Amended Common Reporting Standard (CRS): What's New for Reporting Singapore Financial Institutions (RSGFIs)

INLAND REVENUE AUTHORITY OF SINGAPORE

01 Expanded Scope

RSGFIs would be required to report the following under the Amended CRS:

1. **Central Bank Digital Currency (CBDC):** Any digital fiat currency issued by a central bank.
2. **Specified Electronic Money Products (SEMP):** Digital representations of a single fiat currency (e.g. e-wallet balances, prepaid card) that are issued on receipt of funds, redeemable at par value, and accepted as payment by persons other than the issuer.
3. **Indirect Holdings of Relevant Crypto-Assets and Related Accounts:** Derivative contracts referencing Relevant Crypto-Assets or any interest in a Relevant Crypto-Asset.

What RSGFIs need to do:

- Check your product offerings for newly in-scope products
- Assess your client base for Financial Accounts or Account Holders (individuals or entities) now covered under Amended CRS

02 Enhanced Reporting

RSGFIs must report additional information under the Amended CRS:

1. **Roles of Controlling Persons and Equity Interest Holders:**
    - RSGFIs must report the specific role(s) of each Controlling Person that is linked to an Entity Account Holder (i.e., ownership, control through other means, senior managing official).
    - For Investment Entities that are legal arrangements (such as trusts), the roles of Equity Interest Holders must also be reported.
2. **Self-Certification Status:**
    - RSGFIs must indicate whether a valid self-certification has been obtained for each Account Holder and, where relevant, for each Controlling Person.
3. **Additional Financial Account Information**
    - Whether the account is a joint account, and the number of joint Account Holders
    - The type of Financial Account (Depository, Custodial, Equity/Debt Interests in Investment Entity, Cash Value Insurance Contracts or Annuity Contracts)
    - Whether the account is a New Account or Pre-existing Account

What RSGFIs need to do:

- Ensure systems and processes are updated for expanded reporting requirements

Transitional Relief for RSGFIs for Reportable Years 2027 and 2028

RSGFIs are not required to report the role(s) of Controlling Persons and Equity Interest Holders for Reportable Accounts maintained before 1 January 2027 unless this data is already available in their electronically searchable records.

03 Strengthened Due Diligence

Additional due diligence measures that RSGFIs should take note of:

1. Tiebreaker rules for dual-resident Account Holders will no longer apply; all tax residencies must be declared.
2. Clearer look-through requirements for Controlling Persons, including certain publicly traded entities.
3. Citizenship by Investment /Residence by Investment risks must be considered when assessing self-certifications.
4. Strong measures to ensure timely and valid self-certifications.
5. Reliance on AML/KYC allowed only where procedures are substantially similar to FATF standards.

What RSGFIs need to do:

- Review onboarding processes and due diligence procedures.
- Update internal controls and staff guidance where needed.