

**BY EMAIL**

28 May 2019

To the Senior Executive Officers of the DFSA Authorised Firms

**RE: Reporting Obligations - Foreign Account Tax Compliance Act and  
Common Reporting Standards**

Dear SEO,

I am writing to remind you about certain reporting obligations concerning the United States (U.S.) Foreign Account Tax Compliance Act (FATCA) and the Common Reporting Standards (CRS).

As you will be aware, the FATCA was enacted in 2010 by U.S. Congress to target non-compliance by U.S. taxpayers using foreign accounts. FATCA requires foreign financial institutions (FFIs) to report to the U.S. Internal Revenue Service (IRS) information about financial accounts held by U.S. taxpayers, or by foreign entities in which U.S. taxpayers hold a substantial ownership interest.

You will also be aware that the United Arab Emirates (UAE) entered into a FATCA Inter-Governmental Agreement (IGA) with the U.S. on 17 June 2015. The full text of the IGA is available on the U.S. Treasury website: link [here](#). Following ratification of the IGA by the UAE Government in 2016, the UAE Ministry of Finance issued certain FATCA guidelines which are available on its website: link [here](#).

Following on from the above, the Organization for Economic Cooperation and Development (OECD) developed the CRS as a global reporting standard for the automatic exchange of information. The intention being to allow tax authorities to obtain a clearer understanding of financial assets held abroad by their residents, for tax purposes. You can access relevant CRS information on the OECD website: link [here](#).

We also draw your attention to the DIFC Common Reporting Standard Law, DIFC Law No. 2 of 2018 which came into effect on 14 March 2018 which is intended to align with the OECD CRS framework. The DIFC also issued CRS Regulations. The full text of the DIFC law and regulations are available on the DIFC website: link [here](#).

While we understand FATCA and CRS reporting obligations have significant similarities, it is important that you understand the nature of the reporting obligations under each, including any differences that impact your particular reporting obligations and specific DIFC legislative requirements.

Accordingly, it is now time to consider the reporting obligations of your Firm under FATCA and the CRS. As was the case for previous years, reporting for FATCA and CRS is required to be actioned via the DIFC Register of Companies (RoC) portal designed specifically for this purpose. **We understand the portal will be available for Firm input for both FATCA and CRS reporting by Sunday 9 June 2019 and will close on 15 July 2019.** You can access the RoC reporting portal on the DIFC website: link [here](#).

As it has been mentioned in the previous SEO letters concerning FATCA and CRS reporting obligations, Authorised Firms should continuously assess their obligations under FATCA, CRS and any DIFC specific legislation, and ensure compliance.

As has been the case in prior years, please be advised that the DFSA and the RoC will not provide any guidance to Authorised Firms in relation to FATCA or CRS reporting obligations. It is the responsibility of each Authorised Firm to consult and seek advice from their own appropriate legal and other professional advisers.

Please also note this letter is not any form of legal or other advice but rather general comments and observations only.

Yours sincerely,



Arvind Baghel  
**Acting Managing Director**

Cc: All Compliance Officers