



INLAND REVENUE
AUTHORITY
OF SINGAPORE

Date: 30 December 2016

To: All Financial Institutions in Singapore

Dear Sir/Madam,

IMPLEMENTATION OF THE COMMON REPORTING STANDARD (“CRS”) WITH EFFECT FROM 1 JANUARY 2017

The Income Tax (International Tax Compliance Agreements) (Common Reporting Standard) Regulations 2016 (“CRS Regulations”) will come into effect on 1 January 2017.

The CRS is an internationally agreed standard for the automatic exchange of financial account information (“AEOI”), endorsed by the OECD and the Global Forum for Transparency and Exchange of Information for Tax Purposes, to deter and detect tax evasion through the use of offshore bank accounts. More than 100 jurisdictions, including major financial centres such as Hong Kong, Luxembourg and Switzerland, have endorsed the CRS and will commence AEOI in either 2017 or 2018.

The CRS Regulations empower and require all financial institutions (“FIs”) to put in place necessary processes and systems to obtain CRS information from account holders (known as the “Wider Approach”) that open a new account with the FIs from 1 January 2017. FIs will have to establish the tax residency status of all their account holders using the information they have and transmit to the Inland Revenue Authority of Singapore (“IRAS”) in 2018 the CRS information of account holders that are tax residents of jurisdictions that Singapore has a Competent Authority Agreement (“CAA”)¹ for CRS with.

More details on the CRS can be found on IRAS’ website (<https://www.iras.gov.sg/IRASHome/CRS/>).

Inland Revenue Authority of Singapore

¹ A CAA enables the implementation of information exchange based on existing legal instruments such as the Convention on Mutual Administrative Assistance in Tax Matters or bilateral tax treaty.

