

EXPLANATORY NOTE:

CRS reporting obligations of the Tax Identification Number (TIN)

As a starting point, the CRS requires the TIN to be reported for all persons included in the report. Those include all Reportable Persons (Account Holders and Controlling Persons), as well as all Entity Account Holders in cases where one or more Controlling Persons are Reportable Persons. While some exceptions apply, the instances where it is acceptable not to report a TIN are very limited.

The designation in the [CRS XML Schema](#) of the “TIN” element as “(Optional) Mandatory” is consistent with this approach, and means that the TIN is mandatory for CRS reporting in the circumstances specified in the CRS reporting requirements. It does **not** mean that providing the TIN is optional to the discretion of the Reporting Financial Institution.

New Accounts (Financial Accounts maintained by a Reporting Financial Institution opened on or after 1 January 2016)

The CRS requires reporting of the TIN, or functional equivalent, for **all** New Accounts, as the TIN must be collected upon account opening in the self-certification. The only exceptions are where:

- (i) a TIN or functional equivalent is not issued by the relevant Reportable Jurisdiction; or
- (ii) the domestic law of the relevant Reportable Jurisdiction does not require the collection of the TIN or functional equivalent issued by such Reportable Jurisdiction.

Where an Account Holder claims that one of these exceptions applies, the Reporting Financial Institution should check this claim against the information on the [OECD’s AEOI Portal](#) or another reliable source that explains whether a TIN or functional equivalent is issued and required to be collected by the relevant Reportable Jurisdiction. The [OECD’s AEOI Portal](#) also contains information on the structure of the TIN or functional equivalent in the Reportable Jurisdictions, which can be used by the Reporting Financial Institution to confirm the reasonableness of the self-certification.

Pre-existing Accounts (Financial Accounts maintained by a Reporting Financial Institution as of 31 December 2015)

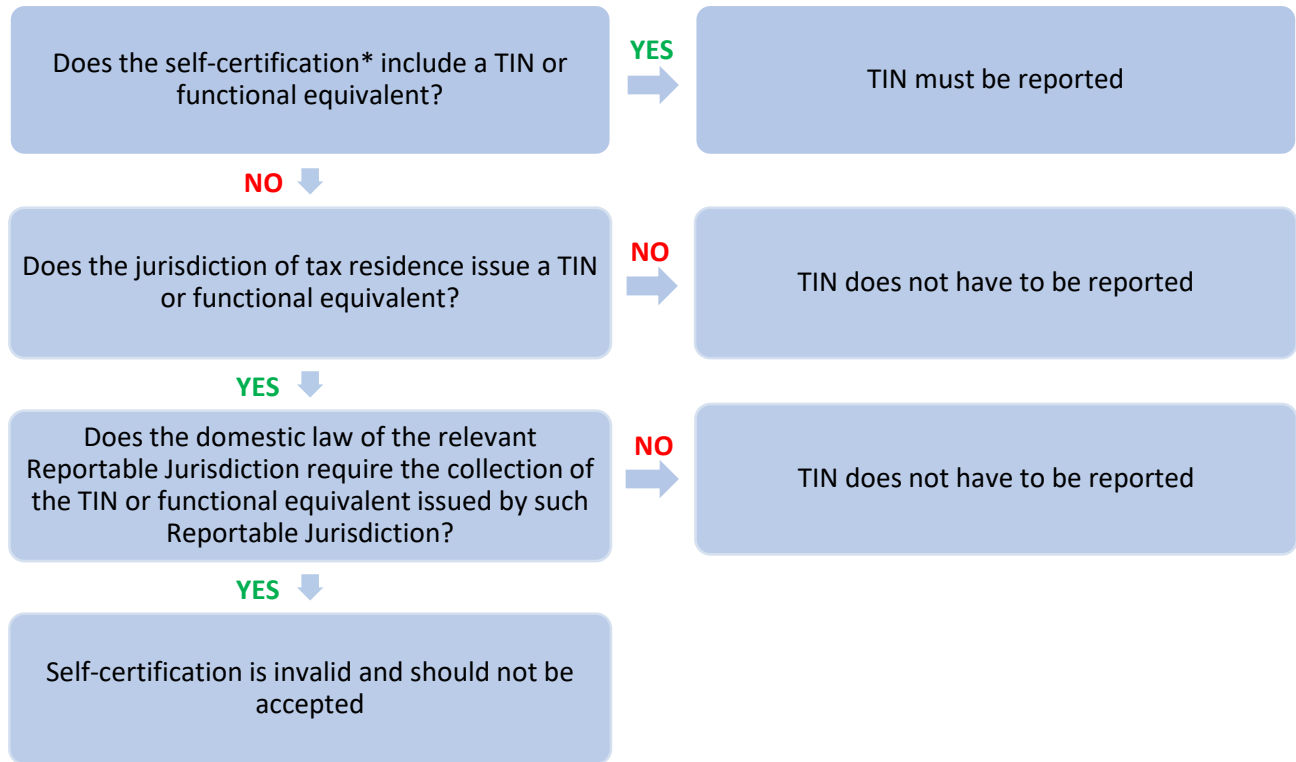
For Pre-existing Accounts, the CRS requires reporting of the TIN, or functional equivalent, in all cases where it is in the records of the Reporting Financial Institution. Where the TIN is not in its records, the Reporting Financial Institution is required to use reasonable efforts to obtain the TIN by the end of the second calendar year following the year in which such accounts were identified as Reportable Accounts. The same exceptions as for New Accounts apply, however the Reporting Financial Institution is only excused from using reasonable efforts to obtain the TIN or functional equivalent where it has been determined with reasonable certainty that one of the exceptions indeed applies.

Reasonable efforts means genuine attempts to acquire the TIN, made at least once per year starting from the identification of the account as a Reportable Account. Where no TIN has been provided for a Pre-existing Account on the CRS XML Return filed on the DITC Portal, the Reporting Financial Institution should expect that the Tax Information Authority will ask to see the documentation that shows the reasonable efforts undertaken to obtain the TIN.

Non-compliance

Failure to report a TIN where required is an offence under the CRS Regulations and may result in an administrative penalty being imposed on the Reporting Financial Institution.

Flowchart for determining whether reporting of the TIN is required: New Accounts



* A self-certification must always be present, except where there has been a change in circumstances and the Reporting Financial Institution could not obtain confirmation of the validity of the original self-certification or obtain a new valid self-certification. In this scenario, it is possible that no TIN is available in respect of the jurisdiction in which the Reportable Person or Entity Account Holder may be resident as a result of the change in circumstances. However, the TIN must still be reported in respect of the jurisdiction in which the Reportable Person or Entity Account Holder claimed to be resident in the original self-certification.

Flowchart for determining whether reporting of the TIN is required: Pre-existing Accounts

