

AUTOMATIC EXCHANGE OF INFORMATION - THE COMMON REPORTING STANDARD (“CRS”)

Please carefully review the information below and reflect on whether it applies to you and your individual circumstances, we recommend that you contact a specialist tax advisor if you have any concerns.

CRS has been developed by the Organisation for Economic Co-operation and Development (“OECD”) as a global standard to improve transparency and came into effect in Guernsey on 1 January 2016. The regulations require financial institutions such as Trust Corporation International (“TCI”) to apply due diligence procedures to all financial accounts maintained by them and identify and report, where appropriate, information to Guernsey’s Income Tax Office by 30 June 2017 relating to the 2016 calendar year and annually thereafter. Once the Guernsey Income Tax Office has that information it will send it to the tax authority in the relevant CRS jurisdiction.

Guernsey is not alone in implementing this standard. In total 100 countries have formally committed to implementing the CRS, some in 2017 and some in 2018.

TCI has a responsibility to report the following information relating to individuals, entities and controlling persons relating to such entities, who qualify as Reportable Account holders in CRS Participating Jurisdictions:

- Settlor of a trust – the full value of the trust property and the total value of distributions received.
- Protector of a trust – the full value of the trust property and the total value of distributions received.
- Mandatory beneficiary of a trust – the value of the equity interest in the trust of the beneficiary if specifically calculated, or otherwise the full value of the trust property and the total value of distributions received.
- Discretionary beneficiary of a trust – the total value of distributions received.
- Shareholders/Ultimate Beneficial Owners of companies – the equity value and the total gross amount paid or credited.
- Debt interest holder – the principal amount of the debt and the value of repayments made.

In order to ensure that the individual is identifiable, TCI is also required to report identification information such as name, address, date of birth, country of tax residence and tax identification number of that individual.

Disclaimer

The information set out above (the “Information”) is provided solely for guidance purposes and as a general overview of the subject matter concerned. The Information does not constitute advice of any nature, nor a comprehensive or exhaustive guide to the subject matter concerned and should not, under any circumstances, be relied upon as such. The Information is generic in nature and does not take into account the personal circumstances of any given individual. In each instance, the reader should consider whether the Information is relevant to them and seek independent professional advice on the subject matter. Trust Corporation of the Channel Islands Limited, its officers, employees and/or associated entities do not accept any responsibility for the accuracy of the Information and shall not, under any circumstances, be held liable for any loss resulting directly or indirectly from any reliance placed on it and/or any inaccuracies or misrepresentations contained therein.

Please contact your relationship officer at TCI if you require any assistance or guidance in obtaining appropriate professional advice.