

FAQs – FATCA Filing Process

(First issued on 06 Feb 2015)

Important Note: This document seeks to address common questions that IRAS receives on FATCA reporting and highlights issues that Reporting Singapore-based Financial Institutions (“SGFIs”) should look out for while preparing for FATCA data reporting. Information on International Data Exchange Services (“IDES”) is available at the United States Inland Revenue Service (“US IRS”) and the IDES-Support websites. Reporting SGFIs can email IRAS at FATCA@iras.gov.sg to seek clarification.

A. General

1. What is the International Data Exchange Service (“IDES”) system?

The IDES is an electronic delivery point for transmitting and exchanging FATCA data with the US IRS. Reporting SGFIs will transmit their FATCA reporting data directly to the IDES and IRAS will approve the data before it is released to the US IRS under a Model 1, Option 2 IDES reporting arrangement.

The IDES runs on all major browsers, including Chrome, Internet Explorer, Safari, and Firefox and will support application-to-application exchanges through the SFTP transmission protocol. An overview of data transmission to the IDES system is available at <http://www.irs.gov/Businesses/Corporations/FATCA-IDES-Resources-and-Support-Information>.

2. Does IRAS provide an online service for manual input and reporting of FATCA information? (updated on 17 Jan 2017)

IRAS does not be providing an online service or separate portal for manual input and reporting of FATCA data. Reporting SGFIs will need to have their own systems and processes in place to collate and prepare the required data in accordance with the prevailing FATCA XML Schema. FATCA reporting data submitted to IRAS in any other format, other than a paper return for nil reporting (see FAQ #A.5 below), will not be accepted.

3. Is there a size limit requirement on the FATCA reporting packet which is to be transmitted?

The maximum recommended file size is 200MB compressed.

4. Are multiple submissions to the IDES by the same Reporting SGFI allowed?

Yes, a Reporting SGFI can make as many transmissions as needed. All submissions have to be made by the filing due date.

5. If a Reporting SGFI does not maintain any US Reportable Accounts for the Reporting Year, is a "Nil" return required? (updated on 17 Jan 2017)

A Reporting SGFI that does not maintain any US Reportable Accounts is required to submit a nil return to IRAS. FIs must do so by submitting either a Nil Return XML file through the IDES or a paper nil return to IRAS.

6. Why is a Reporting SGFI required to file a nil return even though the US IRS has clarified that there is no requirement for Model 1 FFIs to do so?

IRAS requires the information to ensure that all Reporting SGFIs have duly filed their FATCA returns.

7. What if there is nobody in my organisation who knows how to prepare the data in the required XML format?

Reporting SGFIs are advised to seek the services of an IT professional or vendor to assist them in capturing and preparing the data in accordance to the FATCA XML Schema if they do not have the relevant expertise to do so.

8. Can IRAS recommend an application or IT vendor who can assist me in preparing the FATCA reporting data and/or packet? (updated on 11 Feb 2016)

Reporting SGFIs can perform an Internet search using FATCA related key words such as FATCA reporting, IDES, FATCA submission, FATCA software, Form 8966 reporting tool to look for a vendor with the suitable application. Reporting SGFIs should exercise due care when acquiring an application and where appropriate, seek professional advice. Reporting SGFIs should also ensure that the use of the application and the data hosting arrangements meet their internal ICT policies. An application that is used to prepare a FATCA reporting packet for IDES submission must be able to support a Model 1, Option 2 reporting arrangement.

There is a sample working application developed using the .NET Framework to prepare a FATCA reporting packet for IDES submission and it is available at <https://github.com/IRSGov/IDES-Data-Preparation-Dot-Net>.

9. Are there sample XML files related to FATCA submissions available? (updated on 17 Jan 2017)

Sample XML documents for the FATCA NIL reports, sender metadata, and notifications are available at <http://www.irs.gov/Businesses/Corporations/FATCA-XML-Schemas-and-Business-Rules-for-Form-8966> .

