

Clearstream Spotlight

CRS live from 1 Jan 2016

The Common Reporting Standard (CRS) is set to come into force from 1 January 2016, when 56 'early adopter' countries will start implementing the new Standard for Automatic Exchange of Financial Account Information. Under CRS, which was commissioned by the Organisation for Economic Co-operation and Development (OECD), identification and financial information on certain foreign tax residents (individuals and entities) will be exchanged automatically between tax authorities of participating countries.

Financial institutions must obtain information from certain account holders and exchange that information on an annual basis with their local fiscal authorities who will in turn exchange the information with partner countries. Financial information to be reported includes interest, dividends, account balance and gross proceeds of sales or redemptions of financial assets.

Financial institutions needing to report under CRS include banks, custodians, brokers, certain collective investment vehicles, trusts and certain insurance companies. The first exchange of information will be in September 2017 for the financial reporting year 2016. This means financial institutions must start collecting data from 1 January 2016.

CRS timeline

1 January 2016 – Data collection for new customers commences.

Q2 2017 – Deadline for first reporting to local tax authorities by financial institutions.

September 2017 – First annual exchange between tax authorities of participating jurisdictions.

December 2017 – Deadline for the review of all pre-existing accounts.

56 countries committed to exchange tax information from 2017*

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

A further 40 countries from 2018*

Albania, Andorra, Antigua and Barbuda, Aruba, Australia, Austria, The Bahamas, Belize, Brazil, Brunei Darussalam, Canada, Chile, China, Cook Islands, Costa Rica, Ghana, Grenada, Hong Kong (China), Indonesia, Israel, Japan, Marshall Islands, Macao (China), Malaysia, Monaco, New Zealand, Panama, Qatar, Russia, Saint Kitts and Nevis, Saint Lucia, Saint Vincent and the Grenadines, Samoa, Saudi Arabia, Singapore, Sint Maarten, Switzerland, Turkey, United Arab Emirates, Uruguay.



*Source OECD website, list of committed jurisdictions correct as at 30 October 2015.

Easing the implementation of CRS

The Common Reporting Standard (CRS) represents a significant compliance and regulatory challenge for our customers.

Clearstream is fully committed to supporting customers in understanding the implications of CRS and want to minimise the impact they could face during the implementation of the regulation. As of 1 January 2016, a new CRS self-certification

form will be in place to support the collection of CRS related data. This form will be aligned with industry standards established by the Business and Industry Advisory Committee to the OECD. Part of the CRS regulation is a due diligence review of pre-existing customer accounts in order to identify those that are reportable. This exercise is currently ongoing and, if necessary, impacted customers will be contacted in due time.

More information

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