



## CRS AND FATCA SUMMARY

Following Australia's adoption of the Foreign Account Tax Compliance Act (FATCA) allowing for the automatic exchange of financial account information (AEOI) with the USA, Australia has now implemented the OECD's Common Reporting Standard (CRS) effective from 1 July 2017, with information to be included from 1 January 2017. This resulted in a new provision introduced in Schedule 1 to the Tax Administration Act 1953, Subdivision 396-C.

The new CRS is a global reporting framework targeting international tax evasion issues operating upon signing a Competent Authority Agreement (CAA) by participating countries' tax authorities. AEOI has become a highly progressive development which allows for full transparency by giving participating countries information about the financial assets or income of which a taxpayer holds offshore. Under the CRS, financial institutions that are required to report information include:

- Custodial Institutions
- Depository Institutions
- Investment Entities
- Specified Insurance Companies

While FATCA operates by bilateral agreement directly between the USA and counterparties, the CRS allows for both bilateral and multilateral agreement. Under a bilateral CAA, information is only exchanged between the two tax jurisdictions. Contrastingly, a multilateral CAA (MCAA) has multiple signatories, with each jurisdiction exchanging information with all of the signatories to the MCAA.

## INFORMATION COLLECTED

The following information will be reported to the tax authorities of the relevant country for the period 1 January to 31 December:

- Name
- Address
- DOB (if applicable)
- ABN/TFN
- Account Number
- Account balance at the end of the year (31 December) or balance immediately before closure

## CRS和FATCA的概要

在澳大利亚采用允许自动与美国交换金融账户信息（AEOI）的“海外账户纳税法案”（FATCA）之后，澳大利亚自2017年7月1日起实施了经合组织（OECD）的共同申报准则（CRS），并且规定自2017年1月1日起的信息也需包括在报告内。这导致在税收管理法1953细目396-C的附表1中引入了一项新规定。

新的CRS是一个全球性的报告框架，针对签署了主管机关协议（CAA）的参与国税务当局在运作CAA时遇到的国际避税问题。AEOI在很大程度上得到革新性发展，通过向参与国提供关于纳税人在海外持有的金融资产或收入的信息，从而实现充分的信息透明度。根据CRS，需要报告信息的金融机构包括：

- 保管机构
- 存款机构
- 投资实体
- 指定的保险公司

尽管FATCA通过美国与交易对手之间的直接双边协议运营，但CRS允许双边和多边协议。根据双边CAA，信息仅在两个税收辖区之间交换。相反，多边CAA（MCAA）有多个签署人，每个税收辖区与所有MCAA签署人交换信息。

## 信息收集

以下信息将在1月1日至12月31日期间向有关国家的税务机关报告：

- 名称
- 地址
- 生日（如果可以提供）
- 澳大利亚商业编号/纳税编号
- 账户号码
- 每年年底（12月31日）的账户余额或在披露信息之前的即时账户余额

- Depository accounts – amount of interest credited to the account during the year
- Custodial accounts – amount of interest, dividends & other income credited to the account during the year
- Any other account – gross amount of credited to the account during the year

- 存款账户 – 年内贷记到账户的利息金额
- 保管账户 – 年内贷记到账户的利息，股息和其他收入金额
- 任何其他账户 – 年内贷记到账户的总金额

## AUSTRALIA'S APPROACH

Australia's approach to the CRS has taken upon a wider approach with the understanding that the number of jurisdictions implementing the standards will increase over time. For in-scope accounts opened after 1 July 2017, the financial institution will require the person to certify their residency for tax purposes. Irrespective of whether a jurisdiction is a signatory to the CRS, a person who has a tax residency in another jurisdiction will have the details of their account reported to the ATO. This information will be automatically exchanged with other jurisdictions only where they have become signatory under the CRS.

Being a signatory to the CRS will not change any of Australia's prior FATCA obligations with the US, but may have an effect on account thresholds for the prior activities implemented solely for FATCA.

## NEW DUE DILIGENCE THRESHOLDS

There are a number of differences that will add compliance burden for Reporting Financial Institutions (RFIs). From 1 July 2017, RFIs are now required to carry out due diligence in accordance with new the new standards set out by the CRS.

In its FATCA reports to the ATO (separate to CRS reports), an RFI can omit US accounts for individuals where the year-end balance or value is under FATCA's reporting threshold of \$50,000. As individuals are not subjected to a reporting threshold under CRS, the RFI's CRS report must include Reportable Accounts held by U.S. resident individuals regardless of account balance or value.

Under FATCA, pre-existing entity accounts with an account balance or value of less than \$250,000 were not reviewable until the balance or value exceeded \$1,000,000 on the last day of the subsequent calendar year. Accounts that became reviewable under FATCA were required to have completed the review within 6 months from the last day of the calendar year. Under the new CRS, pre-existing entity accounts will be reviewable where the account balance or value exceeds \$250,000 on any of 30 June 2017, 31 December 2017, or last day of a subsequent calendar year. CRS allows for an account review to be completed within 12 months of the date in which the account balance or value exceeds the threshold.

For any foreign tax residents considering to become a tax resident in Australia in the future, we advise that careful tax planning is carried out before making the change.

## 澳大利亚的处理办法

鉴于执行该标准的税收管辖区的数量将随着时间的推移而增加，澳大利亚对CRS采取了更广泛的处理方法。对于2017年7月1日之后开设的在报告范围内账户，金融机构将要求该账户持有人出具其税务居民所属地证明。无论该税收管辖区是否是CRS的签署方，在另一个管辖区内拥有税务居民身份的人都会将其账户的详细信息报告给税务局。这些信息只会在该税务管辖区成为CRS签署方后才会自动被用于与其他税务管辖区交换。

作为CRS的签署方不会改变澳大利亚之前对美国的任何FATCA义务，但可能会影响以前仅用于FATCA活动的帐户门槛。

## 新的尽职调查门槛

存在一些会增加报告金融机构（RFIs）的合规负担的差异。从2017年7月1日起，RFIs被要求根据CRS制定的新标准执行尽职调查。

在向ATO提交的FATCA报告中（与CRS报告分开），RFI可以省略年末余额或价值低于FATCA报告门槛50,000美元的个人持有美国账户。在CRS方面，由于个人不受报告门槛的限制，因此RFI的CRS报告必须包括美国居民持有的需报告账户，不论账户余额或价值如何。

根据FATCA，账户余额或价值低于250,000美元的预先存在的实体账户在下一日历年最后一天的余额或价值超过1,000,000美元之前不可复查。根据FATCA可以审查的账户需要在当下日历年最后一天起6个月内完成审查。

根据新的CRS，在2017年6月30日，2017年12月31日或下一日历年最后一天这三个时间点中的任一个时间点，账户余额或价值超过250,000美元的预先存在的实体账户是可以审查的。CRS允许在账户余额或价值超过门槛金额之日起12个月内完成账户审核。

对于考虑将来成为澳大利亚税务居民的外国税务居民，我们建议在进行更改之前进行谨慎的税务规划。