

KPMG AEOI Updates & Tracking Service CRS Alert

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Country:	Barbados
Regime:	CRS

Barbados: Issued Guidance Note on Reporting of Undocumented Accounts

In October 2023, the Barbados Revenue Authority (BRA) issued Guidance Note OGC No.07/2023, containing clarifications for determining whether an account is undocumented (lower value and high value accounts) in accordance with the Common Reporting Standard (CRS).

- Per the CRS, an account is considered as undocumented when an RBFi is unable to obtain a valid self-certificate and maintains a pre-existing individual account with solely a hold-mail or in-care of address in a reportable jurisdiction with no other CRS indicia found through electronic or paper search. RBFIs are advised to refer to Section III under subparagraphs B.2, B.5, C.5 (c) and C.7 of the CRS for further details on reporting of undocumented accounts.
- Per Regulation 10(4) of the Income Tax (Automatic Exchange of Information) Regulations 2017, a lower value account is a pre-existing individual account with a balance or value that does not exceed USD 1,000,000 as of 30 June 2017. If an RBFi has a current residence address for the individual account holder based on documentary evidence, the RBFi may consider the account holder a tax resident of that relevant jurisdiction. In the absence of such current residence address, supported by documentary evidence, the RBFi must examine electronically searchable data in line with subparagraph B.2 of the CRS. If no such indicia is found, no action is needed unless there is a change in circumstances impacting any indicia associated with the account. The RBFi must report the lower value account as an undocumented account until it ceases to be undocumented or becomes a high value account.
- Per Regulation 10(4) of the Income Tax (Automatic Exchange of Information) Regulations 2017, a high value account is a preexisting individual account with a balance or value exceeding USD 1,000,000 as of 30 June 2017 or 31 December 2017, or December 31 of any subsequent calendar year. The RBFi must examine electronically

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searchable data for any of the indicia in line with Section III of subparagraph B.2 of the CRS. If no such indicia is found, the RBFi must review the current customer master file and additionally the listed documents associated with the account obtained within the last five years for any of the indicia described in subparagraph B (2) of the CRS. These include the following:

- The latest collected documentary evidence for the account.
- The latest account opening contracts or documentations.
- The latest documentation obtained via AML/KYC Procedures or for regulatory purposes.
- Any currently effective power of attorney or signature authority forms.
- Any currently effective standing instructions for fund transfers (excluding Depository Accounts).

Additionally, the RBFi should assess whether the relationship manager associated with the high value account possesses actual knowledge identifying the account holder as a reportable person. If a “hold mail” instruction or “in-care-of” address is found during the enhanced review, the RBFi must obtain a valid self-certification or documentary evidence to identify the account holder’s tax residency. If unable to do so, the account must be reported as an undocumented account. Nevertheless, the RBFi must annually enforce enhanced reviews for high value accounts until such accounts cease to be undocumented.

All undocumented accounts should be included in the CRS reports submitted to the Authority on an annual basis. The BRA advises RBFis to contact the Global Relations unit at compauth@bra.gov.bb for any queries.

Reference: [Guidance Note OGC No.07/2023](#)

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