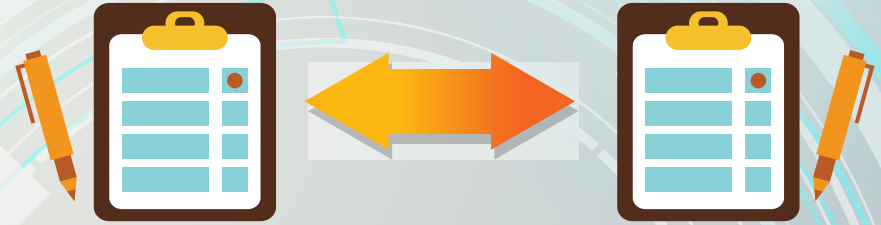


# CRS Purpose of the CRS



Through the automatic exchange of tax information preventing taxpayers from hiding their incomes or assets in foreign financial institutions to evade tax



# CRS CRS regime

## R.O.C.

## Country A



Tax authorities



Reporting account information in accordance with the R.O.C.'s laws and regulations



Financial institutions

Reviewing and identifying a reportable account

Exchanging information on financial accounts in accordance with tax agreements and competent authority agreements



Tax authorities



Reporting account information in accordance with Country A's laws and regulations



Financial institutions

Reviewing and identifying a reportable account

Proprietor X opened a financial account in Country A

Professional Y opened a financial account in the R.O.C.



# CRS

## What is a reporting financial institution ?

### Reporting financial institution

1. Any financial institution of the R.O.C. excluding any branch of the financial institution located outside the territory of the R.O.C.
2. Any branch of a foreign financial institution located in the territory of the R.O.C.

### Non-reporting financial institution

1. A governmental entity, an international organization, or a central bank
2. A qualified retirement or pension fund
3. An exempt credit card issuer
4. An exempt collective investment vehicle
5. A trust of which the trustee reports all required information
6. Any other entity announced by the MOF that presents a low risk of being used to evade tax

Country A

R.O.C.

Country B

Financial institutions of the R.O.C.

Branches of financial institutions of the R.O.C.

Financial institutions of Country A

Branches of financial institutions of Country A

Branches of financial institutions of Country B

Financial institutions of Country B

# CRS What is a financial account ?

Types of financial account	Definition
A depository account	An account maintained in the ordinary course of banking
A custodial account	An account holding financial assets for the benefits of other persons
Any equity or debt interest	Any equity or debt interest in an investment entity, and the account maintained by such investment entity
Any cash value insurance contract	A contract under which the policyholder is entitled to receive an agreed amount upon surrender or termination of the contract
Any annuity insurance contract	A contract under which the issuer agrees to make payments for a period of time determined by reference to the life expectancy of an individual



# CRS

## Which financial accounts will be excluded ?

- 1 A qualified retirement or pension account
- 2 A qualified non-retirement account
- 3 A qualified life insurance contract
- 4 An estate account
- 5 A qualified escrow account
- 6 A qualified depository account due to not-returned credit card overpayments
- 7 A micro dormant account
- 8 Any other account announced by the MOF that presents a low risk of being used to evade tax



# CRS

## What is the scope of a reportable account ?

Performing due diligence and identifying a foreign account



Held by a resident of a reportable jurisdiction

Held by a passive non-financial entity with a controlling person that is a resident of a reportable jurisdiction



A reportable account



# CRS

## Due diligence procedures and timelines

Types of account		Content	Due diligence procedures	Date of completing procedures
Individual	New account	Opened on or after January 1, 2019	Obtaining a self-certification and confirming its reasonableness	On or after January 1, 2019
	Preexisting account	Lower value An account with an aggregate balance or value $\leq$ USD1,000,000 as of December 31, 2018	Reviewing a residence address or searching electronic records	December 31, 2020
		High value An account with an aggregate balance or value $>$ USD1,000,000 as of December 31, 2018	Searching electronic and paper records, and applying an actual knowledge test by a relationship manager	December 31, 2019
	A lower value account becomes a high value account		Same as above	Within the calendar year following the year in which the account becomes a high value account

Types of account		Content	Due diligence procedures	Date of completing procedures
Entity	New account	Opened on or after January 1, 2019	Obtaining a self-certification and confirming its reasonableness	On or after January 1, 2019
	Preexisting account	Small amount An account with an aggregate balance or value $\leq$ USD250,000 as of December 31, 2018	Not required to be reviewed	Not required to be reported
		High amount An account with an aggregate balance or value $>$ USD250,000 as of December 31, 2018	Reviewing maintained information and other information	December 31, 2020
	A small amount account becomes a high amount account		Same as above	Within the calendar year following the year in which the account becomes a high amount account

# CRS

## Information required to be reported and reporting deadline

### Reported information

#### Information on account holders

Individual: Name, address, jurisdiction(s) of residence, TIN(s), date of birth  
Entity: Name, address, jurisdiction(s) of residence, TIN(s)  
Name, address, jurisdiction(s) of residence, TIN(s), date of birth of a controlling person of a passive non-financial entity

#### Information on accounts

Account number, account balance or value

#### Incomes of accounts

Depository account: Total gross amount of interest  
Custodial account:

- Total gross amount of interest, total gross amount of dividends, and total gross amount of other income generated with respect to the assets held in the account
- Total gross proceeds from the sale or redemption of financial assets

Other accounts: Total gross amount paid or credited

#### Information on reporting financial institutions

Name and business administration number of the reporting financial institution

### Reporting deadline

The information shall be reported to the tax authorities from June 1 to 30 every year starting from 2020