

## Client Alert

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## Common Reporting Standard Registration Deadline on 31 March 2018 for Reporting Singapore Financial Institutions

Reporting Singapore Financial Institutions ("**Reporting SGFIs**") are required to register for Common Reporting Standard ("**CRS**") purposes with the Inland Revenue Authority of Singapore ("**IRAS**") by 31 March 2018. The registration obligation applies to any entity that is or becomes a Reporting SGFI at any time between 1 January 2017 and 31 December 2017.

After registration, Reporting SGFIs will generally be subject to other CRS compliance obligations, including due diligence and reporting obligations. In respect of reporting year 2017, Reporting SGFIs will be required to submit CRS Returns and report prescribed information to IRAS by 31 May 2018.

### 1. What are Reporting SGFIs and what are the implications?

A Reporting SGFI is defined under the Singapore Income Tax (International Tax Compliance Agreements) (Common Reporting Standard) Regulations 2016 ("**CRS Regulations**"). Reporting SGFI refers to Financial Institutions that are resident in Singapore, or the branches of Financial Institutions that are located in Singapore.

Where an entity is not considered a Financial Institution, it will be considered a Non-Financial Entity ("**NFE**").

Whether an entity is considered a Financial Institution or an NFE will depend on an analysis of the activities carried out and income derived by the entity based on the applicable CRS rules, as implemented and applied in Singapore under the CRS Regulations.

Any entity that is considered a Reporting SGFI will need to register with IRAS for CRS purposes, unless it falls into exempted categories which include certain investment entities and trusts whereby the trustee undertakes CRS reporting obligations on behalf of the trust.

Reporting SGFIs will also have due diligence and reporting obligations under Singapore law with respect to CRS.

### 2. Registration with IRAS for CRS Purposes

Failure to register is a criminal offence under the law and regulations in Singapore with respect to CRS.





The CRS registration is to be submitted online, via IRAS' AEOI e-Services portal [here](#).

IRAS has published certain administrative guidance in relation to registration for CRS purposes, that may be helpful:

- (a) the [Quick Guide to CRS Registration](#); and
- (b) the [IRAS FAQs on CRS Registration](#).

### **Next steps**

In view of the 31 March 2018 deadline, Singapore-based financial institutions and any private wealth management structures with Singapore connections should review the CRS rules to determine whether they are a Reporting SGFI and if so, whether any exceptions to registration apply.

Clients should also review their estate planning vehicles such as trusts, personal investment companies, family offices, private trust companies and other underlying investment vehicles to assess if any of the entities are Reporting SGFIs with CRS registration and other obligations (including due diligence and/or reporting obligations) under Singapore law.

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