

## KPMG AEOI Updates & Tracking Service FATCA Alert

<b>Date:</b>	14 March 2023
<b>Alert Type:</b>	Document
<b>Country:</b>	Guernsey
<b>Regime:</b>	FATCA
<b>Document Type:</b>	Other Guidance

### Guernsey: Issued Bulletin 2023/3

On 02 March 2023, the Guernsey Revenue Service issued Bulletin 2023/3, providing guidance on updates to US TIN reporting obligations and related determinations of significant non-compliance for FATCA purposes.

Per Notice 2023-11 published by the IRS, [here](#), reporting relief is provided to Model 1 Foreign Financial Institutions (FFIs) that are unable to obtain US TINs for pre-existing accounts provided certain conditions are satisfied. The relief is limited to pre-existing accounts and does not apply to new accounts or new accounts opened by pre-existing account holders. Reporting for calendar year 2022 will be considered as a transition year. FFIs are permitted to use either the TIN codes issued by the IRS in May 2021 or the 2023 updated codes to be eligible for the relief. For reporting calendar years 2023 and 2024, FFIs should use the updated TIN codes, as applicable for their reportable accounts, explaining the inability to report a US TIN. The use of the updated codes will allow the IRS to better understand the reason behind the missing US TINs. FFIs can refer to the IRS FATCA Frequently Asked Questions (FAQs) reporting section, [here](#), for more details.

#### **Bulletin 2023/3 includes the following updates:**

**Information Gateway Online Reporter (IGOR):** To facilitate these changes, IGOR has been updated for the acceptance of the updated TIN codes for reporting on calendar years 2022 and onwards. Additionally, IGOR will reject the 2017 TIN codes consisting of nine capital A's for reporting on calendar year 2022 and onwards.

**Relief conditions for Pre-Existing Accounts:** Per Notice 2023-11, for reporting on calendar years 2022, 2023 and 2024, Reporting Model 1 FFIs (including Guernsey FIs) will not be considered

### Guernsey Contacts:



**Antony Mancini**

Partner

[amancini@kpmg.com](mailto:amancini@kpmg.com)



**Chris Lowe**

Director

[chrislowe@kpmg.com](mailto:chrislowe@kpmg.com)

significantly non-compliant with the reporting obligations by the US Competent Authority for failure to obtain and report a US TIN if the FFIs:

- obtain and report the date of birth of each individual that is the account holder or controlling person of a reportable account that is missing a US TIN;
- beginning calendar year 2023, annually request from each reportable account holder whose US TIN could not be obtained, and also examines electronically searchable archive material for any missing US TINs.
- report an accurate TIN code for every reportable account with a missing US TIN.

For making an annual request of US TIN to the holders of reportable accounts, the FFIs should use the proper methods of communication that are most likely to reach each account holder. Further, the communication must include either:

- the web address of the State Department's Joint FATCA FAQs (which provides information with respect to obtaining a US TIN and renouncing of US citizenship), or,
- a copy of the FAQs and either a copy of the relief procedures published by the IRS for certain former citizens or the web address for such procedures.

**Record Keeping and Compliance Enquiries:** FFIs should retain records of the policies and procedures applied for the fulfillment of the conditions described above, until the end of the 2028 calendar year. Any accounts reported for reporting calendar year 2022 using an invalid US TIN will receive a compliance enquiry from the Guernsey Revenue Service.

**TIN Codes:** The bulletin provides both the TIN codes that were provided in 2021 and the updated codes. Below are the updated TIN codes published by the IRS:

- 22222222, for pre-existing individual accounts where the only US indicia is a US place of birth, other than accounts reported under code 00022211. This code will take precedence if any other code (other than 00022211) is also applicable.
- 00022211, for pre-existing depository individual accounts where the only US indicia is a US place of birth. FFIs should determine whether the account holder is a resident of the respective jurisdiction where the account is maintained for Anti-Money Laundering (AML) and tax purposes. The term "depository account" holds the same meaning as

defined in the applicable Model 1 Intergovernmental Agreement (Model 1 IGA). This code will take precedence if any other code is also applicable.

