

KPMG AEOI Updates & Tracking Service FATCA Alert

Date: 10 January 2023

Alert Type: Announcement

Country: Germany

Regime: FATCA

Germany: Issued FATCA Newsletter 02/2022

On 22 December 2022, the Federal Central Tax Office of Germany (BZSt) released FATCA Newsletter 02/2022. The FATCA Newsletter contains the following updates:

- Internal Revenue Service (IRS) guidance on accounts with missing US Tax Identification Number (TIN): The IRS plans to issue guidelines outlining process to be followed by Financial Institutions (FIs) in which the FI will not be deemed significantly noncompliant if a US TIN is not reported for a particular account. This is provided in light of general problems that arises when obtaining a valid US TIN from account holders, particularly “Accidental Americans.” FIs are requested not to terminate such accounts holders, especially “Accidental Americans,” for precautionary reasons when a valid US TIN could not be reported for the respective reportable person. Any further updates issued by the IRS regarding the matter will be published on the BZSt website and through a FATCA newsletter.
- Requirement of TIN while opening an account: According to “III. New Individual Accounts, A. Accounts Not Required to Be Reviewed, Identified or Reported.” of Annex I to the FATCA Agreement, FIs are not required to identify accounts as reportable accounts when the balance does not exceed USD 50,000 at the end of a calendar year. In such cases, obtaining a US TIN from US account holders should not be a requirement when opening an account if there is no obligation to report this account under the FATCA Agreement. In addition, failure to provide a valid US TIN must not lead to the rejection of a basic account in these cases, since there could be a violation of Article 16 PAD. FIs are thereby advised to refrain from further verification, identification and reporting of accounts in the cases regulated under Section 5 Paragraph 3 FATCA-USA-UmsV.

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Reference: [FATCA Newsletter 02/2022](#)

For information on KPMG's global AEOI network professionals, please email [GO-FM AEOI Program Support](#).

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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