

FOREIGN ACCOUNT TAX COMPLIANCE ACT (FATCA)

The Bankers Association of Trinidad and Tobago reminds all U.S. persons that the Foreign Account Tax Compliance Act (FATCA) came into force on July 1, 2014.

FATCA is legislation that was passed in 2010 in the United States as part of the Hiring Incentives to Restore Employment (HIRE) Act with the intent of combatting tax evasion by "U.S persons" using foreign accounts. Under FATCA, Foreign Financial Institutions are required to identify and report financial accounts held by U.S taxpayers, or by foreign entities in which U.S. tax payers hold a substantial ownership interest.

Existing account holders and persons indicating that they are U.S. persons, or persons opening new accounts, may be asked by their respective financial institution to provide additional information or documentation to demonstrate that they are, or are not a U.S. person. Failure to provide additional information or documentation as requested may result in your financial institution having to withhold a tax on U.S. source payments that you receive and send it to the Internal Revenue Service (IRS). In addition, if the information or documentation requested is not provided, the financial institution may be required to provide summary information about the relevant accounts to the IRS.

Persons considered as "U.S person" under U.S tax law are as follow:

1. A citizen of the United States (including an individual born in the U.S but resident in Trinidad and Tobago, or another country, who has not renounced U.S. citizenship)
2. A lawful resident of the U.S. (including a U. S. green card holder)
3. A person residing in the U.S
4. Persons who spend a considerable amount of time in the U.S. on a yearly basis may also be considered a U.S. citizen
5. U.S corporations, estates and trusts are also considered U.S. persons

For more information about U.S. person or persons who may be impacted by FATCA log on to the IRS website at www.irs.gov/fatca or contact your tax advisor.



**Bankers Association
Of Trinidad & Tobago**

Working together for you.

www.batt.org.tt