

KPMG AEOI Updates & Tracking Service FATCA/CRS Alert

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Australia: Updated AEOI Guidance to Provide Clarifications on the FFI List Published by the IRS

On 26 October 2023, the Australian Taxation Office (ATO) updated its AEOI guidance to revise Section 4.9: Due diligence for Pre-Existing Entity Accounts to provide additional guidance on the Foreign Financial Institutions (FFI) list published by the Internal Revenue Service (IRS). Per the guidance, the FFI list should no longer be relied upon to verify whether an entity account holder is an FI.

The ATO also notes that the Organisation for Economic Co-operation and Development (OECD) has raised concerns on the excessive dependence on the FFI list as the primary evidence for assessing whether an entity qualifies as an FI during the due diligence process. Since the IRS updates the FFI List monthly, as opposed to real time, it may not be accurate for due diligence purposes. Where applicable, taxpayers should revise their due diligence procedures as soon as practicable, but no later than 01 January 2025.

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Reference: [AEOI Guidance](#)

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](#).

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