



GOVERNANCE & REGULATORY COMPLIANCE SERVICES FATCA & CRS COMPLIANCE - INDIA

One of Amicorp's core businesses is the provision of global compliance and regulatory services through its Assurance solutions platform. More than half of the top 10 global private banks, asset managers, family offices and independent financial advisors have chosen Amicorp as their preferred business partner because of our specialist knowledge and services in the regulatory and compliance field across various continents.

Across more than 40 offices in over 30 countries including offices in New Delhi, Mumbai and Bangalore, we aim to become your strategic partner of choice delivering our full suite of assurance services to you and your clients.

NEW MARKET REALITIES: FATCA & CRS

In an ever-evolving global regulatory landscape, the OECD and local governments are rapidly implementing new global regulations in order to combat tax evasion by taxpayers on their foreign financial accounts and cross-border investments. The OECD has established the Standard for Automatic Exchange of Financial Account Information in Tax Matters and the Common Reporting Standard (CRS). This was based on the Foreign Account Tax Compliance Act (FATCA) and the Intergovernmental Agreements (IGA) as launched by the USA in 2014.

Today more than 100 jurisdictions worldwide have implemented CRS in their domestic legislation, and agreements are being signed to exchange information on financial accounts between CRS participating jurisdictions automatically. The CRS agreements are effective as of 2016 or 2017 with the first automatic exchange between jurisdictions as per 30th September of the subsequent year. This will have a profound impact on your compliance, reporting, as well as structuring.

FATCA & CRS IN INDIA

In 2015, India signed the reciprocal Model-1 IGA and multilateral pact (MCAA) with USA and OECD respectively to launch FATCA and CRS in India. These regulations were implemented in local legislation by adding sections 114F to 114H for Indian Income Tax Act. The reporting of accounts identified as reportable should be filed in a prescribed format (Form 61B) on the Insight portal. Non-compliance with these regulations will be dealt with under Section 271FA and 271FAA with penalties from INR 500 to INR 50,000.

FATCA & CRS COMPLIANCE REQUIREMENTS

All entities classified as Financial Institutions (FI) in CRS participating jurisdictions that maintain financial accounts have compliance and reporting obligations under the CRS. The FIs include not only banks, mutual funds and hedge funds, but also include trusts with corporate trustees, as well as many offshore Private Investment Companies with a discretionary mandate granted to investment managers, which are to be classified as FI-Investment Entities.

To be compliant, each FI needs to perform pre-described due diligence procedures to identify financial account holders who

are tax resident in CRS reporting jurisdictions. The information of those reportable accounts will be annually reported by the FI to local tax authorities and subsequently will be automatically exchanged between CRS reporting jurisdictions. CRS sets out the personal and financial account information to be reported (balance/value, interest, dividends and sales proceeds), which FIs need to report and the different types of accounts and taxpayers covered (individuals and entities).

AMICORP ASSURANCE FOR YOUR REPORTING AND COMPLIANCE

You or your client may hold one or more entities with investment accounts, which under FATCA, the IGAs and/or CRS may have to be classified as a Financial Institution.

Amicorp Assurance continues to maintain close monitoring of all these new regulations. We are well positioned to help you meet all the reporting requirements. Amicorp Assurance can help Financial Institutions, family offices, high-net-worth individuals, and asset and fund managers with all the CRS compliance requirements, from CRS classification, registration, due diligence on account holders, annual reporting of CRS reportable accounts up to completing W8 and self-certification forms.

OUR FATCA & CRS SERVICES

Entity Classification: Determine the classification of an entity as Financial Institution-Investment Entity (FI-Investment Entity) or Non-Financial Entity (NFE), either Passive NFE or Active NFE. The FATCA and CRS Classification reports will be prepared and are accessible through our online portal giving full insight into all classification and ongoing actions. And classifications will be aligned with the respective banks / FI's where financial accounts are held.

Prepare W8 Forms and Self Certificates: Prepare the relevant "W8" Forms or self-certificates to establish the FATCA and CRS status of the entity to the banking institutions. For entities that are identified as Passive NFEs, we also help to prepare the necessary forms for the Controlling Persons.

Enrolment/Registration: Registration of the FI at the IRS Portal and obtain a Global Intermediary Identification Number (GIIN) and enrolment/registration at the AEOI portal of local tax authorities (Insight - Indian Income Tax).

Authorizing Person (AP) and Principal Point of Contact (PPoC) services: In some countries it is required that every entity classified as Financial Institution should assign an Authorizing Person and Principal Point of Contact upon

enrolment at the portal. Such Authorizing Person and PPOC are responsible to ensure the FATCA and CRS compliance as well as to communicate with tax authorities on any queries thereof. Amicorp can provide such services in jurisdictions that allow institutions to act as Authorizing Person and PPOC.

Due Diligence of New Entity Accounts and New Individual Accounts: We help onboarding individuals and entities with their due diligence for CRS purposes. This includes the collection and preparation of self-certification forms, review, and validation of each accountholder's information on its CRS status and tax residence. We determine whether information inconsistencies with Financial Institutions exist and work on resolving them.

Pre-Existing Account Due Diligence and Enhanced File Review: We will review the information of all account holders in order to identify any CRS indicia on tax residencies as well determine the CRS status of entity account holders, fully in line with the due diligence procedures and pre-described by the OECD and embedded in local legislation. Subsequently, we collect counter evidence where needed in order to cure such indicia, and then conclude on the reportable accounts.

Annual Reporting: We can prepare and file the annual FATCA reporting and CRS reporting of reportable accounts to the IRS and/or AEOI portal of the local tax authorities. For FI's in India the reporting of the identified FATCA and CRS Reportable Accounts will be done through Form 61B at the Insight portal of India.

System Analysis: Gap analysis of existing systems including onboarding and design of self-certification forms to propose an efficient flow that caters to FATCA and CRS compliance.

Training and Consulting: Train the existing staff of your company and equip them with the knowledge transfer required for in-house FATCA and CRS compliance.

Outsourcing Services: Manage the burden of the FATCA and CRS compliance in a viable and feasible manner in terms of cost and expertise.

TAX DISCLOSURE BY UBO'S AND COMPLIANT STRUCTURING

Amicorp Assurance can also help you or your clients with the impact of this increasing transparency on the tax disclosures and compliant structuring. Upon your request we can also review your existing structure or your entire client portfolio, to assess the local disclosure compliance and determine if restructuring measures are necessary and favorable to your needs.

We can assist by providing compliance, regulatory, risk management, and corporate secretarial services. We can also provide corporate governance services and a statutory managing director or trustee – keeping you compliant with regulatory and local filing requirements.

AMICORP GROUP YOUR BUSINESS IS OUR BUSINESS

Amicorp is a boutique service provider with a dedicated network of international experts and specialists. We offer a wide range of customized solutions to help businesses grow and be successful. Our innovative solutions include cross-border structuring, corporate assurance and regulatory compliance support, and multi-facet business support alternatives for companies wanting to invest or expand locally or globally. In addition, we offer fund administration, financial services and global family office solutions, all addressing the distinct needs of our clients. We collaborate with and support clients in over 100 countries worldwide; we offer them solutions that they are looking for in today's ever-changing macro environment.

*International networking
and global experience by a team of 700+ knowledgeable experts*

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