ANGUILLA

Common Reporting Standard

Guidance

Guidance issued under section 13 of The International Tax Compliance (CRS) Regulations, 2016

First Issued: July 2017

Last Updated: June 2024

Version: 3

Contents

Overview

General

The Common Reporting Standard (CRS) is a global standard developed by the Organisation for Economic Co-operation and Development (OECD). For the CRS and the Model Competent Authority Agreements, the OECD has developed extensive commentaries that are intended to illustrate or interpret its provisions and to ensure consistency in application across jurisdictions. The Organisation for Economic Cooperation and Development (OECD), in close cooperation with the G20 and other stakeholders, has developed The Common Reporting Standard (CRS). Under the CRS, committed jurisdictions obtain information from their financial institutions and automatically exchange that information with other jurisdictions on an annual basis.

The CRS sets out the financial account information to be exchanged, the financial institutions required to report, the different types of accounts, account holders and controlling persons covered, as well as common due diligence procedures to be followed by financial institutions. The CRS draws on the arrangements in the inter-government agreement known as Foreign Account Tax Compliance Act (FATCA), to maximise efficiency and minimise costs.

The Standard consists of the following elements:

i. The Common Reporting Standard (the CRS) that contains due diligence and reporting rules for financial institutions;
ii. The Model Competent Authority Agreement (the CAA) which serves as the legal framework for exchange;
iii. The Commentaries that illustrate and interpret the CAA and the CRS; and
iv. A CRS XML Schema and User Guide that allows the reporting of information under the CRS in an IT-based and standardised manner.

All CRS legislation and relevant resources are available on the Competent Authority's website

OECD Core Documents & Resources

- The Common Reporting Standard
- Commentaries
- The CRS Implementation Handbook
- CRS Related FAQs

- CRS XML Schema

Purpose and Interpretation of Guidance

This Guidance has been published on the Competent Authority's website along with other relevant materials. These guidance notes are to be treated as supplementary to the Standard and not intended to supersede the OECD materials which form the core of the Standard and its interpretation. These guidance notes provide guidance on the CRS features specific to Anguilla. Financial Institutions should seek independent legal or other professional advice if unclear as to their obligations under the law.

Domestic Law and Operations

The CRS is implemented in Anguilla through the Tax Information Exchange (International Cooperation) Act 2016, which serves as the overarching legislation for all forms of exchange of information for tax purposes. Provisions for the CRS are made by way of regulations, namely The International Tax Compliance (CRS) Regulations, 2016, (hereinafter referred to as the CRS Regulations). The CRS Regulations came into force on the 17th July 2016. These regulations incorporate the wider approach and options under the CRS.

A number of terms used in this Guidance are defined in the CRS Regulations, and whilst this Guidance provides further information to assist with the interpretation of some of these terms, the reader is referred to the CRS Regulations for full definitions of all relevant terms.

Competent Authority

For the purposes of the Multilateral Convention on Mutual Administrative Assistance in Tax Matters, the Anguilla Competent Authority is the Permanent Secretary of Finance, whose functions are delegated. For the purposes of the CRS, the functions of the Competent Authority are delegated to the Director of the International Tax Cooperation and the International Tax Cooperation (ITC) Unit for specific functions.

Registration Obligations

Registration on the AEOI Portal

The CRS Regulations have been amended to require, commencing in 2024, every Anguilla Financial Institution, other than specified exempted institutions, to register on the Anguilla AEOI Portal. Further details to follow in this regard.

Registration is not required to be repeated annually, however, any changes to registration details must be advised to the Competent Authority.

De- registration on the Anguilla AEOI Portal

Financial Institutions that wish to deactivate registration on the AEOI Portal should send a letter of notification[1] requesting deactivation to Anguilla.EOI@gov.ai. Please include in the notification the circumstances that the Financial Institution no longer has filing obligations in Anguilla and/or who will be taking over responsibilities for filing obligations. The email should include supporting evidence, such as any relevant Certificate(s) of Dissolution and/or Transfer by Continuation. The Financial Institution must also change their reporting obligations in the Anguilla AEOI Portal. Details on this process will be provided by the ITC Unit when a FI notifies of wishing to deactivate from the AEOI Portal.

The Competent Authority will review the request and consider whether the Reporting Financial Institution has or had outstanding obligations under the CRS Regulations and may require further information regarding the status of any such obligations that appear to be outstanding.

An Anguilla Financial Institution will be required to submit CRS Returns and a CRS Filing Declaration in relation to any part of a reporting period up to the date of migration unless it is migrating to another Participating Jurisdiction which will require the Financial Institution to make CRS Returns for that reporting period.

Reporting

Financial institutions will be required to report information required under CRS to the Competent Authority via the Anguilla AEOI Portal, which can be accessed at https://anguillaaeoi.gov.ai/ (a portal user guide can be accessed therein). The ITC Unit will then exchange that information with Reportable Jurisdictions that have satisfied the requisite confidentiality and data safeguards standards and have the appropriate legal instruments and legislative frameworks in place. The ITC Unit may contact FIs about the accuracy of information submitted to the Anguilla AEOI Portal.

[1] This letter should come from the PPOC or a Director / General Partner of the Financial Institution

The reporting schema to be used is the published CRS XML Schema that is available on the OECD Automatic Exchange Portal.

