

F.No. 504/632/2015-FT&TR-III(1)
Government of India
Ministry of Finance
Department of Revenue
Central Board of Direct Taxes
(Foreign Tax & Tax Research Division)

Dated 26th May, 2016

Subject: Clarifications for implementation of FATCA and CRS-reg

Pursuant to the consultations held with Financial Institutions (FIs) regarding implementation of FATCA and CRS, the following clarifications are issued.

Obtaining Self-Certification

2.1 Financial institutions are in the process of carrying out the due diligence of financial accounts and obtaining self-certification from the account holders. Representatives of FIs have informed that there are large number of financial accounts and it is practically very difficult to physically obtain the self-certification from the account holders. It has been requested to provide alternative channels to obtain self-certification.

2.2 In view of the above, it has been decided that self-certification can also be obtained through Internet Banking platform from the user account where the customer has transaction rights.

Tax Identification Number (TIN)

3.1 Several queries have been received on TIN. It is again clarified that TIN is not required to be collected by the FIs if TIN (including its functional equivalent) is not issued by the relevant country or territory outside India in which the person is resident for tax purposes.

3.2 It is also clarified that TIN is not required to be collected by the FIs even from a person (resident for tax purposes in a country or territory outside India) who may be eligible to obtain a TIN (or the functional equivalent) in his country or territory of residence, but has not yet obtained a TIN. However, in this case, FIs may note down this fact and seek TIN from the person after he obtains the same.

Account Balance/value

4.1 As per Rules, account balance or value of the financial account has to be reported. Queries have been received regarding account balance of a custodial

account. The custodial account of the customer maintained with the Depository/ Depository Participant/broker contains various kinds of securities. It has been requested to issue valuation guidelines to determine the account balance/value for the purpose of reporting.

4.2 In this regard, it has been decided that valuation of securities may be done at the values regularly communicated by Depository (CDSL/NSDL) to the depository participants/brokers.

Procedure for furnishing the report

5.1 In respect of the procedure for registration and submission of report under FATCA and CRS, a new Notification No. 4 dated 06.04.2016 has been issued by the Principal Director General of Income Tax (Systems) which is available on the website of Income tax Department www.incometaxindia.gov.in.

5.2 The Systems Directorate has also released a User Manual for Registration, Upload & View of Form 61B which can be found on

http://incometaxindiaefiling.gov.in/eFiling/Portal/StaticPDF/Registration_Upload_Form61Form61B_Form15CC.pdf?0.5419367604612912



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