



Common Reporting Standard ("CRS")

What should be included in CRS reporting?

Background to the CRS

The Common Reporting Standard ("CRS") for Automatic Exchange of Information has been developed by the OECD with an intention to cooperate in the global effort towards tax transparency. The UAE has signed the Convention on Mutual Administrative Assistance in Tax Matters ("Multilateral Convention"), the Declaration of Multilateral Competent Authority Agreement on Automatic Exchange of Financial Account Information ("MCAA"), and the Unilateral Declaration in April 2017.

Reporting Financial Institutions ("RFIs") that maintain financial accounts are required to collect and report information on an annual basis related to CRS reportable accounts which is then exchanged with CRS exchange partner jurisdictions. The collection of account information aims to identify the jurisdiction(s) of tax residence for account holders and certain financial account information and to report this information to CRS exchange partner jurisdictions on an annual basis.

Impact of the CRS

Under the CRS, UAE RFIs are required to apply due diligence procedures and collect documentation to identify whether a financial account maintained by the UAE RFI is a CRS Reportable Account. As a result, individual and entity account holders are required to provide completed CRS self-certification forms and/or documentary evidence when requested by UAE RFIs, such as banks, upon account opening. The CRS self-certification form typically requires that the individual account holder declares their name, residence address, jurisdiction(s) of tax residence and TIN(s) (where applicable). Entity account holders are also required to disclose their name, address, jurisdiction(s) of tax residence and TIN(s) (where applicable) as well as information on Controlling Person(s) for certain types of entities.

It is the responsibility of UAE RFIs to ensure effective implementation of the CRS. UAE RFIs are required to ensure that they have effective systems in place to accurately identify CRS Reportable Accounts and to ensure that the information reported for CRS purposes meets the data quality requirements.

Purpose of this circular

- Provide guidance to UAE RFIs to determine mechanisms to ensure the data submitted is in line with the CRS reporting requirements, particularly information relating to :
 - Tax Identification Numbers (TINs);
 - Date of birth;
 - First name and last name; and
 - Address.

Tax Identification Number (TIN)

Under the CRS, the TIN must be collected and reported, where possible, for all Reportable Accounts where Account Holders are tax resident in jurisdictions that automatically issue TINs to residents for tax purposes, including individual and entity accounts and Controlling Persons, where applicable.

New Accounts (Financial Accounts opened on or after 1 January 2017)

UAE RFIs are required to collect TIN(s) for all New Accounts as part of the onboarding process upon account opening. Exceptions apply where a TIN is not issued by the jurisdiction where the Account Holder is resident or if the domestic law of the relevant jurisdiction does not require the collection of a TIN issued by such jurisdiction.

Pre-existing Accounts (Financial Accounts opened before 1 January 2017)

An RFI is required to report all TINs. Where the TIN is not maintained for CRS Reportable Accounts by the RFI, the RFI must use and demonstrate reasonable efforts to obtain the TIN from Account Holders and/or Controlling Persons and document this approach.

Quality of TIN data collected

UAE RFIs should have effective systems in place to identify reportable accounts accurately and to submit accurate information in respect of TINs.

In reviewing TIN information provided by Account Holders and/or Controlling Persons of Account Holders, RFIs must consult the following guidance issued by the OECD to ensure that the structure and format of the TINs being collected and reported by the RFI are in line with the formats prescribed by the jurisdiction in which the Account Holder and/or Controlling Person claims to be tax resident:

<https://www.oecd.org/tax/automatic-exchange/crs-implementation-and-assistance/tax-identification-numbers/>

Date of Birth

Under the CRS, the date of birth must be reported for all individual Reportable Persons (for both Account Holders and Controlling Person(s)).

New Accounts (Financial Accounts opened on or after 1 January 2017)

An RFI is required to collect the date of birth of the Account Holder as part of the onboarding process upon account opening.

A CRS self-certification must contain the date of birth of the Account Holder in order for it to be valid. The RFI must confirm the validity and reasonableness upon collection of the CRS self-certification form and cross check with documentary evidence that a correct date of birth has been provided.

Pre-existing Accounts (Financial Accounts opened before 1 January 2017)

An RFI is required to report the date of birth in all cases.

Where the date of birth is not maintained by the RFI, the RFI must demonstrate that it has taken reasonable efforts to obtain the date of birth and document this approach.

First name and last name

The CRS requires the completion of the data elements for first name and last name when reporting information related to individual Account Holders or controlling persons. In certain cases CRS exchange partner jurisdictions are unable to identify the individual and controlling person on the basis of the name reported by an RFI.

In order to enhance the quality of the data, the RFI should compare the first name and last name provided by the Account Holder against the name as per the official documentation submitted by the Account Holder.

If an individual's legal name is a mononym or single name, the first name data element should be completed as "NFN" (No First Name) and the last name field should be completed with the Account Holder's mononym.

Address

The CRS requires that the address of the account holder is provided in order to report the account.

This data element is the permanent residence address e.g. of the individual account holder. If the RFI does not have a permanent residence address on file for the individual, then the address is the mailing address used by the RFI to contact the individual Account Holder when the report is compiled.

In order to enhance the quality of the data shared the address should be provided in sufficient detail to allow the CRS exchange partner jurisdiction to be able to identify the Account Holder for which the information is being reported.

Where the RFI is in possession of the permanent address of the account holder, the RFI should report such address for CRS reporting purposes.