

## KPMG AEOI Updates & Tracking Service FATCA Alert

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<b>Country:</b>	South Africa
<b>Regime:</b>	FATCA
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### South Africa: Issued Clarification Document on FATCA Reporting TIN Codes

On 15 March 2022, the South Africa Revenue Service (SARS) published a document clarifying the application of certain codes provided for the Taxpayer Identification Number (TIN) data fields for Foreign Account Tax Compliance Act (FATCA) submissions.

Model 1 Foreign Financial Institutions (FFI) must obtain and exchange the US TIN data element for each specified US person that is an account holder or a controlling person of a non-US entity, per the Intergovernmental Agreement (IGA) between the US and the Republic of South Africa. The IRS recognized that certain FFIs in Model 1 jurisdictions may be unable to obtain a US TIN in specific situations. Thus, the IRS developed a series of codes which may be used, for situations as specified by the IRS. 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 IRS will take into account the facts and circumstances leading to the absence of the US TIN, such as the reasons why the TIN could not be obtained, whether the FFI has sufficient procedures in place to obtain TINs, and the efforts made by the FFI to obtain the TIN.

The codes are as follows:

- 222222222, for pre-existing individual account where the only US indicia is a US place of birth,
- 333333333, 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 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-

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<p>certification or other documentation has not been obtained.</p> <ul style="list-style-type: none"> <li>— 444444444, for pre-existing individual and entity account that has US indicia other than a US place of birth, and either: <ul style="list-style-type: none"> <li>— 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</li> <li>— 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.</li> </ul> </li> <li>— 555555555, for a new individual or entity account with US indicia other than a US place of birth and either: <ul style="list-style-type: none"> <li>— 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</li> <li>— 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.</li> </ul> </li> <li>— 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</li> <li>— 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”.</li> </ul>	
<p>Reference: <a href="#">Clarification document for AEOI (FATCA) Reporting TIN Codes</a> (PDF 528KB)</p> <p>For information on KPMG’s global AEOI network professionals, please email <a href="#">GO-FM AEOI Program Support</a>.</p> <p>For more information on KPMG AEOI Updates &amp; Tracking Service, please see <a href="#">here</a>.</p> <p>For additional summaries of the latest AEOI developments, please visit KPMG’s TaxNewsFlash-FATCA/IGA/CRS Insights page, <a href="#">here</a>.</p>	

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