Reporting Financial Institutions

Reporting Financial Institution means any Anguilla Financial Institution that is not a non-reporting financial institution. The term "Anguilla Financial Institution" means—

(i) any branch of a Financial Institution that is not resident in Anguilla, if that branch is located in Anguilla; and

(ii) any Financial Institution that is resident in Anguilla, but excludes any branch of that Financial Institution that is located outside of Anguilla

Non- Reporting Financial Institutions

A non- reporting financial institution means a Financial Institution as defined in subparagraphs B(1)(a), (b), (d) and (e) of Section VIII of the Standard. The rules regarding Non-Reporting Financial Institutions are in Schedule 3 (Section VIII paragraph B) of the CRS Regulations. Retirement and Pension Funds that meet the definitions of Broad Participation Retirement Fund or Narrow Participation Retirement Fund under Schedule 3, Section VIII paragraph B will be Non-Reporting Financial Institutions under the CRS.

Non-Financial Entities

An Entity that is not an FI is an NFE. A NFE that is not an Active NFE is a Passive NFE. The CRS requires a Passive NFE to disclose its Controlling Persons to any Reporting FI with which it has an account whereas an Active NFE is not required to disclose its Controlling Persons.

The CRS commentary provides that an Entity's status as an FI or NFE should be resolved under the laws of the Participating Jurisdiction in which the Entity is resident. If an Entity is resident in a Non-Participating Jurisdiction, the rules of the Participating Jurisdiction in which the account is maintained, such as Anguilla, determine the Entity's status as an FI or NFE since there are no other rules available. Therefore, when determining an Entity's status as an Active or Passive NFE, the rules of the jurisdiction in which the account is maintained determine the Entity's status.

Active NFE

The term Active NFE means an Entity, or Related Entity, the stock of which is regularly traded on an established securities market. The term "stock" is limited to shares in a corporation. Accordingly, only a corporation can qualify as an Active NFE on the basis of the fact that its stock is regularly traded on an established securities market.

Passive NFE

A Reporting FI is required to determine the residence of every Controlling Person of a Passive NFE that is an Account Holder. Subparagraph D(6) of Schedule 1 to the CRS Regulations defines the term “Controlling Persons” and paragraphs 132 to 137 of the commentary on the CRS elaborate on the Controlling Persons of different types of Entities. “Controlling Person” corresponds to the term “beneficial owner” as described in Recommendation 10 and the Interpretative Note on Recommendation 10 of the FATF Recommendations. In applying the FATF Recommendation to Controlling Persons of Passive NFEs that are legal persons, the following should be noted:

(a) In applying the first test of the FATF Recommendation, controlling ownership interest depends on the ownership structure of the company. In Anguilla, a Controlling Person for CRS purposes would include (without limitation) any individual who would be regarded as a “beneficial owner” under the Anti-Money Laundering Regulations (2020 Revision). With effect from December 2017, the threshold is at least 10% for a controlling ownership interest of an Entity that is a legal person (i.e. not 25%)

(b) In applying the second test of the FATF Recommendation, control through other means may be achieved through shareholder or nominee agreements.

(c) In applying the third test of the FATF Recommendation, this may be a managing director or it could be all directors if there is no managing director or other person with a senior management position.

Entities that are regarded as Passive NFEs and have another Entity that holds a controlling ownership interest are subject to the same cascading tests – each of the FATF tests must be considered in turn against that next Entity. Limited partnerships that are legal persons under their governing law and which are Passive NFEs are subject to the Controlling Persons test referred to above in respect of legal persons.

For example – a Delaware limited partnership (which is a legal person under Delaware law) is an investor in a Anguilla investment fund. The Delaware limited partnership has twenty limited partners who are natural persons with interests of 5% each, a corporate GP and an external manager. Under the first control test, no limited partner has a controlling ownership interest of at least 10%. Under the second control test, if no natural person has control through other means the GP would be regarded as having control. As the GP is an Entity that controls the Delaware limited partnership, consider if any of the shareholders of the GP Entity have at least 10% ownership interests. If none, consider if any natural person has control of the GP through other means. If none, identify the natural person who holds the position of senior managing official of the GP Entity.

Relevant Dates and Reporting Timelines

Under the Section 4 of the CRS Regulations financial institutions are required to file an annual information return, submitted electronically to the Competent Authority by the 31st May of the year following each reporting period. This reporting must be done annually.

The following are the effective dates for the implementation of the CRS in Anguilla:

- Pre-existing Accounts to be subjected to due diligence procedures are those in existence as at 30 June 2016
- New Accounts requiring self-certification by the customer are those opened on or after 1 July 2016
- The review of Pre-existing High Value Individual Accounts as at 30 June 2016 must be completed by 31 December 2016
- The first CRS reporting period ends on 31 December 2016
- Financial Institutions must complete their notifications to individual reported person by 31 January, 2017 for the 2016 reporting calendar year for CRS.
- Financial Institutions must complete their reporting to the Competent Authority by 31st August 2017 for the 2016 reporting calendar year for CRS
- First exchanges of information by the Competent Authority to partner jurisdictions will occur on or before 30 September 2017
- The review of Pre-existing Lower Value Individual Accounts at 30 June 2016 must be completed by 31 December 2017
- The review of Pre-existing Entity Accounts at 30 June 2016 must be completed by 31 December 2017.

Reportable Jurisdictions

A Reportable Jurisdiction is a jurisdiction with which an Agreement is in place pursuant to which there is an obligation to automatically exchange information on Reportable Accounts. With the exception of those Reportable Jurisdictions that are non-reciprocal, the Authority intends to exchange information with all Reportable Jurisdictions that have committed to the exchange, subject to satisfaction of the conditions in the relevant CAA or MCAA.

As Anguilla applies the wider approach, Financial Institutions must collect information on account holders from all foreign jurisdictions, other than the United States of America. This approach avoids financial institutions needing to perform additional due diligence each time a new jurisdiction joins the Multilateral Competent Authorities Agreement (MCAA). The reporting to the Competent Authority under Section 4 (1) of the CRS Regulations will only be for jurisdictions on the Participating Jurisdictions List.

