

KPMG REG FATCA Alert

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Singapore: Updated FATCA technical guidance and FAQs

On 21 September 2020, the Inland Revenue Authority of Singapore (IRAS) issued the second version of the 'IRAS Supplementary XML Schema User Guide for Preparing the FATCA Reporting Data File'. The new version contains updates to the section on 'Schema Information' (Part C). The updates to the User Guide are as follows:

- Where the Entity Account Holder is not a U.S. Person (e.g. in the case of Passive NFFE), the ORG_TIN data element should be populated with a space,
- The TIN data element of a Reporting FI that is a Trustee-Documented Trust is the TDT Reference ID issued by IRAS in the following format:

`<Entity ID Type><Space><TDT Reference Number>`, e.g. "TDT 1234567890"; and,
- To report an Owner-documented FFI with specified U.S. owner in the AcctHolderType data element as "FATCA101".

Additionally, IRAS updated FAQs on the provision of FATCA registration information, adding a new FAQ stating that a Reporting SGFI that is unable to obtain and report the U.S. TIN of a Preexisting Account Holder or Controlling Person of Preexisting Account Holders:

- is not required to immediately close or withhold on such Preexisting accounts; and
- may continue to report on the U.S. Reportable Account without the required U.S. TIN of U.S. Persons by inserting a string of 9 consecutive "A"s (i.e. "AAAAAAAAA") in the TIN field for the Reporting Year 2020.

However, in such instances, US IRS will automatically issue an error notice through IRAS, which will require the Reporting SGFI to correct the issue and provide a U.S. TIN within 120 days. If the error is not corrected, then the IRS will evaluate the data and

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circumstances leading to the non-reporting of US TINs and may request for further information, i.e. reason why US TIN could not be obtained, whether Reporting SGFI has adequate procedures in place to obtain US TIN and the efforts made by the Reporting SGFI to obtain the US TIN and other documentation.

Further, Reporting SGFIs are expected to have adequate and robust procedures in place to obtain the US TIN, such as conducting annual outreach and documenting actions taken to obtain US TINs and the reasons why US TINs could not be obtained” (FAQ B.5).

Lastly, IRAS updated FAQs on the FATCA filing process via myTax Portal, stating that a Reporting SGFI in the process of liquidating, or that has ceased to meet the definition of a Reporting SGFI, should file a final FATCA return to report any Reportable Accounts in the year of liquidation or cessation of activities that qualify the entity as a SGFI, or file a nil return if it does not maintain any US Reportable Accounts. The Reporting SGFI does not need to wait until the following year to file its final return and can do so by submitting its final return in advance under myTax Portal.” (Q.A.6).

References: [XML Schema User Guide](#) [PDF 255KB], [FATCA FAQs](#) [PDF 211KB], [FATCA filing FAQs](#) [PDF 291KB] and [FATCA](#)

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