
STATUTORY INSTRUMENTS

2015 No. 878

The International Tax Compliance Regulations 2015

Introductory

Meaning of “reportable account”

2.—(1) In these Regulations, a “reportable account” means—

- (a) an account which is a reportable account within the meaning of the relevant agreement,
- (b) in relation to a reporting financial institution under the DAC or the CRS, an account that is a pre-existing entity account with an account balance or value that does not exceed US \$250,000 as of 31st December 2015, and
- (c) in relation to a reporting financial institution under the FATCA agreement, an account meeting the description at paragraph II.A, III.A or IV.A of Annex I of the agreement.

(2) But—

- (a) in relation to a reporting financial institution under the DAC or the CRS, an account listed as an excluded account in Schedule 2 is not a reportable account,
- (b) in relation to a reporting financial institution under the FATCA agreement, an account is not a reportable account if—
 - (i) the account holder is deceased or is a personal representative (within the meaning of section 989 of ITA 2007),
 - (ii) the account is held to comply with an order or judgment made or given in legal proceedings, or
 - (iii) the funds held in the account are held solely as security for the performance of a party’s obligation under a contract for the disposal of an estate or interest in land or of tangible moveable property, and
- (c) an account within paragraph (1)(b) or (c) is not a reportable account in relation to a reporting financial institution for a calendar year if there is an election by the institution which has effect for that year to treat all such accounts, or a clearly identified group of such accounts, as not being reportable accounts.

(3) An election under paragraph (2)(c) must be made for each calendar year for which the election is to have effect in the return required by regulation 6 for that year.

(4) The reporting financial institution must apply the account balance aggregation and currency rules in the relevant agreement for the purposes of determining whether an account maintained by the institution is within paragraph (1)(b) or (c).

(5) The account balance aggregation and currency rules are—

- (a) in Section VII.C of Annex I to the DAC,
- (b) in Section VII.C of the CRS, and
- (c) in paragraph VI.C of Annex I to the FATCA agreement.

(6) In applying the account balance aggregation and currency rules for the purposes of a relevant agreement and these Regulations, an account balance that has a negative value is treated as having a nil value.

(7) In determining the balance or value of an account denominated in a currency other than US dollars for the purposes of a relevant agreement and for the purposes of paragraph (1)(b) or (c), the institution must translate the relevant dollar threshold amounts into the other currency by reference to the spot rate of exchange on the date for which the institution is determining the threshold amounts.

(8) For the purposes of a relevant agreement and these Regulations, an account held by an individual as a partner of a partnership is treated as an entity account and is not treated as an individual account.