

STATEMENT From Ministry of Finance Treaty Unit

January 15th, 2016

CONTACT

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RE: Ministry of Finance provides implementation details for UK FATCA

The Ministry of Finance, after consultation with officials at HMRC in London who reviewed and approved the text of the following statement to be issued by Bermuda Ministry of Finance:

“Under UK FATCA IGA Model 2, FFI's in Bermuda will need to report information directly to HMRC in London in order to comply with Section 4A of the Bermuda International Cooperation (Tax Information Exchange Agreements) Act 2005 (“the Act”), which requires that a person comply with the terms and conditions of an agreement for the automatic exchange of information, in this case the UK/Bermuda IGA.

The reporting requirements and dates are as set out in Articles 2 and 3 of the UK FATCA IGA Model 2 and reports should be made using the HMRC portal as follows:

In 2016 Bermuda FI's will have to report directly to HMRC using either xml upload or, the HMRC portal facility and this will be available in early January 2016.

Bermuda FI's will need to register on the HMRC government gateway for an account, register for the Automatic Exchange of Information system and will then be able to download the xml schema for completion or fill in the HMRC portal screens which will create the xml for them. The xml schema is the HMRC schema which is based on the FATCA schema rather than the CRS schema.

The UK has advised there will be some flexibility for reporting in 2017. In 2017 the HMRC portal will accept the HMRC schema which will be based on the CRS schema as an upload for data exchanged under the UK FATCA IGA Model 2, so FI's will then be able to report information required under the UK FATCA IGA using the HMRC Schema and again the portal screen entry system will be available.”