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STATUTORY INSTRUMENTS

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**2016 No. 899**

The International Tax Compliance  
(Client Notification) Regulations 2016

**Client exchange of tax information notifications**

7. After Schedule 2, insert—

“SCHEDULE 3

Regulation 12F

**PART 1**

1. The form of a client exchange of tax information notification is—



## If you have money or other assets abroad, you could owe tax in the UK

### Things are changing – the tax world is becoming more transparent

- HM Revenue and Customs (HMRC) is getting tougher on those not paying the right amount of tax across their offshore tax affairs.
- From 2016, HMRC is getting **new** financial information about our customers from more than 100 jurisdictions – including details about overseas accounts, structures, trusts, and investments.
- HMRC is already using information, supplied by overseas banks, insurers, and wealth and assets managers, to identify the minority who are not paying what they owe.

### Are you confident that your UK tax affairs are up-to-date?

You need to regularly check that you have declared all of your UK tax liabilities and, if needed, bring your tax affairs up-to-date. This is your responsibility.

Personal circumstances change. For example, you may have recently inherited assets overseas. Tax laws change too. All of this means that previous advice can be out-of-date, with costly consequences.

- **If you are confident that your tax affairs are up-to-date and complete, then you don't need to do anything further.**
- If you are unsure, we recommend that you speak to a tax adviser to find out if you need to take action now.
- If you find that you need to bring your tax affairs up-to-date, it can be easier than you think. You can choose to do this now using HMRC's straightforward online disclosure facility at [www.gov.uk/guidance/worldwide-disclosure-facility-make-a-disclosure](http://www.gov.uk/guidance/worldwide-disclosure-facility-make-a-disclosure)

If you have not paid the right amount of tax and choose not to take action now, you need to know that:

- HMRC will find out about your money and assets overseas through **new** information from more than 100 jurisdictions.
- Penalties are increasing for those who are not paying the right amount of tax on their offshore assets, and you can even face criminal prosecution. Under new rules, you could face further penalties based on the value of the asset as well as the tax due, resulting in potentially life-changing consequences.

If you choose to delay in coming forward, it's very likely to cost you more and there is also more chance that HMRC will come for you.

### Come to us before we come for you

#### Remember

- **If you are confident that your tax affairs are up-to-date, and you have declared all of your UK tax liabilities, then you don't need to do anything further.**

We are already using early financial information to identify the minority who are not paying what they owe.

If you need to bring your tax affairs up-to-date, it is your responsibility to do so – act now at [www.gov.uk/guidance/worldwide-disclosure-facility-make-a-disclosure](http://www.gov.uk/guidance/worldwide-disclosure-facility-make-a-disclosure)

## PART 2

**2.** The statement in this paragraph is—

“Financial institutions in more than 100 jurisdictions around the world are being legally required to find out the tax residence of their account holders and report details of their accounts, structures, trusts, and investments to be exchanged with the appropriate tax authorities. As a UK tax resident, any overseas accounts you have will be sent to HM Revenue & Customs (HMRC). This gives HMRC unprecedented levels of information to check that, as in most cases, the right tax has been paid.

If you have already declared all of your past and present income or gains to HMRC, including from overseas, you do not need to worry. But if you are in any doubt, HMRC recommends that you read the factsheet attached to help you decide now what to do next.”

**3.** The statement in this paragraph is—

“From 2016, HM Revenue & Customs (HMRC) is getting an unprecedented amount of information about people’s overseas accounts, structures, trusts, and investments from more than 100 jurisdictions worldwide, thanks to agreements to increase global tax transparency. This gives HMRC unprecedented levels of information to check that, as in most cases, the right tax has been paid.

If you have already declared all of your past and present income or gains to HMRC, including from overseas, you do not need to worry. But if you are in any doubt, HMRC recommends that you read the factsheet attached to help you decide now what to do next.”