



The Common Reporting Standard (“CRS”)



The OECD’s Common Reporting Standard (“CRS”) represents a massive expansion of the Automatic Exchange of Information (“AEOI”) on financial accounts across the globe.



CRS in General

- To date, over 100 jurisdictions have implemented CRS.
- CRS involves reporting on a much larger scale than FATCA, its US counterpart, as it involves reporting on Account Holders that are tax resident in all jurisdictions which have signed up to CRS.
- The OECD does not currently have a centralised CRS registration requirement for Financial Institutions (“FIs”), although jurisdictions may require local registration.
- In parallel with CRS, the EU Commission introduced its own directive (Directive 2014/107/EU or “DAC II”) to effectively fast track the “CRS” exchange of information between EU member states.
- The exchange of information is achieved by requiring local jurisdiction FIs to provide information on Reportable Persons to their local tax authority, who in turn exchange such information with the relevant foreign tax authorities.



CRS in Ireland

- Ireland introduced legislation to domestically implement CRS via Section 891F, Taxes Consolidation Act (“TCA”) 1997. Regulations to govern the collection and reporting of information under CRS are set out in S.I. No. 583 of 2015.
- The Irish Revenue Commissioners (“Revenue”) have published Tax and Duty Manual Part 38-03-23: Standard for Automatic Exchange of Financial Account Information in Tax Matters – CRS to provide guidance on the application of CRS in Ireland. Revenue have indicated that the publication of Irish specific guidance on CRS will be limited, as Irish FIs are expected to refer to the most recent version of the “Standard” and corresponding “Implementation Handbook” published by the OECD.
- This is to encourage the consistent application of CRS across various jurisdictions.
- Reporting Irish FIs are required to report information on accounts held by Non-Irish and Non-US tax resident persons (individuals and certain entities) and certain Non-Financial Entities (“NFEs”) controlled by Non-Irish and Non-US tax resident individuals.
- Foreign tax resident subsidiaries or branches of Irish FIs are governed by the CRS provisions in their jurisdiction of tax residence.



CRS Reporting Requirements in Ireland

- Irish FIs are required to file an annual CRS Return with Revenue via Revenue Online Service (“ROS”) on or before 30 June with respect to the previous calendar year.
- In order to file a CRS Return via ROS, Irish FIs are required to have an Irish Tax Reference Number (e.g. Corporation Tax, Investment Undertaking Tax, Income Tax, etc.) and complete a once-off reporting registration.
- Where an Irish FI does not have an Irish Tax Reference Number, it can file a “Reporting Entity Registration Form” with Revenue to register its CRS reporting obligation and obtain an AEOI registration number to facilitate filing its Irish CRS Return.
- Even if a Reporting Irish FI does not hold any Reportable Accounts it will still be classified as an FI. However, it will simply be required to file a nil CRS Return annually. It is important to note that the requirement for an FI to file a nil CRS Return may differ between jurisdictions.
- If an Irish entity is not classified as an FI, it should be classified as an NFE with no CRS registration or reporting obligations. However, it may be required to disclose its Controlling Persons (as defined) when completing a CRS Self Certification Form.



Key Dates and Deadlines

- **CRS Reporting:** FIs are required to file an annual CRS Return on or before 30 June with respect to the previous calendar year.
- **Due Diligence:** The due diligence requirements under CRS vary depending on whether the account is a

New Account or a Pre-Existing Account, an Entity Account or an Individual Account, and whether an Individual Account is a Low Value Account or a High Value Account. Ongoing CRS due diligence obligations should be completed throughout the year.



How Can KPMG Help?

- **Legal Entity Classification** – Determine an entity's CRS status and its corresponding registration and reporting obligations (if any).
- **Registration and Reporting** – Register a CRS reporting obligation and prepare CRS Returns aligned with Irish domestic reporting requirements to be filed with Revenue via ROS by 30 June annually with respect to the previous calendar year.
- **CRS Policies and Procedures** – Review CRS policies and procedures to ensure best practices are utilised and high quality information is returned to Revenue.
- **Revenue Compliance Reviews** - Assist FIs with preparing for Revenue profile interviews and responding to CRS related Revenue enquiries.
- **Self-Certification Forms** – Guidance on the completion or review of Self-Certification Forms requested by FIs for CRS certification purposes.
- **Legal Agreements** – Review CRS language included in legal agreements (i.e. loan agreements, prospectuses, subscription documents, etc.).
- **Technical Training Sessions** – Conduct training sessions on CRS.
- **KPMG Reporting Tool** – KPMG has globally developed an AEOI Reporting Tool to assist FIs with meeting their CRS reporting obligations in the various participating jurisdictions.



Additional information:

More information is available on our AEOI website via the link below:

kpmg.ie/aeoi

If you have any questions, or would like to discuss your particular circumstances, please contact a member of your KPMG team or one of the contacts listed below to discuss the potential impact of AEOI on your business.

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