

What are my FI's obligations under the CRS?



Under the CRS, which has been in place since 1 Jan 2017, Singapore-based Financial Institutions (SGFIs) such as depository institutions (e.g. banks), specified insurance companies, investment entities and custodian institutions are required to:



1. Establish the tax residences of all their account holders



2. Report to IRAS the financial account information of relevant account holders¹



This information is then exchanged with the jurisdictions where Singapore has a Competent Authority Agreement under CRS with.

Similarly, overseas FIs must identify their account holders who are Singapore tax residents and report their financial accounts to IRAS through their respective local tax authorities.

¹ Account holders who are tax residents of jurisdictions where Singapore has a Competent Authority Agreement (CAA) to exchange information with. A CAA enables the implementation of information exchange under the CRS based on existing legal instruments such as the Convention on Mutual Administrative Assistance in Tax Matters

How am I affected?

CRS may affect you if you are an account holder of a SGFI. If approached by your FI to establish your tax residency status, you should cooperate and ensure that all your submissions are accurate. Wilfully providing false information on tax residency status is an offence² under the Singapore CRS law. You should also inform your FI of any change in circumstances (e.g. a long-term job posting to a foreign jurisdiction) which may affect your tax residency status.

If you have an existing account opened before 1 Jan 2017

Your FI may approach you for information and documentation to establish your tax residency status, even if you are a Singapore Citizen or Permanent Resident. They may also approach you if they hold information that could indicate that you are a tax resident of a foreign jurisdiction.

If you open a new account on or after 1 Jan 2017

You will be asked to declare your jurisdiction(s) of tax residence by filling out a self-certification form.

If you maintain or open an entity account (for example, accounts held in the name of company, partnership or trust)

You could be asked to provide information on the tax residence of the entity and in some situations, the details of individuals who control the entity.

² If convicted of the offence, an account holder could face a fine of up to \$10,000, imprisonment of up to 2 years or both.

How do I determine my tax residency?



Individuals:

Generally determined by the person's duration of stay in a jurisdiction



Companies:

Generally determined by the place of incorporation or place of effective management

As the rules for tax residency vary among jurisdictions, you can:

1. Refer to the rules governing tax residence (<http://www.oecd.org/tax/automatic-exchange/crs-implementation-and-assistance/tax-residency/>) for information on the respective jurisdiction's tax residency rules;
2. Check with the tax authority of the jurisdiction which you think you may be a tax resident of; or
3. Consult a tax advisor.