

Insurers, bankers call...

Ensure T&T is FATCA compliant

Groups representing the insurance and banking industries have called on the government to ensure that the legislation that would make T&T fully compliant with the Foreign Account Tax Compliance Act (FATCA) is in place by the deadline at the end of September.

The Association of T&T Insurance Companies (ATTIC) said: “There was some delay in progressing the local legislation and though the timeframe is relatively short to the September 30 deadline for compliance, we are optimistic that the arrangements can be finalised, and as an industry we would expect that all participants would be willing to cooperate.”

Commenting on the signing of the IGA, ATTIC said it came with relief because, “it has removed some uncertainty in the financial services industry. As far as the financial services industry goes, we have been aware of the implementation of FATCA for some time therefore, preparation for the reporting requirements would be in an advanced state of readiness. To complete the process the local tax authority will have to advise local financial institutions of the logistics for reporting the data on clients with the criteria that trigger reporting under FATCA.”

The Bankers Association of T&T (BATT) congratulated the Government on signing the IGA and said that the signing is an important milestone which is “significant” since it places T&T in a good position to meet the September 30 deadline. Failure to meet the deadline could result in punitive taxes being imposed on financial institutions in T&T.

BATT said: “We encourage the government to continue the implementation process and BATT looks forward to working with the Government and the Opposition as key stakeholders as we review and ultimately pass the enabling legislation, which will allow local banks to be able to meet their reporting requirements to the BIR. NS

We also encourage the BIR to begin the process of working with member institutions to create the framework in which information between banks and the BIR will be shared to ensure we are ready for the first reporting period on September 30, 2016.”

FATCA came into effect in the US, in March 2010 and requires all US citizens resident inside and outside of that country to pay taxes.

Source: <http://www.guardian.co.tt/business/2016-08-26/ensure-tt-fatca-compliant>