

## KPMG AEOI Updates & Tracking Service FATCA Alert

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<b>Alert Type:</b>	Announcement
<b>Country:</b>	Switzerland
<b>Regime:</b>	FATCA

### Switzerland: Concluded Negotiations to Switch from Non-Reciprocal FATCA Model 2 to Reciprocal Model 1

On 13 November 2023, the State Secretariat for International Finance (SIF) of Switzerland released an update announcing the finalization of the negotiations to transition from non-reciprocal FATCA Model 2 IGA (Intergovernmental Agreement) to reciprocal FATCA Model 1 IGA for the automatic exchange of tax information between Switzerland and the U.S.

Switzerland originally signed a FATCA Model 2 IGA with the U.S. in June 2014, which required Swiss Financial Institutions (FIs) to directly disclose account details to the Internal Revenue Service (IRS) with the consent of the relevant US clients. In cases where consent is not granted by U.S. clients, the U.S. must request this data through regular administrative assistance channels.

Switzerland had previously indicated its intention to switch to Model 1. On 8 October 2014, the Federal Council approved the negotiation mandate with the US for the switch to Model 1 IGA.

Negotiations were finally concluded on 13 November 2023 and preparations for the signing are currently in progress. Once implemented, Switzerland will receive account details from the U.S. tax authority.

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Reference: [State Secretariat for International Finance \(SIF\) and FATCA Agreement](#)

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

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