



## **CARF and Amended CRS Take Effect in the Cayman Islands from 1 January 2026**

**Grand Cayman, 8 December 2025** – The Department for International Tax Cooperation (DITC) wishes to advise industry that on 1 January 2026, the Crypto-Asset Reporting Framework (CARF) and Amended Common Reporting Standard (CRS) will come into force in the Cayman Islands.

The first comprehensive review of the CRS resulted in the Organisation for Economic Co-operation and Development (OECD) issuing a new international tax transparency standard, CARF, and amendments to the CRS to build on the existing tax transparency frameworks and prevent the use of virtual assets for tax avoidance and evasion.

### **CARF**

The CARF provides for the automatic exchange of information on transactions in Crypto-Assets. It requires the collection, reporting and exchange of information on the customers of Crypto-Asset service providers. It is intended to support the CRS on automatic exchange of financial account information which came into effect in the Cayman Islands in 2016.

### **Who is in scope for CARF**

The CARF will apply to Cayman Reporting Crypto-Asset Service Providers (RCASPs). This refers to entities or individuals that, as a business, provide services effectuating Exchange Transactions in Relevant Crypto-Asset for or on behalf of customers. This includes instances where the entities or individuals act as a counterparty, or as an intermediary, to such Exchange Transactions, or by making available a trading platform. Crypto-Asset exchanges and other intermediaries and providers of exchange services, such as brokers and dealers in Relevant Crypto-Assets and operators of Relevant Crypto-Asset ATMs are included.

A Cayman RCASP means —

- (a) an RCASP resident in the Islands other than any of its branches outside the Islands; or
- (b) a branch in the Islands of an RCASP not resident in the Islands.

### **What to report**

The following transactions are reportable under CARF:

- exchanges between Relevant Crypto-Assets and Fiat currencies;
- exchanges between one or more forms of Relevant Crypto-Assets; and
- Transfers of Relevant Crypto-Assets, including Reportable Retail Payment Transaction.

“Relevant Crypto-Asset” means any crypto-asset that is not a Central Bank Digital Currency (CBDC), a specified electronic money product or any crypto-asset for which the RCASP has adequately determined that it cannot be used for payment or investment purposes.

A "Crypto-Asset" is any digital representation of value which relies on a cryptographically secured distribution ledger or a similar technology to validate and secure transactions. This includes payment tokens (e.g. Stablecoins and Bitcoin), utility tokens, certain non-fungible tokens (NFTs) and security tokens.

Like the CRS, RCASPs will be required to follow due diligence procedures to identify their Crypto-Asset Users, determine the relevant tax jurisdiction for reporting and collect relevant information needed to comply with the reporting requirements.

### **Amended CRS**

Along with the CARF, the CRS has been amended to bring certain electronic money products and CBDCs within its scope. Changes ensure that indirect investments in Crypto-Assets through derivatives and investment vehicles are now covered by the CRS.

### **Key changes**

The amendments aim to close loopholes by broadening the scope of reportable products, strengthening due diligence, and improving the exchange of information. This includes:

- **Broader scope of reportable products:** the amendments expand the scope of reportable products to include new products; electronic money and CBDCs. This will bring certain Financial Institutions (FIs) into scope.
- **Crypto-Asset reporting:** it covers Crypto-Assets held indirectly through traditional financial products, investment vehicles and derivatives.
- **Alignment with CARF:** The amended CRS' alignment with CARF is intended to avoid duplicative reporting and create a comprehensive information exchange framework for tax purposes on crypto-assets.

### **When to report (implementation timeline)**

Implementation for both CARF and Amended CRS will be in 2026. First reporting will be in 2027 for the 2026 calendar year and first exchanges with partner jurisdictions in 2027.

### **Where to report**

The collected information will be reported to the Department for International Tax Cooperation (DITC) on an annual basis.

### **Guidelines and Resources to support RCASPs and FIs**

[The Tax Information Authority \(International Tax Compliance\) \(Crypto-Asset Reporting Framework\) Regulations, 2025](#) and [Tax Information Authority \(International Tax Compliance\) \(Common Reporting Standard\) \(Amendment\) Regulations, 2025](#) have been published. To support users through this transition Quick Guides are available on the [DITC Website](#). Further guidelines and resources will become available in 2026.

The OECD has also released [International Standards on CARF and update to CRS](#), [Consolidated Text of the CRS \(2025\)](#), [CRS FAQs](#), [CARF FAQs](#), and updated [XML schemas](#) to support implementation of the new rules for reporting on crypto-assets, electronic money and CBDCs. The OECD CARF commentary is an integral part of the CARF and applies for the purposes of the automatic exchange of financial account information under a relevant scheduled agreement.

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