

KPMG AEOI Updates & Tracking Service CRS Alert

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Luxembourg: Issued Updated Version of the Common Reporting Standard (CRS) Guidance FAQs

On 06 May 2021, the Luxembourg Tax Authority issued an updated version of the CRS Guidance FAQs that contain updates and new questions related to Nil Reporting and updated XSD Schemas.

The following questions were updated:

- 1.1 is updated to include additional links for the updated CRS technical guidance (circular of the ECHA - n ° 4 of 10 August 2020), ZIP files for examples provided in the annexure of the CRS technical guidance, ZIP files for XSD data and status messages and link for TIN verification module
- 1.4 is updated to remove Nil Reporting from optional provisions for CRS as Nil Reporting is now mandatory for Reporting Financial Institutions (FIs) that have no CRS reportable accounts
- 5.1 is updated to include information for the new MyGuichet approach for submitting Zero value messages (Nil Reports), noting that Reporting FIs can still use the existing companies for transmissions (transmitters, namely FUNDSQUARE and SIX PAYMENTS)
- 5.3 is updated to note that transmission of Zero value message (Nil Reporting) is mandatory for Reporting FIs with no CRS reportable accounts. It also notes that FIs that qualify as “Luxembourg Investment Advisors and Investment Managers” treated as Nonreporting FIs for FATCA purposes, per Section IV.C of Annex II of the Intergovernmental Agreement between Luxembourg and United States, are advised to be cautious about Nil Reporting for CRS. In the absence of a similar status for CRS, these FIs will be required to submit Zero Value messages as they will be treated as Reporting FIs, although they are exempt under FATCA.

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<p>The following new questions were added:</p> <ul style="list-style-type: none">— 5.13 to note details for the updated CRS technical guidance and example XML files (as provided in question 1.1)— 5.14 to note the change in XSD schema of the data and status messages. The two new versions (v2.0 for data message and v3.0 for status message) have been available in the production environment since 6 January 2021, and only the updated data message XSD schema version 2.0 will be accepted. The pre-validation platform makes it possible to test these new versions. Reporting FIs are requested to contact their transmitter before performing the end-to-end tests with the ACD via the pre-validation environment.— 5.15 includes a list of UTF-8 characters that are allowed in reports. If a character used in the report is not part of this list, then the report will be rejected with error code “98916.” If reporting FIs wish to communicate to the ACD to include a character that they think should be part of the list, they may write to aeoi@co.etat.lu.	
<p>Reference (French): CRS FAQs [PDF 1,216KB]</p> <p>For information on KPMG’s global AEOI network professionals, please email GO-FM AEOI Program Support.</p> <p>For more information on KPMG AEOI Updates & Tracking Service, please see here.</p> <p>For additional summaries of the latest AEOI developments, please visit KPMG’s TaxNewsFlash-FATCA/IGA/CRS Insights page, here.</p>	

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