

Information from the Oberbank:

## Automatic Exchange of Financial Account Information – Common Reporting Standard (CRS)

**The Common Reporting Standard regulates the automatic, international exchange of tax-related information. Financial institutions from participating jurisdictions submit information about customers with tax residency in another participating jurisdiction to the financial authorities. The financial authorities exchange the relevant data with other participating jurisdictions.**

At the OECD Global Forum held on October 29th 2014, a multilateral, administrative agreement was concluded regarding the automatic exchange of financial information (the Common Reporting Standard, or CRS for short). On the European Union level, the Common Reporting Standard is anchored in the EU Mutual Assistance Directive, which is to be implemented in all member states. In Austria this took place via the Common Reporting Standards Act (GMSG for short).

### • **What time scale is foreseen?**

The EU member states and more than twenty non member states that constitute the so-called “early adopters” first report financial information relating to 2016 in 2017. As from January 1st 2016, the banks in the participating jurisdictions are obliged to examine the tax residency of their customers. Austria started this practice nine months later on October 1st 2016. The initial report (for the short year 2016) is provided in a limited form in 2017, as only new accounts are to be reported. Full reporting must be undertaken from 2018 onwards.

### • **What does CRS mean for the banks and their customers?**

Owing to CRS, the banks will be obliged to undertake two main tasks:

- The **identification** of customer fiscal residency.
- The **automatic reporting** of customers with fiscal residency in one or more of the participating jurisdictions.

### • **How will the fiscal rating of customers be carried out?**

New customers (in Austria from October 1st 2016) shall be obliged to make known their tax residency by means of a self certification. The tax residency of pre-existing customers will be established in accordance with statutory requirements using the customer data contained in the system. Pre-existing customers can submit a self certification to declare their tax residency or to change the classification made by the bank. Under certain circumstances the financial institution is obliged to gain a self certification from pre-existing customers.

The participating countries have undertaken a commitment to support taxable persons with the determination of their fiscal residency. Banks may not consult with their customers regarding their tax residency.

### • **Who will be reported?**

All customers with a tax residency in one of the participating states will be reported to the Austrian Federal Finance Ministry. This affects both individuals and legal entities.

## • What will be reported?

The report will contain both specific personal data, as well as information regarding the account including balances and certain movements. In concrete terms, the following data will be reported in line with the statutory conditions of the CRS:

1. The following personal data for every reportable person, who in accordance with the CRS is seen as the account holder:

- Name
- Address
- Jurisdiction(s) of residence
- Tax identification number(s)
- Date and place of birth (in the case of individuals)

In the case of a legal entity/company, the following additional data concerning the controlling person(s) is to be reported, if the controlling person(s) is a reportable person(s) (i.e. the person(s) in question are resident in a participating jurisdiction) and the entity is a passive non-financial entity or an investment company located in a non-participating country:

- Name
- Address
- Jurisdiction(s) of residence
- Tax identification number(s)
- Date and place of birth

2. The following account information

- The number of the depository account (e.g. giro, savings or forward account, savings book or card), as well as the number of the custodial account
- The account balance or value of the custodial account at the end of the year, or should the account have been closed during the year, the closure of the account
- The total gross amount of interest on a depository account, which was credited to the account during the calendar year
- The total gross amount of interest, dividends and other income, which were paid or credited to the custodial account
- The total gross income derived from the sale or redemption of securities/financial assets

## • With which countries does Austria exchange data?

Austria exchanges the aforementioned information regarding financial accounts and data with the participating country of residence of the reportable person.

All the EU states represent participating jurisdictions (including French Guayana, Guadeloupe, Martinique, Mayotte, Reunion, Ceuta and Mellila, Gibraltar, the Canary Islands), as well as for example: Andorra, Liechtenstein, Monaco, San Marino, Switzerland, Saint Barthélemy, Anguilla, Argentina, Aruba, Australia, Bermuda, British Virgin Islands, Cayman Islands, China, Curaçao, Faroe Islands, Guernsey, India, Iceland, Isle of Man, Japan, Jersey, Canada, Columbia, Republic of Korea, Mauritius, Mexico, Montserrat, Russia, New Zealand, Norway, Sint Maarten and the Turks and Caicos Islands, and the Dutch territories of Sint Eustacius, Saba und Bonaire.\*

## • Can reporting take place without the consent of the customer?

Prior to the initial reporting, every Austrian financial institution shall be obliged to inform the persons affected in general form, or make available the information that data will be transferred in the course of the automatic exchange of information. A release from the obligation to banking secrecy and consent to the report in line with data protection statutes are not required.

\* The entire list of participating jurisdictions can be found in the directive of the Federal Ministry of Finance on § 91 Z 2 GMSG.

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