Jurisdiction where the FI maintains its accounts

The general rule is that a Financial Account is an account maintained by an FI. Where an FI, other than a trust, is resident in Anguilla and one or more other Participating Jurisdiction, the FI will be subject to the reporting and due diligence obligations of the jurisdiction in which it maintains its Financial Accounts. The following table shows, which FI is considered to maintain each type of Financial Account:

Accounts	**Which Financial Institution is considered to maintain them**
Depository Accounts	The FI that is obligated to make payments with respect to the account (excluding an agent of an FI).
Custodial Accounts	The FI that holds custody over the assets in the account.
Equity and debt interest in certain Investment Entities	The Equity or Debt Interest in an FI is maintained by that FI. An Investment Entity shall always perform its reporting obligations in the Cayman Islands
Cash Value Insurance Contracts	The FI that is obligated to make payments with respect to the contract.
Annuity Contracts	The FI that is obligated to make payments with respect to the contract.

Participating Jurisdictions

A participating jurisdiction is defined as a jurisdiction listed in Schedule 2 of the CRS Regulations. This list will be amended from time in the event of changes to jurisdictions committed to implementation of the CRS. With the exception of those Participating Jurisdictions that are nonreciprocal, that is not receiving CRS information, Anguilla will exchange information with all Participating Jurisdictions that have committed to the exchange and satisfied of conditions in the relevant Competent Authority Agreement (CAA).

Following the completion of formalities by jurisdictions which are party to the MCAA or a party that has a bilateral CAA with Anguilla, and upon completion of the confidentiality and legal requirement stipulations in the CRS and the relevant CAAs, the Competent Authority will issue a list of Participating jurisdictions as per Schedule 2 of the CRS Regulations. This list is attached to these guidance notes and will be published on the Competent Authority's website.

Excluded Accounts

The CRS Regulations define excluded accounts as-

(a) an account as defined in subparagraphs C (17) (a) to (f) of Section VIII of the Standard; or

(b) an account listed as an excluded account in Schedule 1 of these Regulations

Dormant accounts (other than annuity contract) with a balance that does not exceed US$1,000 are Low-risk Excluded Accounts for the purposes of the CRS. Please refer to Schedule 1 of the CRS Regulations for further information in relation to excluded accounts.

Nil Returns

The CRS Regulations have been amended to mandate the filing of nil returns in 2025 in respect of the 2024 reporting period. Anguilla requires the filing of a nil return by a Reporting Financial Institution to indicate that it did not maintain any Reportable Accounts during the calendar year or other reporting period. It is therefore recommended that, in advance, Reporting Financial Institutions report any nil returns in respect of those accounts as the requirements will shortly come into force. NIL Returns are mandatory for each Reporting FI and must be submitted annually via the Anguilla AEOI Portal, pursuant to Section 4 (3) of the International Tax Compliance (Common Reporting Standard) (Amendment) Regulations, 2024.

The Anguilla AEOI portal currently facilitates the efficient filing of nil returns. If Reporting FI did not maintain any Reportable Accounts in a Reportable Jurisdiction, a NIL return should be reported. It should be noted that the CRS Filing Declaration constitutes a NIL return.

Taxpayer Identification Numbers (TINs)

As defined in subparagraph E(5) of Section VIII of the CRS, the term "TIN" means:

"Taxpayer Identification Number (or functional equivalent in the absence of a Taxpayer Identification Number). "

A TIN is a unique combination of letters and/or numbers, assigned by a jurisdiction to an individual or an Entity and used to identify the individual or entity for purposes of administering the tax laws of such jurisdiction. The TIN specifications (i.e. structure, syntax, etc.) are set by each jurisdiction's tax administration. While many jurisdictions utilize a TIN for personal or corporate taxation purposes, some jurisdictions do not issue a TIN. These jurisdictions, however, often utilize some other high-integrity number with an equivalent level of identification (hereinafter referred to as a "functional equivalent").

The TIN to be reported by the RFI is the TIN assigned to the Reportable Person by its jurisdiction of residence. In the case of a Reportable Person that is identified as having more than one jurisdiction of residence, the TIN to be reported is the Reportable Person's TIN with respect to each Reportable Jurisdiction. I.e. both TINs should be reported.

New Accounts (Financial Accounts maintained by a RFI opened on or after 1 January 2016)

The CRS requires reporting of the TIN, or functional equivalent, for all New Accounts (Account Holders and Controlling Persons), as the TIN must be collected upon account opening in the self-certification.

For pre-existing accounts, the CRS requires reporting of the TIN or functional equivalent, in all cases where it is in the records of the RFI. Where the TIN is not in the records, the RFI is expected to use reasonable efforts to obtain the TIN as promptly as possible.

Where no TIN has been provided for a Pre-existing Account in the CRS report filed, the Authority may request documentation to evidence that reasonable efforts have been undertaken to obtain the TIN. For purposes of the CRS, reasonable efforts mean genuine attempts to acquire the TIN, made at least once per year starting from the identification of the account as a Reportable Account.

The OECD has published an overview of domestic rules governing the issuance, structure, use and validity of TINs or their functional equivalent. (See TIN Formats)

The rules regarding collection of the TIN (or functional equivalent) and date of birth are subject to the exceptions set out in Section I Paragraphs C through E of Schedule 3 to the CRS Regulations and in paragraphs 25 through 34 of the commentary on the CRS.

Due Diligence Obligations

Every Reporting Financial Institution has due diligence as obligations detailed in the CRS, and as described in Section 2 to 4 and in Schedule 3 of the CRS Regulations. Every Reporting Financial Institution shall establish, maintain and document procedures that are designed to identify reportable accounts maintained by the institution.

