit all 2014 reports within the next 7 days (i.e. by 8 July 2015). I would take the opportunity to clarify that there is only a requirement to register if it has been identified that reportable accounts are held.

If it is not possible for a Financial Institution to submit the 2014 report within the next 7 days (i.e. by 8 July 2015), they should use the correspondence facility in IGOR (Messages) immediately to send an explanation for this, and provide the date by which they expect to be able to do so, in order that the Director may consider the matter further.

Anyone requiring any further information concerning reporting obligations should refer to the published Guidance Notes, which can be found here:

<http://www.gov.gg/article/109356/Intergovernmental-Agreements-FATCA>

Resources

Anyone having other technical issues relating to the submission of reports, should check the IGOR Forum and post questions if necessary. This can be found by following the link below:

<https://igorforum.digimap.gg/>

A new tool has been created by Digimap in order to help technical personnel quickly understand the technical requirements of FATCA XML reporting. This is now available at:

<https://fatcabuilder.digimap.gg/>

2. Extension to ARR Elections (UK-Guernsey IGA)

Annex IV of the UK-Guernsey Intergovernmental Agreement ('IGA') provides for an Alternative Reporting Regime ('ARR'). This applies only to UK resident Non-Domiciled ('RND') individuals that have claimed the remittance basis of taxation under Part 14 Chapter A1 Income Tax Act 2007.

The ARR is elective by *both* the Reporting Guernsey Financial Institution (RGFI) and the RND. If both elections are made and the RND provides self certification by the required dates, then reporting is made under the ARR provisions of the IGA, as detailed in annex IV and not in accordance with Articles 2 and 3 of the IGA. If, however, any of the three requirements are not made (or the account information is reported to the US under the US-Guernsey IGA as a Reportable Account then the reporting must also be made in accordance with Articles 2 and 3 of the UK-Guernsey IGA. The first reports under the UK-Guernsey IGA, including some ARR information, will required on or before 30 June 2016.

Where an account was identified as reportable by 31 December 2014, the dates for the above mentioned elections were 30 May 2015. However, the Director appreciates that as RGFI's may have been engaged in matters to meet the deadlines with the US IGA, some RGFI's may, therefore, have missed this deadline.

As such, and for reporting of information in respect of the period 30 June 2014 to 5 April 2015 only, the Director has agreed to extend the timeframes for elections as follows:

- Election by RGFI to offer to ARR to its clients - **31 December 2015 (previously 30 May 2015)**
- Annual Election by RND to RGFI to request reporting under the ARR- **31 December 2015 (previously 30 May 2015)**
- Annual Self-certification provided by RND to RGFI- **28 February 2016** (no change)

In future years RNDs will have until 30 May to annually elect for reporting under the ARR.

Note: Elections must be written and retained by the RGFI, but the Director does not require any direct notification of this election.

More information on the ARR is available in Appendix 3 of the v.5 [Guidance Notes](#).
(The election dates will be amended in the next Guidance Note update.)

1 July 2015