

July 2024

Foreign tax status

Foreign Account Tax Compliance Act (FATCA) Common Reporting Standard (CRS)

Some useful information about FATCA / CRS and why we need to collect information on your foreign tax status.

What's FATCA and CRS?

FATCA commenced on 1 July 2014 and is a regulatory requirement that aims to deter tax evasion by United States citizens or residents.

CRS commenced on 1 July 2017 and is the global version of FATCA. CRS's ultimate objective is to achieve global tax transparency and over 100 countries have committed to exchange information with each other under CRS.

Under FATCA and CRS, financial institutions such as us are required to identify and report annually to the Australian Tax Office (ATO), clients with certain types of foreign tax status, as set out in the Foreign tax status declaration form.

The ATO will in turn pass this information onto the relevant tax authorities.

When do we collect combined FATCA / CRS information?

If you open a new Investment account

We will require the Tax Residency section of the application form to be fully completed. We will need to contact you where:

- You don't answer some or all of the questions, or
- The responses provided weren't clear or consistent.

We will not be able to accept monies or finalise your account until we have confirmed your information relating to FATCA/CRS.

When you change your account details

Some changes to your account details require us to contact you to confirm your foreign tax status. This can include giving us a US address when we do not have details indicating you're a US citizen or resident for tax purposes.

If you opened your account before 1 July 2017

We'll also ask you for foreign tax information, if you opened an account before 1 July 2017 and your account included foreign details. For example a UK address or phone number.

How do I provide my foreign tax status?

Just complete the attached Foreign tax status declaration form and return it to us, if possible within 30 days of receiving the request.

Can my financial adviser provide my foreign tax status?

Your financial adviser can complete our Foreign tax status declaration form or a Financial Services Council (FSC) form on your behalf.

What happens if I don't provide this information?

If your account includes foreign details and you don't answer the questions or send us the information requested, we're required to report the details of the account annually to the ATO. The reporting period is 1 January to 31 December and the report is due to be lodged by 31 July the following year.

What is reported to the ATO?

We're required to report client identification details, account balances, income and certain transaction activity.

Joint accounts

If you have a joint account, we're only required to report the account holder identified under the FATCA and CRS legislation. We'll contact the impacted account holder separately.

What if my foreign tax status changes?

If your tax residency changes or your number of tax residencies changes at any time, please let us know.

For more information on FATCA or CRS visit ato.gov.au
You can also contact ClientFirst on 1800 931 792
or email portfolioservice@sfg.com.au