The Reporting FI must implement and comply with these policies and procedures, which shall:

(a) identify each jurisdiction in which an Account Holder or a Controlling Person is resident for income tax or corporation tax purposes or for the purpose of any tax imposed by the law of the jurisdiction that is of a similar character to either of those taxes;

(b) apply the due diligence procedures set out in the CRS; and

(c) ensure that any information obtained in accordance with the CRS Regulations or a record of the steps taken to comply with the CRS Regulations in respect of a Financial Account is kept for 6 years from the end of the year to which the information relates or during which the steps were taken.

Every Reporting Financial Institution must keep records that the institution obtains or creates for the purpose of complying with the CRS Regulations, including self-certifications and records of documentary evidence for a period of at least six years from the end of the last calendar year to which the record relates (or in the case of a self-certification, the last day on which a related financial account is opened).

A Reporting FI is deemed to have contravened the policies and procedures relating to a self-certification or Documentary Evidence if the institution -

(a) knows, or has reason to believe, the instrument is inaccurate in a material way for the policies and procedures; and

(b) it makes a return that relies on the instrument's accuracy.

Documented policies and procedures should be appropriate for the type of institution and should record any appointment of third party service providers for the performance of obligations. The Reporting Financial Institution remains responsible for performance of obligations, notwithstanding the appointment of a third party.

Where a Reporting Financial Institution has not delegated performance of its CRS obligations to third parties its documented procedures should describe the performance of those CRS obligations in a manner that is corresponds to the type of entity and nature of its business.

Where a Reporting Financial Institution has appointed a third party service provider to perform its CRS obligations it should maintain documented procedures which describe what functions have been retained by the institution, what functions have been delegated to a third party, and how the performance of the delegated functions is overseen. This delegation may occur for example by an investment entity appointing a fund administrator to perform its obligations.

Reliance on AML/KYC procedures for identifying Controlling Persons

The Standard provides that for accounts with a balance or value below USD 1 million (after applying the aggregation rules), the Financial Institution may rely on information collected and maintained for regulatory or customer relationship purposes, including AML/KYC[2] procedures to determine whether a Controlling Person is a Reportable Person (Section V, D, (2), c)). If a Financial Institution does not have and is not required to have any such information on file that indicates the Controlling Person may be a Reportable Person, it cannot document the residence of the Controlling Persons and does not need to report that person as a Controlling Person.

An FI must confirm the reasonableness of self-certifications obtained from Account Holders based on other documentation, including any documentation collected pursuant to AML/KYC Procedures that is at its disposal. For instance, the fact that the self-certification indicates that the Account Holder has no residence for tax purposes but the other documentation on file contains an address constitutes a reason to doubt the validity of the self-certification. In such cases, the FI must ensure that it obtains a reasonable explanation and documentation, as appropriate, that supports the reasonableness of the self-certification. If the FI does not obtain a reasonable explanation as to the reasonableness of the self-certification, the FI may not rely on the self-

[2] Proceeds of Crime Act and associated Anti-Money Laundering Regulations and Anti-Money Laundering Code

certification and must obtain a new, valid self-certification from the Account Holder or Controlling Person. FIs may want to inform their Account Holders, that as part of such procedures, jurisdictions may monitor and review Account Holders that have not indicated a tax residence as part of their self-certification.

Residence/Citizenship by investment schemes

While residence and citizenship by investment (CBI/RBI) schemes allow individuals to obtain citizenship or residence rights through local investments or against a flat fee for perfectly legitimate reasons, they can also be potentially misused to hide their assets offshore by escaping reporting under the OECD/G20 Common Reporting Standard (CRS). In particular, Identity Cards and other documentation obtained through CBI/RBI schemes can potentially be misused to misrepresent an individual's jurisdiction(s) of tax residence and to endanger the proper operation of the CRS due diligence procedures.

Potentially high-risk CBI/RBI schemes are those that give access to a low personal income tax rate on offshore financial assets and do not require an individual to spend a significant amount of time in the location offering the scheme.

The OECD has analysed over 100 CBI/RBI schemes, offered by CRS-committed jurisdictions and have identified schemes that potentially pose a high-risk to the integrity of CRS. Financial Institutions are required to take the outcome of the OECD's analysis of high-risk CBI/RBI schemes into account when performing their CRS due diligence obligations. Further detail is provided on the OECD Webpage - *Frequently Asked Questions*

To the extent that the doubt is related to the fact that the Account Holder or Controlling Person is claiming residence in a jurisdiction offering a potentially high-risk CBI/RBI scheme, RFIs may consider raising further questions, including:

- Did you obtain residence rights under a CBI/RBI scheme?
- Do you hold residence rights in any other jurisdiction(s)?
- Have you spent more than 90 days in any other jurisdiction(s) during the previous year?
- In which jurisdiction(s) have you filed personal income tax returns during the previous year?

Where, taking into account all the relevant information, the facts and circumstances would lead the RBFI to have reason to know that an Account Holder or Controlling Person is claiming tax residency under a CBI/RBI scheme, it should take appropriate measures to ascertain the jurisdictions of tax residence of such persons. Where it becomes evident to the RBFI that the account holder may be tax resident in another jurisdiction, the RBFI should

require the account holder to submit a valid self-certification declaring the correct jurisdiction(s) of tax residence.

Is the Entity a Financial Institution?

The CRS Regulations broadly classify an Entity as either a Financial Institution (FI) or Non-Financial Entity (NFE). An "Anguilla Financial Institution" means a Custodial Institution, a Depository Institution, an Investment Entity or a Specified Insurance Company.

