

Department for International Tax Cooperation



CAYMAN ISLANDS

Updates Bulletin

Posted June 2023

It is recommended that this webpage is reviewed regularly to check for updates on the following subjects:

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I. 2022 CRS & FATCA Reporting Deadlines

The DITC Portal is open for 2022 CRS and FATCA XML uploads.

Reporting obligation	Deadline
2022 CRS Reporting	31 July 2023
2022 CRS Filing Declaration (Nil return)	31 July 2023
2022 FATCA Reporting	31 July 2023
2022 CRS Compliance Form	15 September 2023

CRS: 2022 Reportable Jurisdictions

An updated list of [CRS Reportable Jurisdictions](#) was published in the Cayman Islands Gazette, Issue No.24/2023, on 31 March 2022.

Please note: Reporting FIs are required to make a reasonable effort to obtain the TIN(s) and DoB for Accounts by the end of the second calendar year following the year in which the Accounts were identified as Reportable Accounts.

FATCA: Revised IRS TIN Placeholder Codes

In January 2023, the IRS released [notice 2023-11](#), regarding Foreign Financial Institution Temporary U.S. Taxpayer Identification Number Relief.

[Question 6 of the IRS Reporting FAQs](#) contains the updated list of acceptable placeholder TINs.

The [DITC Portal User Guide](#) has been updated (see pages 57-59) for guidance on how the TIN placeholder codes should be used.

II. CRS Compliance Team Reminders

The DITC CRS Compliance Team would like to remind FIs that:

- **Each FI with a CRS reporting obligation is required to submit a CRS Filing Declaration to the Authority by 31 July annually.** Pursuant to Regulation 9(1)(b) of the [Tax Information Authority \(International Tax Compliance\) \(Common Reporting Standard\) Regulations \(2021 Revision\)](#).
 - The CRS Filing Declaration serves one of two purposes:
 - It summarises the number of Account Reports reported in the FIs CRS XML Returns to each Reportable Jurisdiction; or
 - Constitutes a nil return if the FI does not maintain any Reportable Financial Accounts.
- **The CRS requires the date of birth to be reported for all individuals included in the XML.**
 - Those include all individuals who are Reportable Persons, i.e. both for Account Holders and Controlling Persons. While some exceptions apply, the instances where it is acceptable not to report a DOB are very limited. Please refer to the [DITC's Explanatory Note](#).
- **The CRS requires the TIN to be reported for all persons included in the XML.**
 - Those include all Reportable Persons (Account Holders and Controlling Persons), as well as all Entity Account Holders in cases where one or more Controlling Persons are Reportable Persons. While some exceptions apply, the instances where it is acceptable not to report a TIN are very limited. Please refer to the [DITC's Explanatory Note](#).

III. DITC Portal Update

A. FI Deactivations

The DITC Portal now has the functionality to deactivate a Financial Institution (FI) from the DITC Portal where the entity has ceased to exist or is otherwise no longer a Cayman Reporting FI. A form is available to the Principal Point of Contact (PPoC) to request an FI deactivation, and the [DITC Portal User Guide](#) has been updated (see pages 24-25) to provide guidance on how to fill out the form.

To deactivate an FI from the DITC Portal, all reporting obligations must be completed before the PPoC submits a deactivation request. These obligations include a CRS Return (if applicable), CRS Filing Declaration and CRS Compliance Form for each year the FI had reporting obligations.

Evidence of dissolution

Where an FI has ceased to exist, its PPoC must submit evidence that supports this claim. Examples include:

- Certificate of Dissolution, Strike-Off, or equivalent
- Trust deed that clearly indicates the FI Name and date of termination
- Directors resolution to terminate a cell of an SPC

Change in classification

Where an Entity is of the view that it should no longer be considered a Cayman Reporting FI, the evidence to be provided is expected to be in the form of a letter which:

- 1) explains the reason why the Entity was initially classified as an FI based on the definition of that term in the CRS;
- 2) explains the reason why the Entity is no longer an FI and from what date;
- 3) indicates how the Entity should now be classified (e.g. as a Passive or Active NFE) under the CRS; and
- 4) includes evidence supporting the claim, such as termination of an investment management agreement or self-certification forms.

Retention of Information

When submitting an FI deactivation request, the PPoC is required to indicate the contact information of the person who will retain the FIs records for a period of 6 years following the date of deactivation from the DITC Portal. Record retention is required under Regulation 12(3) of the CRS Regulations, and is important to ensure that the Tax Information Authority is able perform its monitoring function and respond to requests from the jurisdictions to which CRS data has been exchanged.

FIs in liquidation

An Entity does not cease to be classified as a Cayman Reporting FI for the sole reason of being in liquidation. In fact, in most cases residual assets and debtors remain, and realisation or recovery actions are being pursued the results of which may be distributed to Account Holders. Liquidators (or equivalent) must ensure that the FI continues to satisfy all of its obligations under Part 2 of the CRS Regulations. In particular, but without limitation, this includes the obligation to give the Authority a change notice regarding any User changes on the DITC Portal, any required reporting, and a deactivation request upon final dissolution or winding up.

*** END ***