



KPMG AEOI Updates & Tracking Service FATCA Alert



Date:	01 July 2024	Alert Type:	Announcement
Country:	Switzerland	Regime:	FATCA

Switzerland: Signed Reciprocal FATCA Agreement with the U.S. **Switzerland Contacts:**

On 27 June 2024, the Federal Tax Administration (FTA) of Switzerland issued a press release announcing the signing of the reciprocal FATCA Model 1 Intergovernmental Agreement (IGA) with the U.S. for the automatic exchange of tax information. Currently, FATCA is implemented in Switzerland under the Model 2 IGA, which requires Swiss Financial Institutions (FIs) to directly disclose account details to the Internal Revenue Service (IRS) with the consent of the relevant U.S. clients. In cases when consent is not granted by U.S. clients, the U.S. must request this data through regular administrative assistance channels.

Under the Model 1 IGA, the tax authorities of both countries will mutually exchange account data automatically. Swiss FIs will be required to report the required data to the FTA, which will then transmit it to the IRS. Similarly, FTA will also receive account data of Swiss taxpayers from the IRS.

Switzerland had previously indicated its intention to switch to Model 1 IGA. In October 2014, the Federal Council approved the negotiation mandate with the U.S. for the switch to the Model 1 IGA. The negotiations were concluded on 13 November 2023 (see [here](#) for a KPMG Alert on the conclusion of negotiations).

In Switzerland, the implementation of this agreement necessitates changes to national law, which will be decided by the Federal Assembly. The transition is expected to take effect on 01 January 2027.



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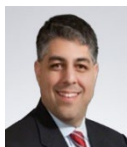
Reference: [Press Release](#), and [FATCA Model 1 IGA](#) [PDF 1,254KB]

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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