

Foreign Account Tax Compliance Act (FATCA) Information for Account Holders

What is FATCA?

FATCA stands for the Foreign Account Tax Compliance Act and is a United States (US) initiative aimed at reducing the potential for off shore tax evasion by requiring financial institutions outside the United States to provide the Inland Revenue Service (IRS) with financial account information they hold on US citizens. In 2012, Ireland entered into an agreement with the United States to participate in this information exchange initiative and financial institutions will commence reporting this information to Revenue in June 2015.

How does it work?

Each year, reporting financial institutions are required to review the accounts they hold and identify account holders who are US citizens and then report details of US account holders to Revenue. Revenue will then exchange this information with the IRS.

What type of financial institutions and accounts are covered by FATCA?

The definition of financial institution for FATCA purposes is quite broad and covers a number of different types of Irish institutions such as banks, investment entities which trade in money market instruments or invest, administer or manage funds or money on behalf of other persons, trusts, investment limited partnerships and certain types of insurance companies that have cash value products or annuities.

Accounts on which financial institutions are then required to report cover deposit accounts, custodial accounts, certain types of investment accounts and insurance and annuities contracts.

I am an Irish citizen, how does FATCA affect me?

The purpose of FATCA is to identify US citizens who hold financial accounts outside of the US, therefore for Irish citizens with no ties or links to the US, FATCA will have no impact.

I am an US citizen, how does FATCA affect me?

As the purpose of FATCA is to identify US citizens who hold financial accounts outside of the US, your financial institution may be in touch with you to ask you to confirm your citizenship. There may also be instances where you are no longer a citizen of the US or it is not clear whether or not you are a US citizen and in these instances a financial institution may also contact you and ask you to confirm your citizenship.

For example, where an account holder was born in the US and emigrated at an early age or was briefly working in the US, when completing their account holder review, a financial institution may identify information, such as an address or telephone number associated with the account which indicates that an account holder has ties with the US and may be a citizen of the US. In these instances the financial institution will contact account holder asking them to provide documentation confirming their US citizenship. This is known as 'self certification' and financial institutions have various procedures in place for this purpose.

What documentation should I provide to a financial institution to verify that I am a non US citizen?

All of the following documents should be provided to a financial institution:

1. A completed FATCA self-certification form showing that you are neither a US citizen or a US resident for tax purposes.
2. A non US Passport.
3. A copy of a Certificate of Loss of Nationality of the US, or a reasonable explanation, or the reason you do not have such a certificate, or the reason you did not obtain US citizenship at birth.

Would a Certificate of Loss of Nationality be available in circumstances where an account holder has surrendered their passport for reasons of dual nationality?

If an account holder has surrendered their passport for reasons of dual nationality, a Certificate of Loss of Nationality is the document that is issued to individuals when they renounce their US citizenship and relinquish their passport, and so a certificate should be available in these circumstances.

Circumstances in which an account holder would not hold a Certificate of Loss of Nationality

In some circumstances a Certificate of Loss of Nationality of the US would not be available to an individual. For example the issuing of Loss of Nationality Certificates did not become common practice until the late 1950's, therefore the non holding of a certificate prior to this time would be considered a reasonable explanation as to why would you not hold a valid Certificate and you could be considered a non US person without producing the Certificate in these circumstances.

What should I do when asked for this information?

As financial institutions are legally obliged to report information on US account holders to Revenue, account holders should advise their financial institution of their citizen status which will allow the financial institution to report accurately.

What type of information will the financial institution report to Revenue?

Financial institutions are required to report the following to Revenue:

- Name, Address, Tax Reference Number (TIN) and account number of US account holders.
- Name and identifying number of the financial institution.
- Account Balance or value at year end.
- Payments made with respect to the account during the calendar year.

Where should I go for more information?**Where should I go for more information?**

The Revenue Commissioners have provided [detailed FATCA information](#) for financial institutions on their website.

Further information in relation to FATCA can also be accessed on the [IRS website](#).