



Common Reporting Standard

Since 1 January 2016, financial institutions determine their clients' country of residence or establishment for tax purposes. They do so in accordance with statutory identification requirements, in preparation for the exchange of financial data by tax authorities next year.

Over 95 countries have made agreements on the automatic exchange of financial data of persons and organizations in accordance with the Common Reporting Standard (CRS). In all Member States of the European Union, the financial institutions have started determining their clients' country of residence or establishment for tax purposes. The other countries will follow at a later time. The participating territorial jurisdictions with respect to Bonaire, St Eustatius and Saba are: Argentina, Belgium, Bermuda, British Virgin Islands, Cayman Islands, Czech Republic, Denmark, Estonia, Faroe Islands, France, Greenland, Guernsey, Iceland, India, Ireland, Jersey, Luxembourg, the Isle of Man, Mexico, Norway, Seychelles, Slovenia, Spain, Turks and Caicos Islands, the United Kingdom, South Africa and South Korea.

Exchange of data for 2016

In the Netherlands, the Common Reporting Standard (Implementation) Act has been in force since 1 January 2016. Under this Act, financial institutions are obliged to provide us with data on accounts of persons and organizations that are liable to pay tax abroad. As from September 2017, we will provide the data for 2016 to the tax authorities of these other countries. These foreign tax authorities will be checking the data themselves. We will not be involved in this.

Conversely, we receive information on foreign financial accounts of persons and organizations that have their country of residence or establishment in the Netherlands for tax purposes. This does not automatically mean that you have to pay tax here: we will check the data first.

CRS worldwide and expanded

The OECD has developed the CRS and the European Commission has incorporated the CRS into an EU directive. This directive will replace the European Savings Tax Directive. This savings tax directive provides for the exchange of information about interest on savings balances in the EU Member States. In addition, the CRS provides for the exchange of information about, for example, account balances, dividend income and the proceeds of the sale of securities. Moreover, the CRS is used worldwide.

The convention with the United States in connection with the Foreign Account Tax Compliance Act (FATCA), will continue to exist. This convention provides for the exchange of data with the United States.

For persons and organizations

The data to be exchanged by the CRS countries include data of natural persons and organizations, such as private and public limited liability companies and general partnerships that have a financial account in one of the CRS countries. Sometimes, it also concerns data of the ultimate beneficial owners of organizations with such an account.

Registering

In order to allow for the provision of data, you register with us via the FATCA/CRS registration portal via <https://www.gegevensportaal.net/fatca/aanmelden/>. You will then automatically also become a member of the CRS section in the community www.cggp.nl. This way, you will be kept informed of the latest developments.

More information

Do you have any questions about the provision of data? Call the Tax and Customs Administration Contact Center at 0031(+31)88-1567777, available from Monday to Friday from 9.00 am to 4.00 pm. You can also send an e-mail with your question to: gegevensuitwisseling@belastingdienst.nl.

Do you want more information about the CRS legislation? Check the OECD website on this topic at <http://www.oecd.org/tax/automatic-exchange/common-reporting-standard/>