10. Can a Sponsoring Entity that is not located/resident in Singapore submit a FATCA reporting packet through the IDES, on behalf of a Reporting SGFI (i.e. the Sponsored Entity) to IRAS? (added on 11 Aug 2015)

Yes. The Sponsoring Entity will have to obtain a GIIN that ends with the .702 suffix in order to have the FATCA reporting packet routed to IRAS for approval via the IDES (under

a Model 1 Option 2 reporting arrangement). Please refer to the following instructions to obtain a GIIN that ends with the .702 suffix for a Sponsoring Entity:

- a) Go to the IRS FATCA Registration Portal and create a new account.
- b) Select the Financial Institution Type, “Sponsoring Entity” and click Next to continue.
- c) Complete other questions and proceed to Part 1, Questions 3-4.
 - i. Question 3: Select Financial Institution’s Country of Residence, “Singapore”.
 - ii. Question 4: Select the Financial Institution's classification in its jurisdiction of tax residence, “None of the Above”.
- d) Complete the rest of the application.

Please note that some processing lead time is needed before the GIIN is issued and published on the IRS FFI List. After the approved GIIN appears on the FFI List, use the GIIN to enrol in IDES. Detailed information on IDES enrolment process can be found at <https://www.ides-support.com/>.

B. FATCA Reporting Data in XML format

11. What are some of the common issues to note when preparing the FATCA reporting data in XML format? (updated on 27 Jul 2017)

These issues include:

i) It is **not** necessary to specify the location of the FATCA XSD files. If the location of the FATCA XSD files has to be specified, please use the following declaration:

```
xsi:schemaLocation="urn:oe.cd:ties:fatca:v2 FatcaXML_v2.0.xsd"
```

ii) Using of default namespace is prohibited by the IRS. Please use namespace prefixes for all elements.

Example:

Adding a prefix (e.g. “sfa”) to your schema referencing as follows:

```
xmlns:sfa="urn:oe.cd:ties:stffatcatypes:v2"
```

Thereafter, use that prefix “sfa” when tagging the data elements as shown below:

```
<sfa:SendingCompanyIN></sfa:SendingCompanyIN>  
<sfa:TransmittingCountry></sfa:TransmittingCountry>
```

iii) XML data elements which are compulsory for FATCA reporting (i.e. Validation or Mandatory) are not included.

iv) The use of certain characters (e.g. ampersand (&) and less than (<)) or certain combinations of characters (e.g. double dash (--)) and slash asterisk (/*) as XML element values are not allowed and will result in the FATCA reporting data file being rejected by the US IRS. For more information on the use of prohibited/restricted characters, please visit [FATCA XML Schema Best Practices for Form 8966](#)

v) In preparing the FATCA reporting packet, the Reporting SGFI did not adhere to the required file naming convention. (e.g. the file name should not contain any space character)

12. What required data validation should be done on the FATCA reporting data file prior to being submitted to IDES? (updated on 17 Jan 2017)

The FATCA Report data XML file must be validated against the FATCA XML schema. The FATCA XML v2.0 User Guide contains pertinent information to ensure data contained in the report is valid and outlines which data elements are compulsory, as well as specific business rules for each data element. The User Guide is available on the IRAS FATCA webpage.

13. How can Reporting SGFIs validate the FATCA reporting data file against the FATCA XML Schema?

There are several freeware, shareware and commercial products on the internet that are available for performing validation of the FATCA reporting data file against the FATCA XML Schema. In general, IT professionals/vendors who are skilled in XML technology should be able to perform this validation with the appropriate software.

14. What if a Reporting SGFI does not validate the FATCA reporting data file before transmission to IRAS via IDES? (updated on 17 Apr 2015)

The XML file may be rejected by either IRAS or the US IRS. In the event this happens, the Reporting SGFI will have to prepare the file again for re-submission. Getting the FATCA reporting data file validated before transmission reduces the effort and time needed to prepare the FATCA reporting data for re-submission.

15. What is the difference between Corrected, Amended and Void Data? (added on 11 Feb 2016)

- Corrected Data (FATCA2) is used for records that are re-transmitted after the Reporting SGFI has been notified of a problem with the file or underlying data. Corrected Data should ONLY be used when responding to an IRS request to correct the data.
- Amended Data (FATCA4) is used to amend a record(s) previously transmitted to the IRS, but is later found to contain erroneous information.
- Void Data (FATCA3) instructs IRS to disregard previously filed records when data needs to be re-transmitted. The original records should be re-transmitted with code

FATCA3 which instructs IRS to void the original transmission. After voiding the original records, the revised records should then be transmitted to IRS as New Data with code FATCA1.

