



Grant Thornton

FATCA/CRS

Tax Alert

May 2022



FATCA/CRS Reporting Alert

Foreign Account Tax Compliance Act (FATCA) and Common Reporting Standard (CRS) reporting is an annual compliance requirement in the UAE. For the financial year ended 31 December 2021 (FY21), relevant businesses and entities are required to submit their FATCA and CRS filings with the Ministry of Finance (MoF) via the MoF FATCA/CRS Portal, unless specified otherwise by the relevant regulator. The portal is open for registration and the **filings must be submitted until 30 June 2022 for FY21.**

All entities classified as Financial Institutions for FATCA and CRS Reporting should consider their reporting obligations (including the filing of Nil Return) as stipulated within the regulations.

Non-Compliance

Failure to submit a FATCA and CRS Filings by the required timeline may result in serious fines and penalties by the relevant regulator/ MoF

Gearing for reporting

Given the approaching deadlines, it is imperative for FIs to fully prepare for reporting before 30 June 2022. Before reporting, it is necessary for the businesses, and entities in UAE to undertake relevant entity classification as per FATCA/CRS regulations and accordingly decide on the way forward for reporting

New FATCA and CRS Reporting System

Please note that MoF will be utilizing a new platform for the FATCA and CRS return submission for the 2021 cycle which will replace the current portal. The portal is open from 16th May 2022 to 30th June 2022. The functionality available in the system will include the following elements for both FATCA and CRS purposes:

- Reporting Financial Institution (RFI) report and nil return submissions;
- Risk assessment questionnaire module;
- Data validation module; and
- User registration and user rights functionality.

Next Steps

Entities that have identified themselves as FATCA and CRS Reporting Financial Institutions as per the applicable regulations and law, shall have to register two individuals (maker and checker) who would be allowed access to the MoF Portal for reporting. Upon successful registration, the entities should submit the required information.

Our Service Offering

Our experienced tax consultants can assist clients in the following:

- Registering their entity on the MoF portal
- Assist in filing FATCA and CRS Reports to the regulators
- Ad-hoc advice on FATCA and CRS matters

Moreover, our wider service offerings include the following services as well:

- Understanding their entity classification for FATCA / CRS purposes
- Register the entity with IRS to obtain its Global Intermediary Identification Number (GIIN)
- Design the FATCA and CRS Compliance Framework [Job Description, Manuals, KYC and Self Certification Forms, Monitoring Checks]
- Training to staff on FATCA and CRS Compliance.

Our Team

We would like to have a discussion with you on how we can support you with FATCA/ CRS reporting requirements. For more details with respect to this alert, please feel free to contact GT UAE team led by Anuj Kapoor, and ably supported by his team of international tax advisory experts.



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Disclaimer: This document does not contain legal, compliance, and/or any other advice and is only meant to highlight certain information for ease of understanding. It is the responsibility of each entity to obtain their own legal and/or other professional advice in relation to their reporting obligation.

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