- 333333333, for new individual accounts with indicia indicating a US place of birth, and either:
  - has had a change in circumstances to cause the self-certification obtained originally at account opening to be incorrect or unreliable, and a new self-certification has not been obtained, or,
  - was below the threshold at the time of account opening, for documenting and reporting the account and subsequently exceeded the threshold, and a self-certification has not been obtained.
- 444444444, for pre-existing individual and entity account that has US indicia other than a US place of birth, and either:
  - has had a change in circumstances to cause the self-certification or other documentation obtained originally, to be incorrect or unreliable, and a new valid self-certification or other documentation has not been obtained, or;
  - was below the threshold for documenting and reporting the account and subsequently exceeded the threshold, and a self-certification or other documentation has not been obtained.
- 555555555, for a new individual or entity account with US indicia other than a US place of birth and either:
  - has had a change in circumstances to cause the self-certification or other documentation obtained originally to be incorrect or unreliable, and a new self-certification or other documentation has not been obtained, or;
  - was below the threshold at the time of account opening, for documenting and reporting the account and subsequently exceeded the threshold, and a self-certification or other documentation has not been obtained.

<ul style="list-style-type: none"><li>— 666666666, for pre-existing entity accounts held by passive Non-Financial Foreign Entities (NFFEs) with one or more controlling persons with respect to which no self-certifications have been obtained nor US indicia has been identified in relation to its controlling persons.</li><li>— 777777777, for pre-existing accounts with no US TIN available and the account has been dormant or inactive but remains above the threshold limit for documenting and reporting. An account is deemed to be dormant if it meets the definition provided in the US Treasury Regulations and had no financial activity in the last 3 years, except for the posting of interest. However, if the account can be classified into multiple TIN codes, then the other codes will take precedence.</li><li>— 999999999, for any other account where the FFIs could not obtain a valid TIN and none of the other codes are applicable. The use of this code indicates that the FFI has completed a review of accounts without US TINs and has in good faith applied TIN codes to the records when applicable.</li></ul>	
<p>Reference: <a href="#">Bulletin 2023/3</a> [PDF 240 KB]</p> <p>For information on KPMG's global AEOI network professionals, please email <a href="#">GO-FM AEOI Program Support</a>.</p> <p>For more information on KPMG AEOI Updates &amp; Tracking Service, please see <a href="#">here</a>.</p> <p>For additional summaries of the latest AEOI developments, please visit KPMG's TaxNewsFlash-FATCA/IGA/CRS Insights page, <a href="#">here</a>.</p>	

## Contact us

**Cyrus Daftary**

**Principal**

+1 212 954 6096

[cdaftary@kpmg.com](mailto:cdaftary@kpmg.com)

**Laurie Hatten-Boyd**

**Principal**

+1 206 213 4001

[lhattenboyd@kpmg.com](mailto:lhattenboyd@kpmg.com)

[www.kpmg.com](http://www.kpmg.com)

[kpmg.com/socialmedia](https://kpmg.com/socialmedia)



© 2023 KPMG LLP, a Delaware limited liability partnership and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved. NDP144698-1A

The KPMG name and logo are trademarks used under license by the independent member firms of the KPMG global organization.

In preparing this information, we consulted tax authorities' official releases that are subject to change, retroactively, prospectively, or both, and any such changes could affect the information stated herein. The advice or other information in this document was prepared for the sole benefit of KPMG's client and may not be relied upon by any other person or organization. KPMG accepts no responsibility or liability in respect of this document to any person or organization other than KPMG's client. The following information is not intended to be "written advice concerning one or more Federal tax matters" subject to the requirements of section 10.37(a)(2) of Treasury Department Circular 230. The information contained herein is of a general nature and based on authorities that are subject to change. Applicability of the information to specific situations should be determined through consultation with your tax adviser.