Investment Entity

An Investment Entity is any Entity that:

(a) primarily conducts as a business one or more of the following activities or operations for or on behalf of a customer:

i) trading in money market instruments (cheques, bills, certificates of deposit, derivatives, etc.); foreign exchange; exchange, interest rate and index instruments; transferable securities; or commodity futures trading;

ii) individual and collective portfolio management; or

iii) otherwise investing, administering, or managing Financial Assets or money on behalf of other persons; or

(b) the gross income of which is primarily attributable to investing, reinvesting, or trading in Financial Assets, if the Entity is managed by another Entity that is a Depository Institution, a Custodial Institution, a Specified Insurance Company, or an Investment Entity.

An Entity is treated as primarily conducting as a business one or more of the activities above, or an Entity's gross income is primarily attributable to investing, reinvesting, or trading in Financial Assets for purposes of the activities described above, if the Entity's gross income attributable to the relevant activities equals or exceeds 50% of the Entity's gross income during the shorter of:

i) the three-year period ending on 31 December of the year preceding the year in which the determination is made; or

ii) the period during which the Entity has been in existence.

This paragraph shall be interpreted in a manner consistent with similar language set forth in the definition of "Financial Institution" in the Financial Action Task Force Recommendations.

Specified Insurance Company

A Specified Insurance Company is any Entity that is an insurance company – or the holding company of an insurance company – that issues, or is obligated to make payments with respect to, a Cash Value Insurance Contract or an Annuity Contract. This generally includes most life insurance companies.

Sample Self Certificate Forms

The Business and Industry Advisory Committee to the OECD (BIAC) has drafted self-certification forms. These can be accessed via the below links to assist with the implementation of the CRS. The OECD has not approved the forms and neither the OECD nor BIAC regard them as mandatory or as best practice documents. They serve only to illustrate how financial institutions may consider requesting customer information from their accountholders. These forms serve as a basis for self-certification may be adapted or modified as necessary to suit the needs of the relevant Financial Institutions.

Controlling Person tax residency self-certification form

Entity tax residency self-certification form

Individual tax residency self-certification form

Self- Certification – "Day Two" Procedures

Self-certifications should be obtained and validated as part of a Financial Institution's account opening procedures for New Individual and Entity Accounts. The Standard provides that a Reporting Financial Institution must obtain a self-certification upon account opening (Sections IV(A) and V(D)(2)). Where a self-certification is obtained at account opening but validation of the self-certification cannot be completed because it is a 'day two' process undertaken by a back-office function, the self-certification should be validated within a period of 90 days. There are a limited number of instances, where due to the specificities of a business sector it is not possible to obtain a self-certification on 'day one' of the account opening process, in such circumstances, the

self-certification should be both obtained and validated as quickly as feasible, and in any case within a period of 90 days.

If the self-certification is not obtained within 90 days, then the account should be frozen or closed. This is in line with OECD CRS FAQ #22.

A Reporting Financial Institution which fails to take appropriate measures to obtain a valid self-certification from an account holder, or a person opening a new account, in accordance with the due diligence procedures described in Sections II to VI of the Standard commits an offence and is liable on summary conviction to a fine.

Obligations of a Financial Institution to establish tax residency

A Financial Institution is not required to provide customers with tax advice or to perform a legal analysis to determine the reasonableness of self-certification. Instead, as provided in the Standard, for New Accounts the Financial Institution may rely on a self-certification made by the customer unless it knows or has reason to know that the self- certification is incorrect or unreliable, (the "reasonableness" test), which will be based on the information obtained in connection with the opening of the account, including any documentation obtained pursuant to AML/KYC procedures. The Standard provides examples of the application of the reasonableness tests (Section IV, A, and the associated Commentary). The Standard also states that Participating Jurisdictions are expected to help taxpayers determine, and provide them with information with respect to, their residence(s) for tax purposes (Paragraph 6 of the Commentary to Section IV and Paragraph 9 of the Commentary on Section VI). The OECD is facilitating this process through a centralised dissemination of the information (on the Automatic Exchange Portal). Financial Institutions could also direct customers towards this information.

Other Agreements and Regimes

US FATCA was implemented in the Anguilla in accordance with the Anguilla /USA intergovernmental agreement (IGA) signed in January 2017, and the Foreign Account Tax Compliance Tax Compliance Act (United States of America) Regulations, 2017 published in February 2017. The United States is a non-participating jurisdiction for CRS purposes. The United States has indicated that it will continue to undertake automatic information exchanges pursuant to its FATCA IGAs. The FATCA legislative framework in Anguilla will therefore operate parallel to the CRS regime.

CRS Optional Approaches

The CRS provides for the adoption a number of 'optional approaches', which permit jurisdictions to incorporate into their domestic legislations these options where appropriate, without compromising the effectiveness of the Standard. These options are described in pages 12 to 17 of the CRS Implementation Handbook. An overview of these sixteen(16) options is provided below and reference is made to where they have been incorporated in the domestic law.

Alternative approach to calculating account balances – N/A

A jurisdiction that already requires Financial Institutions to report the average balance or value of the account may provide for the reporting of average balance or value during the calendar year or other appropriate reporting period instead of the reporting of the account balance or value as of the end of the calendar year or other reporting period. This option is likely only desirable to a jurisdiction that has provided for the reporting of average balance or value in its FATCA IGA.

Use of reporting period other than calendar year – N/A

A jurisdiction that already requires Financial Institutions to report information based on a designated reporting period other than the calendar year may provide for the reporting based on such reporting period. This option is likely only desirable to a jurisdiction that includes (or will include) a reporting period other than a calendar year in its FATCA implementing legislation.

