

## KPMG AEOI Updates & Tracking Service CRS Alert

**Date:** 05 October 2023

**Alert Type:** Announcement

**Country:** Australia

**Regime:** CRS

### Australia: Released Circular on CRS Circumvention Scheme

On 25 September 2023, the Australian Taxation Office (ATO) released an email circular announcing the publication of a recent report by the OECD dealing with CRS circumvention schemes. Specifically, the OECD analyzed over 100 Residence/Citizenship by Investment (RBI/CBI) schemes from CRS-committed jurisdictions and published its findings. Such schemes pose a high-risk as they can be used to hide assets offshore and avoid CRS reporting by granting citizenship or residence rights for local investments and flat fees.

The ATO notes that Financial Institutions (FIs) should take into account the results of the OECD's analysis of RBI/CBI schemes as part of their due diligence responsibilities. The OECD has issued practical guidance, [here](#), that FIs should incorporate into their CRS due diligence procedures. Specifically, when uncertainty arises about the tax residency of a CBI/RBI program user, the OECD has suggested additional inquiries that FIs can pose to the account holder.

### Australia Contacts:



#### Alexander Graham

Partner  
Advisory

[agraham@kpmg.com.au](mailto:agraham@kpmg.com.au)



#### Mervyn Poon

Director  
Advisory

[mpoon1@kpmg.com.au](mailto:mpoon1@kpmg.com.au)

Reference: An email containing the information above was circulated by the Australian Taxation Office to all subscribers. For further information, please reach out to [CRS@ato.gov.au](mailto:CRS@ato.gov.au).

For information on KPMG's global AEOI network professionals, please email [GO-FM AEOI Program Support](#).

For more information on KPMG AEOI Updates & Tracking Service, please see [here](#).

For additional summaries of the latest AEOI developments, please visit KPMG's TaxNewsFlash-FATCA/IGA/CRS Insights page, [here](#).

## 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](http://kpmg.com/socialmedia)



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