



Latest AEOI updates

How to adjust and adapt to the latest regulatory updates

Tax is constantly evolving, even through these unprecedented times. There are numerous new rules, regulations and trends, locally and globally, to which we need to adapt to. Our professionals will continue to provide regular updates to ensure you remain up-to-date with these new regulations and continue to remain compliant.

On April 15, 2020 the Cayman Islands Tax Information Authority (Cayman TIA) announced important updates in relation to the new CRS Compliance Form and the FATCA and CRS Reporting Deadlines. You can read the full announcement [here](#).

CRS Compliance Form released

The recently released CRS Compliance Form requires detailed information to be completed annually by all Cayman Islands Reporting Financial Institutions (RFIs) and Trustee Documented Trusts (TDTs). You can find more information on the Form with released [notes](#) and the [CRS Compliance Form here](#).

The CRS Compliance Form will only be available for submission via the new Cayman Islands Portal and is expected to be available in June 2020 and can be completed by manual entry or bulk upload. Both the Principal Point of Contact (PPoC) and any Secondary Users assigned to the RFI/TDT will have the ability to file this form on behalf of the RFI/TDT in the new Cayman Islands Portal.

The deadline for submission of the CRS Compliance Form for the 2019 reporting year will be **December 31, 2020**. Automatic penalties will apply where the aforementioned deadlines are not met.

Our observations

The requirements of the CRS Compliance Form are quite detailed requiring RFIs and TDTs, including:

- **Total value of RFIs' and TDTs' Financial Accounts and Non-Reportable Accounts** (and reasons for the accounts being Non-Reportable – e.g. U.S. person, resident in a non-reportable jurisdiction). This is essentially a reconciliation of all the investors in a fund with a focus on why certain investors are not being reported on the CRS return.
- **RFIs which are not registered with the Cayman Islands Monetary Authority (CIMA)** will need to complete Section 3 of the form which requires details on how the RFI addresses the AML/KYC requirements. As most investment funds will be CIMA registered they should not need to complete Section 3.

- **CRS compliance requirements.** The CRS Compliance Form asks the RFI to confirm it has established and maintained written CRS policies and procedures. If an FI or Trustee does not have written CRS policies and procedures, this is an action item to be addressed early this summer.

These new requirements will take a significant amount of time in the review and preparation by those charged with Governance of Cayman Islands RFIs/TDTs. We recommend that steps be taken early to address the requirements.

As the form applies for the 2019 year, we recommend each Cayman RFI or Trustee discuss this with any external parties (e.g. administrators, tax advisors) involved in the AEOI reporting process by June 30, 2020 to prepare for any reviews/updates in advance of the 2019 CRS filing deadline of **November 16, 2020**.

If you have any questions or if you require any further information on these changes, please [contact us](#).

Cayman Islands Portal User Guide

The Cayman TIA stated they will publish a detailed User Guide for both the CRS Compliance Form and the new Cayman Islands Portal in due course.

FATCA and CRS reporting deadlines extended

The Internal Revenue Service (IRS) has updated their [FATCA FAQs](#) (refer to FAQ #5) to provide an extension of the FATCA reporting deadline for Model 1 IGA countries for FATCA reports in respect of the 2019 reporting year. As a result, the Cayman TIA has further extended the Cayman Islands FATCA reporting deadline for the 2019 reporting year to **November 16, 2020**.

The 2019 Cayman Islands CRS reporting deadline has also been further extended from the previously announced extended deadline of September 18, 2020 to **November 16, 2020**.

Cayman TIA is continually monitoring the international landscape carefully and will consider any appropriate adjustments to the reporting deadlines in the event that applicable international deadlines are modified.

How can we help?

With the announcement earlier this year of a CRS audit program and the new CRS Compliance Form, we recommend that those charged with Governance of Cayman Islands RFIs and TDTs consider a review of the written policies and procedures and whether an AEOI Healthcheck should be conducted this summer to ensure the RFI/TDT is adequately prepared in the event of a Cayman TIA review.

If you have any questions on the above, or if you would like any further information, please do not hesitate to [contact us](#).



David Conen
Partner, Tax
KPMG
dgconen@kpmg.ky



Catherine Houts
Director, Tax
KPMG
catherinehouts@kpmg.ky



Gautam Ganeshan
Director, Audit
KPMG
gautamganeshan@kpmg.ky



Jigna Patel
Senior Manager, Tax
Advisory, KPMG
ijgnapatel@kpmg.ky

Key links

- [CRS Compliance Form](#)
- [FATCA FAQs](#)
- [KPMG Global AEOI Alerts Summary](#)
- [KPMG in the Cayman Islands](#)

kpmg.com/socialmedia



kpmg.com/app



[Privacy](#) | [Legal](#)

You have received this message from KPMG. If you wish to unsubscribe from this e-comm, please [click here](#). If you wish to unsubscribe from all KPMG communications, please [click here](#).

If you have any questions, please send an email to marketing@kpmg.ky.

KPMG, P.O. Box 493, Six Cricket Square, Grand Cayman KY1-1106, Cayman Islands

© 2020 KPMG a Cayman Islands partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative (“KPMG International”), a Swiss entity. All rights reserved. The KPMG name and logo are registered trademarks or trademarks of KPMG International.