Phasing in the requirements to report gross proceeds – N/A

A jurisdiction may provide for the reporting of gross proceeds to begin in a later year (as was the case in FATCA). If this option is provided a Reporting Financial Institution would report all the information required with respect to a Reportable Account. This will allow Reporting Financial Institutions additional time to implement systems and procedures to capture gross proceeds for the sale or redemption of Financial Assets. This option is contained in the FATCA IGAs, with reporting required beginning in 2016 and thus Financial Institutions may not need additional time for reporting of gross proceeds for the CRS. The Multilateral Competent Authority Agreement does not provide this option.

Third Party Service Providers to fulfil reporting obligations for FIs

Section 3, subsection 1, paragraph (a) of the CRS Regulations

A jurisdiction may allow Reporting Financial Institutions to use service providers to fulfil the Reporting Financial Institution's reporting and due diligence obligations. (Without this, difficulties could occur due to the interactions between various counterparties.) The Reporting Financial Institution remains responsible for fulfilling these requirements and the accounts of the service provider are imputed to the Reporting Financial Institution. This option is available for FATCA. **This option is offered.**

NOTE: Under Section 8 of the CRS Regulations, Financial Institutions may rely on a third party agent or service provider to fulfil due diligence and reporting obligations. However, the Financial Institution remains ultimately responsible for fulfilling these obligations and any failures on the part of the service provider are imputed to the Financial Institution.

Allowing due diligence procedures for New Accounts to be used for Preexisting Accounts

See Section 3, subsections 2-4 of the CRS Regulations.

A jurisdiction may allow a Financial Institution to apply the due diligence procedures for New Accounts to Preexisting Accounts. This means, for example, a Financial Institution may elect to obtain a self-certification for all Preexisting accounts held by individuals consistent with the due diligence procedures for New Individual Accounts. If a jurisdiction allows a Financial Institution to apply the due diligence procedures for New Accounts to Preexisting Accounts, a jurisdiction may allow a Reporting Financial Institution to make an election to apply such exclusion with respect to (1) all Preexisting Accounts; or (2) with respect to any clearly identified group of such accounts (such as by line of business or location where the account is maintained). **This option is offered.**

Allowing due diligence procedures for High Value Accounts to be used for Low Value Accounts

Section 3, subsection 1, paragraph (a) of the CRS Regulations

A jurisdiction may allow a Financial Institution to apply the due diligence procedures for High Value Accounts to Lower Value Accounts. A Financial Institution may wish to make such election because otherwise they must apply the due diligence procedure for Lower Value Accounts and then at the end of a subsequent calendar year when the account balance of value exceeds $1 million, apply the due diligence procedures for High Value Accounts. **This option is offered.**

Residence address test for Lower Value Accounts

See Section 3, subsection 1, paragraph b of the CRS Regulations

A jurisdiction may allow Financial Institutions to determine an Account Holder's residence based on the residence address provided by the account holder so long as the address is current and based on Documentary Evidence. The residence address test may apply to Preexisting Lower Value Accounts (less than $1 million) held by Individual Account Holders. **This option is offered.**

Note: In respect of Lower Value Accounts only, the CRS Regulations allows Financial Institutions to determine an Account Holder's residence based on the residence address provided by the account holder so long as that address is current and based on Documentary Evidence. This residence test may apply to Pre-existing Lower Value Accounts held by Individual Account Holders, see commentary of the CRS at commentary on section III, paragraph 9. The test is an alternative to the electronic indicia search for establishing residence. If the residence address test cannot be applied, because for example, the only address on file is an "in care of" address, the Financial Institution must perform the electronic indicia search.

Optional Exclusion from Due Diligence for Preexisting Entity Accounts of less than $250,000

See Section 3, subsection 1, paragraph c of the CRS Regulations

A jurisdiction may allow Financial Institutions to exclude from its due diligence procedures pre-existing Entity Accounts with an aggregate account balance or value of $250,000 or less as of a specified date. If, at the end of a subsequent calendar year, the aggregate account balance or value exceeds $250,000, the Financial Institution must apply the due diligence procedures to identify whether the account is a Reportable Account. If this option is not adopted, a Financial Institution must apply the due diligence procedures to all Preexisting Entity Accounts. **This option is offered.**

Simplified due diligence rules for Group Cash Value Insurance Contracts and Group Annuity Contracts –

See Section 3, subsection 7 of the CRS Regulations

With respect to a group cash value insurance contract or annuity contract that is issued to an employer or individual employees, a jurisdiction may allow a Reporting Financial Institution to treat such contract as a Financial Account that is not a Reportable Account until the date on which an amount is payable to an employee/certificate holder or beneficiary provided that certain conditions are met. These conditions are: (1) the group cash value insurance contract or group annuity contract is issued to an employer and covers twenty-five or more employees/certificate holders; (2) The employees/certificate holders are entitled to receive any contract value related to their interest and to name beneficiaries for the benefit payable upon the employee's death; and (3) the aggregate amount payable to any employee/certificate holder or beneficiary does not exceed $1 million. This provision is provided because the Financial Institution does not have a direct relationship with the employee/certificate holder at inception of the contract and thus may not be able to obtain documentation regarding their residence. **This option is offered.**

Note: Under Section 3, subsection 7 of the CRS Regulations, a Financial Institution may treat an account that is a Group Cash Value Insurance Contract or a Group Annuity Contract, as a non-reportable account until the date on which an amount is payable to an employee/certificate holder or beneficiary, if the Financial Account that is a member's interest in a Group Cash Value Insurance Contract or Group Annuity Contract meets the following requirements:

• The Group Cash Value Insurance Contract or Group Annuity Contract is issued to an employer and covers 25 or more employees/certificate holders;

• The employees/certificate holders are entitled to receive any contract value related to their interests and to name beneficiaries for the benefit payable upon the employee's death; and

• The aggregate amount payable to any employee/certificate holder or beneficiary does not exceed $1,000,000.

