
STATUTORY INSTRUMENTS

2015 No. 878

The International Tax Compliance Regulations 2015

Obligations in relation to financial accounts

Due diligence requirements

3.—^{F1}(1) A reporting financial institution must establish and maintain arrangements that are designed to identify in respect of a financial account—

- (a) the territory in which an account holder or a controlling person is resident for the purposes of—
 - (i) income tax,
 - (ii) corporation tax, or
 - (iii) any tax imposed by the law of that territory that is of a similar character to either of those taxes, and
- (b) whether it is a reportable account.

(2) A reporting financial institution must comply with paragraph (1) by applying the due diligence procedures set out in the relevant agreement.

(2A) A reporting financial institution must keep a record of—

- (a) the steps taken to comply with this regulation, and
- (b) the information collected in the course of identifying the matters referred to in paragraph (1).

(2B) A reporting financial institution must keep the records required by paragraph (2A) for a period of—

- (a) in respect of an account identified as a reportable account, five years beginning with the end of the year in which the account is last included in a return made under regulation 6(1), or
- (b) in respect of an account which is not a reportable account, five years beginning with the end of the last year in which the reporting financial institution relied upon the due diligence procedures to treat the account as not being a reportable account.]

(3) The due diligence procedures are—

^{F2}(a)

^{F3}(b) in relation to a reporting financial institution under the CRS, set out in Sections II to VII of the CRS [^{F4}and the alternative procedure provided in the optional provision in paragraph 13 of the commentary to Section VII of the CRS],]

(c) in relation to a reporting financial institution under the FATCA agreement, set out in Annex I to that agreement.

^{F5}(4) ^{F6}

^{F7}(4A)

Status: Point in time view as at 14/05/2024.

Changes to legislation: There are currently no known outstanding effects for the The International Tax Compliance Regulations 2015, Section 3. (See end of Document for details)

(4B) Where a provision of the CRS does not specify a deadline for the requirements of that provision to be satisfied [^{F8}that deadline is—

- (a) in Section VIII(B)(8)(b) (qualified credit card issuer), Section VIII(C)(10) (new account) and Section VIII(C)(17)(f)(ii) (excluded accounts), 1 January 2016,
- (b) in Section VIII B(9)(d) (exempt collective investment vehicle), 1 January 2018, and
- (c) in all other cases, 31 December 2015.]]

(5) In applying the due diligence procedures, accounts within [^{F9}regulation 2(1)(b), (ba) and (c)] in respect of which no election under regulation 2(2)(c) has been made are treated as new accounts or pre-existing accounts as the case may be.

Textual Amendments

- F1** Reg. 3(1)-(2B) substituted for reg. 3(1)(2) (17.5.2017) by The International Tax Compliance (Amendment) Regulations 2017 (S.I. 2017/598), regs. 1(1), **5(1)**
- F2** Reg. 3(3)(a) omitted (31.12.2020) by virtue of The International Tax Compliance (Amendment) (No. 2) (EU Exit) Regulations 2020 (S.I. 2020/1300), regs. 1, **2(4)(a)**
- F3** Reg. 3(3)(b) substituted (17.5.2017) by The International Tax Compliance (Amendment) Regulations 2017 (S.I. 2017/598), regs. 1(1), **5(2)**
- F4** Words in reg. 3(3)(b) inserted (31.12.2020) by The International Tax Compliance (Amendment) (No. 2) (EU Exit) Regulations 2020 (S.I. 2020/1300), regs. 1, **2(4)(b)**
- F5** Reg. 3(4)-(4B) substituted for reg. 3(4) (17.5.2017) by The International Tax Compliance (Amendment) Regulations 2017 (S.I. 2017/598), regs. 1(1), **5(3)**
- F6** Reg. 3(4) omitted (31.12.2020) by virtue of The International Tax Compliance (Amendment) (No. 2) (EU Exit) Regulations 2020 (S.I. 2020/1300), regs. 1, **2(4)(c)**
- F7** Reg. 3(4A) omitted (31.12.2020) by virtue of The International Tax Compliance (Amendment) (No. 2) (EU Exit) Regulations 2020 (S.I. 2020/1300), regs. 1, **2(4)(c)**
- F8** Words in reg. 3(4B) substituted (31.12.2020) by The International Tax Compliance (Amendment) (No. 2) (EU Exit) Regulations 2020 (S.I. 2020/1300), regs. 1, **2(4)(d)**
- F9** Words in reg. 3(5) substituted (17.5.2017) by The International Tax Compliance (Amendment) Regulations 2017 (S.I. 2017/598), regs. 1(1), **5(4)**

Status:

Point in time view as at 14/05/2024.

Changes to legislation:

There are currently no known outstanding effects for the The International Tax Compliance Regulations 2015, Section 3.