16. How are FATCA reporting data files with Corrected, Amended, or Void Data prepared? (added on 11 Feb 2016)

The procedures to correct, amend, or void specific records are below:

a. Corrected Data - When a filer resubmits corrected records in response to a “valid file with errors” notification from the IRS, please take note of the following:

- Within the “DocSpec” element of the corrected record:
 - The “DocTypeIndic” element must be “FATCA2” to denote a corrected record
 - The “CorrMessageRefID” element must be set equal to the “MessageRefID” for the original file in which the record being corrected was contained
 - The “CorrDocRefID” element must be set equal to the “DocRefID” for the original record being corrected
 - All fields identified in the error listing for the record in the notification must be corrected. In addition, all other (non-erroneous) fields from the original record must be included. For instance, if the Name of an Individual Account holder is identified to contain an error, the filer must provide the corrected Name, as well as populate the other non-erroneous fields (such as the Address, Account Number and Account Balance etc) with the information provided in the original AccountReport element that was submitted previously.
 - The resubmitted file with the corrected data **must** represent a valid FATCA reporting data file which can be validated against the FATCA XML Schema.

b. Amended Data - The filer must take note of the following:

- Within the “DocSpec” element of the resubmitted record:
 - The “DocTypeIndic” element must be “FATCA4” to denote an amended record
 - The “CorrMessageRefID” element must be set equal to the “MessageRefID” for the original file in which the record being amended was contained.
 - The “CorrDocRefID” element must be set equal to the “DocRefID” for the original record being amended
 - All fields in the amended record that the filer wishes to report to the IRS must be populated. For instance, if the Name of an Individual Account holder is being amended, the filer must provide the amended Name, as well as populate the other fields within the record (such as the Address, Account Number and Account Balance etc) with the information provided in the original AccountReport element that was submitted previously.
 - The revised file with the amended data **must** represent a valid FATCA reporting data file which can be validated against the FATCA XML Schema.
- Do not amend a record in response to a record-level error notification; instead please submit a Corrected Data Report (FATCA2)

c. Void Data - A filer who wishes to delete a previously submitted record must note the following:

- Within the “DocSpec” element of the record being voided:
 - The “DocTypeIndic” element must be “FATCA3” to denote a voided record
 - The “CorrMessageRefID” element must be set equal to the “MessageRefID” for the original file in which the record being voided was contained
 - The “CorrDocRefID” element must be set equal to the “DocRefID” for the original record being voided
 - All fields in the voided record must have the same values as the original record being voided (deleted).
 - The revised file must represent a valid FATCA reporting data file which can be validated against the FATCA XML Schema.

17. Are there sample FATCA reporting data files with Corrected, Amended, or Void Data available? (added on 11 Feb 2016)

They are available at <https://www.irs.gov/Businesses/Corporations/FATCA-XML-Reporting-Schema-Samples-to-Correct-Amend-or-Void-Records> .

18. Can a Reporting SGFI submit a FATCA reporting data file which contains a combination of different data types (e.g. Corrected and Amended Data in one reporting file)? (added on 11 Feb 2016)

No. The Reporting SGFI should only provide one type of data for each FATCA reporting data file that is submitted to IRAS.

C. Enrolment with IDES

19. Who needs to enrol with the IDES and obtain a digital certificate? (Updated on 02 Sept 2015)

Only the entity (which includes a Reporting SGFI, a Sponsor, a third party preparer) that is responsible for preparing the FATCA reporting data packet and submitting it to IDES needs to enrol with the IDES and obtain a digital certificate. Having a digital certificate issued by an [US IRS-approved CA](#) is a requirement before the entity can enrol with the IDES. The private key used to sign the FATCA reporting data file must correspond to the public key in the digital certificate used to enrol in IDES.

Example: If FFI A is submitting on behalf of other FFIs (i.e. a parent company submitting for its subsidiaries), only the submitting entity (i.e. FFI A) needs to enrol with the IDES.

20. Why is there a need to get a digital certificate to enrol into IDES? (added on 17 Apr 2015)

A digital certificate is a trusted instrument that is attached to an electronic message for the recipient to verify that the sending entity is truly who it claims to be. Prior to the sending the message, the sending entity will apply for a digital certificate with a Certificate

Authority (CA). The CA will issue a digital certificate to the sending entity after an identity proofing process to verify the entity. The digital certificate contains sending entity’s public key, digital signature and other identity information. With this information, the recipient can verify the authenticity of the message that it receives from the sending entity and provide an encrypted reply to the sending entity if required.