Allowing greater use of existing standardised industry coding systems for the due diligence process

See Section 3, subsection 5 of the CRS Regulations.

A jurisdiction may define documentary evidence to include any classification in the Reporting Financial Institution's records based on a standard industry coding system provided that certain conditions are met (making it easier to identify types of account holders). With respect to a pre- existing entity account, when a Financial Institution is applying its due diligence procedures and accordingly required to maintained a record of documentary evidence, this option would permit the Financial Institution to rely on the standard industry code contained in its records. **This option is offered.**

Currency Translation – N/A

All amounts in the Standard are stated in US dollars and the Standard provides for the use of equivalent amounts in other currencies as provided by domestic law. For example, a lower value account is an account with an aggregate account balance or value of less than $1 million. The Standard permits jurisdictions to include amounts that are equivalent (or approximately equivalent) in their currency to the US dollars amounts as part of their domestic legislation. Further, a jurisdiction may allow a Financial Institution to apply the US dollar amount or the equivalent amounts. This allows a multinational Financial Institution to apply the amounts in the same currency in all jurisdictions in which they operate.

Definition of Preexisting Account when pre-existing customers open a new account

Section 1(1) definition of Pre Existing Account.

A jurisdiction may, by modifying the definition of Preexisting Account, allow a Financial Institution to treat certain new accounts held by preexisting customers as a Preexisting Account for due diligence purposes. A customer is treated as pre-existing if it holds a Financial Account with the Reporting Financial Institution or a Related Entity. Thus, if a preexisting customer opens a new account, the Financial Institution may rely on the due diligence procedures it (or its Related Entity) applied to the customer's Preexisting Account to determine whether the account is a Reportable Account. A requirement for applying this rule is that the Reporting Financial Institution must be permitted to satisfy its AML/KYC procedures for such account by relying on the AML/KYC performed for the Preexisting Account and the opening of the account does not require new, additional, or amended customer information.

Note: “pre-existing account” means—

(a) a financial account maintained by a Reporting Financial Institution as of 30 June 2016, or

(b) any financial account of an account holder, regardless of the date the financial account was opened where—

(i) the account holder also holds with the Reporting Financial Institution (or with a related entity within the same jurisdiction as the Reporting Financial Institution) a financial account that is a pre-existing account under paragraph (a) of this definition;

(ii) the opening of the financial account does not require the provision of new, additional or amended customer information by the account holder other than for purposes of the Standard;

(iii) the Reporting Financial Institution (and, as applicable, the related entity within the same jurisdiction as the Reporting Financial Institution) treats both of the aforementioned financial accounts, and any other financial accounts of the account holder that are treated as pre-existing accounts under this paragraph, as a single financial account for purposes of satisfying the standards of knowledge requirements set forth in paragraph A of Section VII of the Standard, and for purposes of determining the balance or value of any of the financial accounts when applying any of the account thresholds; and

(iv) with respect to a financial account that is subject to AML/KYC procedures, the Reporting Financial Institution is permitted to satisfy the AML/KYC procedures for the financial account by relying upon the AML/KYC procedures performed for the pre-existing account described in paragraph (a) of this definition.

Expanded definition of Related Entity –

See Section 1, subsection 2, paragraph a, of the CRS Regulations.

Related Entities are generally defined as one entity that controls another entity or two or more entities that are under common control. Control is defined to include direct or indirect ownership of more than 50 percent of the vote and value in an Entity. As provided in the Commentary, most funds will likely not qualify as a Related Entity of another fund, and thus will not be able to apply the rules described above for treating certain New Accounts as Preexisting Accounts or apply the account aggregation rules to Financial Accounts maintained by Related Entities. AF jurisdiction may modify the definition of Related Entity so that a fund will qualify as a Related Entity

of another fund by providing that control includes, with respect to Investment Entities described in subparagraph (A)(6)(b), two entities under common management, and such management fulfils the due diligence obligations of such Investment Entities

Note: An Entity is a "Related Entity" of another Entity if (a) either Entity controls the other Entity; (b) the two Entities are under common control; or (c) the two Entities are Investment Entities described in subparagraph A(6)(b), are under common management, and that management fulfils the due diligence obligations of the Investment Entities. For this purpose, control includes direct or indirect ownership of more than 50% of the vote and value in an Entity

Grandfathering rule for bearer shares issued by Exempt Collective Investment Vehicle – N/A

With respect to an Exempt Collective Investment Vehicle, a jurisdiction may provide a grandfathering rule if the jurisdiction previously allowed collective investment vehicles to issue bearer shares. The Standard provides that a collective investment vehicle that has issued physical shares in bearer form will not fail to qualify as an Exempt Collective Investment Vehicle provide that: (1) it has not issued and does not issue any physical shares in bearer form after the date provided by the jurisdiction; (2) it retires all such shares upon surrender; (3) it performs the due diligence procedures and reports with respect to such shares when presented for redemption or payment; and (4) it has in place policies and procedures to ensure the shares are redeemed or immobilized as soon as possible and in any event prior to the date provided by the jurisdiction.

