

KPMG AEOI Updates & Tracking Service FATCA/CRS Alert

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Alert Type:	Announcement
Country:	Cayman Islands
Regime:	FATCA/CRS

Cayman Islands: Issued FATCA and CRS Updates

On 15 April 2021, the Department for International Tax Cooperation (DITC) of the Cayman Islands issued updates related to the FATCA and CRS regimes:

The updates include the following changes:

- The XML Generator tool used by Reporting FIs has been updated to incorporate the following changes to the CRS XML schema:
 - If data to be provided in an optional element is unavailable, empty elements are no longer allowed, and should be excluded altogether,
 - The string elements have a minimum and maximum length, the majority have a minimum of 1 character and maximum of 200 characters,
 - The updated v2.0 XML schema instance namespaces needs to be mentioned at the start of all XMLs, and
 - The element 'MessageTypeIndic' mentioned within the 'MessageSpec' of the XML file is now mandatory.
- The requirement to obtain a US TIN has been revised by the IRS, which developed a new series of codes after recognizing that Foreign Financial Institutions (FFIs) in a US Model 1 IGA jurisdiction are not able to obtain a US TIN. The use of these codes is optional and does not signify that the FFI will not be at risk of being found significantly noncompliant due to failure to report the required US TIN. The codes are as follows:
 - Code 22222222, for pre-existing individual account where the only US indicia is a US place of birth,
 - Code 33333333, for new individual account with indicia indicating a US place of birth, and either:
 - has had a change in circumstances to cause the self-certification obtained originally at account opening to

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be incorrect or unreliable, and a new self-certification has not been obtained, or

- was below the threshold at the time of account opening, for documenting and reporting the account and subsequently exceeded the threshold, and a self-certification or other documentation has not been obtained.
- Code 444444444, for pre-existing individual and entity account that has US indicia other than a US place of birth, and either:
 - has had a change in circumstances, to cause the self-certification or other documentation obtained originally to be incorrect or unreliable, and a new self-certification or other documentation has not been obtained, or
 - was below the threshold at the time of account opening, for documenting and reporting the account and subsequently exceeded the threshold, and a self-certification or other documentation has not been obtained.
- Code 555555555, for a new individual or entity account with US indicia other than a US place of birth and either:
 - has had a change in circumstances to cause the self-certification or other documentation obtained originally to be incorrect or unreliable, and a new self-certification or other documentation has not been obtained, or
 - was below the threshold at the time of account opening, for documenting and reporting the account and subsequently exceeded the threshold, and a self-certification or other documentation has not been obtained.
- Code 666666666, for pre-existing entity account with an account balance exceeding US\$1,000,000 held by a passive NFFE, for which no self-certifications have been obtained, and no US indicia has been identified in relation to its controlling persons; and
- Code 777777777, for pre-existing accounts with no TIN available, and the account has been dormant or inactive, but remains above the reporting threshold, also known as a “dormant account”.

Reference: [News & Updates](#) [PDF 979KB]

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For more information on KPMG AEOI Updates & Tracking Service, please see [here](#).

For additional summaries of the latest AEOI developments, please visit KPMG's TaxNewsFlash-FATCA/IGA/CRS Insights page, [here](#).

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