21. Can a digital certificate be shared by multiple organisations? (added on 17 Apr 2015)

A digital certificate is a trusted instrument that is attached to an electronic message for the recipient to verify that the sending entity is truly who it claims to be. Sharing of the digital certification between organisations is a poor security practice that defeats the purpose of the verification process and, as such, is strongly discouraged.

22. Where can reporting entities get a certificate? (updated on 27 Jul 2017)

IDES will only accept digital certificates issued by an US IRS-approved CA. The following is a list of US IRS-approved CA and the required certificate from that CA, effective from 31 Jul 2017:

| Certificate Authority | Type of Certificate |
|------------------------------|---|
| DigiCert | Standard SSL EV SSL |
| Entrust | Standard SSL EV Multi-Domain SSL |
| GlobalSign | Organization SSL Extended SSL |
| IdenTrust | Standard Server SSL FATCA Organization Certificate |
| Symantec | Secure Site SSL Secure Site with EV |
| Thawte | SSL Web Server SSL Web Server with EV |

If the Reporting SGFI has a valid certificate from an US IRS-approved CA, based on the prior version of the list (see table below), the Reporting SGFI may continue to use it until it expires.

List of US IRS-approved CA prior to 31 Jul 2017

| Certificate Authority | Required Certificate |
|------------------------------|-----------------------------|
| DigiCert | SSL Plus (Single Name) |
| GlobalSign | Organization SSL |
| StartCom | Start SSL EV |
| Symantic/Verisign | Secure Site SSL |
| Entrust | Standard SSL |

| | |
|-----------|-----------------------|
| IdenTrust | Trust ID Server (SSL) |
| IdenTrust | Organization non-SSL |
| Thawte | SSL Web Server |

23. Can a Reporting SGFI obtain a different type of certificate, other than the listed Required Certification, from the approved CA? (added on 17 Apr 2015)

No. A Reporting SGFI must have the required certificate from the company of your choice. Example: If you choose to obtain a digital certificate from EnTrust, you must obtain its Standard SSL Certificate and **not** any other type of digital certificate that is offered by EnTrust.

24. What file format should the digital certificate be in? (added on 17 Apr 2015)

IDES only supports the following formats:

- Distinguished Encoding Rules (DER) binary X.509
- Privacy Enhanced eMail (PEM) ASCII (Base-64) encoded X.509

The certificate file must have a .pem (Base64) or .der (Binary) file extension for loading into IDES.

D. Transmission

25. Why is the Reporting SGFI unable to locate an ‘Outbox 702’ (which is Singapore’s country code) folder on its IDES Gateway homepage when uploading its FATCA reporting packet? (added on 12 Jun 2015)

A Reporting SGFI should upload the FATCA reporting packet to the ‘Outbox 840’ folder as US IRS is the final recipient of the information. The IDES will route the reporting packet to IRAS for approval before the reporting packet is onward transmitted to the US IRS.

26. What are the types of alerts that a Reporting SGFI may receive after the FATCA reporting package has been submitted using IDES? (added on 17 Apr 2015)

A Reporting SGFI will receive transmission-related alerts (subject to your Alert Preferences setting) from the IDES after the reporting package has been submitted using IDES. An overview on the types of IDES alerts codes is available at <http://www.irs.gov/Businesses/Corporations/IDES-Alert-Codes> .

27. IRAS has approved a Reporting SGFI’s FATCA reporting packet for onward transmission to the US IRS, does this mean the Reporting SGFI will not be receiving further request from the US IRS for amendments or re-submission? (Updated on 02 Sept 2015)

Reporting SGFIs are regarded to have submitted their FATCA return to IRAS for the reporting year when they receive an email alert (with Alert Code: RC023 “Successful

upload and approved by the HCTA (Model 1 Option 2)”) from IDES informing them that their FATCA reporting packet has been approved by IRAS. Nonetheless, the reporting packet may still be rejected if it fails the US IRS’ internal business and validation rules. Should this be the case, the US IRS will inform IRAS that the submitted FATCA reporting data file/packet contains error. IRAS will in turn notify the affected Reporting SGFI of the error(s). The Reporting SGFI will be given additional time to correct the error(s) and re-submit a revised reporting packet through the IDES.

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