Controlling persons of trust

The definition of Controlling Person of a trust includes the settlor(s), trustee(s), beneficiary (ies), protector(s) and any other natural person exercising ultimate effective control over the trust. A jurisdiction may however allow Reporting Financial Institutions to align the scope of beneficiaries of a trust, who are treated as Controlling Persons of that trust, with the scope of the beneficiaries who are treated as Reportable Persons of a trust that is a Financial Institution. In such cases, a Reporting Financial Institution would only need to report discretionary beneficiaries as Controlling Persons in the year they receive distributions from the Passive NFE trust. Jurisdictions allowing their Financial Institutions to make use of this option must ensure that such Financial Institutions have appropriate procedures in place to identify when a distribution is made to a discretionary beneficiary of the trust in a given year that enables the trust to report such beneficiary as a Controlling Person.

For instance, the Reporting Financial Institution would require notification from the trustee that a distribution has been made to that discretionary beneficiary.

Non- Participating Jurisdiction Investment Entities

In accordance with Schedule 3 [Section VIII paragraph D (8)] of the CRS Regulations, Anguilla Financial Institutions are required to treat 'managed' Investment Entities, (or branches thereof) that are resident in (or located in) any Non-Participating Jurisdiction, as Passive NFEs and therefore report on the Controlling Persons of such entities that are Reportable Persons as defined in Schedule 3 [Section VIII paragraph D(2)] of the CRS Regulations.

'Managed' Investment Entities are those that meet the definition of an Investment Entity as per the Schedule 3 [Section VIII paragraph A(6)(b)] of the CRS Regulations. Any Jurisdiction that is not listed as a Participating Jurisdiction is therefore a Non-Participating Jurisdiction.

Determination of CRS Status of Entities

The CRS commentary provides that an Entity's status as a Financial Institution or nonfinancial entity (NFE) should be resolved under the laws of the participating jurisdiction in which the Entity is resident. If an Entity is resident in a Non-Participating Jurisdiction, the rules of the jurisdiction in which the account is maintained determine the Entity's status as a Financial Institution or NFE since there are no other rules available. Therefore, when determining an Entity's status as an active or passive NFE, the rules of the jurisdiction in which the account is maintained determine the Entity's status. For example, a Financial Institution resident in a Non-Participating Jurisdiction with accounts maintained in Anguilla may apply the tr definition in Schedule 3 [Section VIII paragraph D (9)] of the CRS Regulations.

Exchanges of CRS Returns by the Competent Authority

Confidentiality

Anguilla will not exchange information under the CRS until it is satisfied that a partner jurisdiction has in place adequate measures to ensure the required confidentiality and data safeguards are met.

Anguilla will only exchange information under CRS with partner jurisdictions which have in place adequate measures to ensure the required confidentiality and data safeguards are met. Information provided to or received by the Competent Authority for CRS purposes or otherwise for tax purposes shall be kept confidential as provided in accordance with Section 22 of the Tax Information Exchange (International Cooperation) Act, 2016.

Enforcement

Under Section of the CRS Regulations, the Competent Authority may, by notice in writing, require a Financial Institution to give the Competent Authority within 14 days, any information as the Competent Authority may reasonably require for any purpose relating to the administration or enforcement of these Regulations. Where any information which is required to be provided to, or inspected by the Competent Authority is located outside of Anguilla, the Financial Institution is required to bring the information to Anguilla within the time specified in writing by the Competent Authority to enable the institution to comply with the requirements of the Competent Authority

Section 10 of the CRS Regulations establishes offences which attaches to contravention of the CRS Regulations by Financial Institutions and other persons. A Financial Institution will commit an offence if it contravenes any of its obligations under CRS Regulations and will be subject to sanctions. It is an offence for any person to provide a false self-certification to a Financial Institution.

Appendix I List of 2023 Reportable Jurisdictions

No.	Jurisdiction of Competent Authority
1.	Albania
2.	Andorra
3.	Antigua and Barbuda
4.	Argentina
5.	Australia
6.	Austria
7.	Azerbaijan
8.	Belgium
9.	Brazil
10.	Canada
11.	Chile
12.	China (People's Republic of)
13.	Colombia
14.	Cook Islands

15. Costa Rica
16. Croatia
17. Curacao
18. Cyprus[3]
19. Czech Republic
20. Denmark
21. Ecuador
22. Estonia
23. Faroe Islands
24. Finland
25. France
26. Germany
27. Ghana
28. Greece
29. Greenland
30. Grenada
31. Hong Kong (China)
32. Hungary
33. Iceland
34. India
35. Indonesia
36. Ireland
37. Israel
38. Italy
39. Jamaica
40. Japan
41. Kazakhstan
42. Korea
43. Latvia
44. Liechtenstein
45. Lithuania
46. Luxembourg
47. Malaysia
48. Maldives
49. Malta
50. Mauritius
51. Mexico
52. Monaco
53. Netherlands
54. New Zealand
55. Nigeria
56. Norway

[3]Note by all the European Union Member States of the OECD and the European Union: The Republic of Cyprus is recognised by all members of the United Nations with the exception of Türkiye. The information in this document relates to the area under the effective control of the Government of the Republic of Cyprus.
Note by Türkiye: The information in this document with reference to « Cyprus » relates to the southern part of the Island. There is no single authority representing both Turkish and Greek Cypriot people on the Island. Türkiye recognises the Turkish Republic of Northern Cyprus (TRNC). Until a lasting and equitable solution is found within the context of the United Nations, Türkiye shall preserve its position concerning the "Cyprus issue".

57. Pakistan
58. Peru
59. Poland
60. Portugal
61. Saint Lucia
62. San Marino
63. Saudi Arabia
64. Seychelles
65. Singapore
66. Slovak Republic
67. Slovenia
68. South Africa
69. Spain
70. Sweden
71. Switzerland
72. Türkiye
73. United Kingdom
74. Uruguay