



**DEPAHO LIMITED**

**Frequently Asked Questions & Answers on:  
Common Reporting Standard (CRS)  
&  
Foreign Account Tax Compliance Act (FATCA)**

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## **Common Reporting Standard (CRS)**

### **What is Common Reporting Standard?**

The Common Reporting Standard (“CRS”) is a global standard for the automatic exchange of financial account information between the governments around the world developed by the Organization for Economic Co-operation and Development (“OECD”), to help fight against tax evasion and protect the integrity of tax systems.

### **Who is within the scope of CRS?**

The CRS regulation generally applies to any Financial Institution located in a CRS participating jurisdiction and obliges those Financial Institutions to identify tax residency of account holders.

### **Who is reportable?**

The CRS seeks to establish the tax residency of customers. Under the CRS, financial institutions are required to identify customers (both individuals and entities) and obtain a self-certification on their tax residency.

Therefore, the Company is required to identify reportable accounts based on the information collected (during registration and via a self-certification) and report them accordingly to the Cyprus Tax Authority.

### **Why do we ask for your TIN?**

The CRS seeks to establish the tax residency of customers. The CRS calls on jurisdictions to obtain information from their financial institutions and automatically exchange that information with other jurisdictions on an annual basis. Under the CRS, financial institutions are required to identify customers who are tax resident in foreign jurisdictions.

### **Which countries are participating in the CRS?**

For a list of countries participating in the CRS, alongside the dates that they will start exchanging information, please see the [OECD CRS portal](#).

### **Is CRS applicable to Cyprus?**

Yes. The Republic of Cyprus signed on 29<sup>th</sup> of October, 2014 following a Council of Ministers decision, the Multilateral Competent Authority Agreement for the automatic exchange of financial information of financial accounts.

### **How often will I need to provide this information?**

During your registration through the Registration Form. In case any of your details entered in the Registration Form change, you will have to inform the Company.

### **Where can I find further information and advice?**

For further information on your tax residency, please refer to the [rules governing tax residence](#) that have been published by each national tax authority. You can also find out more at the [OECD Automatic Exchange of information portal](#).

**Important Note: As a financial institution, we are not allowed to give tax advice. Your tax adviser may be able to assist you in answering specific questions relating to CRS. Your domestic tax authority can provide guidance regarding how to determine tax status.**



## **Foreign Account Tax Compliance Act (“FATCA”):**

### **What is FATCA?**

The provisions commonly known as **FATCA** became law in the United States of America in March 2010. FATCA is an important development in the U.S. effort to improve tax compliance involving foreign financial assets and offshore accounts.

FATCA prevents US taxpayers who hold financial assets in non-US financial institutions and offshore accounts from avoiding taxation on their income and assets. Foreign financial institutions agree to report details on their US clients directly to the Internal Revenue Service (“**IRS**”).

More information regarding FATCA can be found on the relevant [IRS website](#).

### **Is FACTA applicable in Cyprus?**

Yes. The Republic of Cyprus and the United States of America signed on 2<sup>nd</sup> of December, 2014 an Inter-Governmental Agreement in regards to the FATCA. Under the Inter-Governmental Agreement (“**the Agreement**”) all participating Cyprus Financial Institutions are required to report all customers that have US indicia (US tax residency, place of birth, US nationality etc.) to the Tax Department in Cyprus.

FATCA obligations require Cyprus financial institutions to identify financial accounts held by U.S. residents or U.S. citizens, or by entities that are organized in the US or controlled by one or more U.S. persons and to report that information.

### **What information will the Company use to identify whether I could be subject to reporting?**

You may be contacted by the Company if one or more of the following apply to you:

- You have U.S citizenship or lawful permanent resident (green card) status;
- U.S birthplace;
- You have a U.S residence address or a U.S correspondence address;
- You have a telephone number in the U.S;
- You fund your trading account with a bank account maintained in the U.S or has U.S address.

### **What does FACTA mean for me?**

If you are considered a US Person, you may be asked to supply the Company with additional information/documentation. You may also wish to visit the IRS website to determine if you need to complete and submit any additional IRS forms.

If you are a specified US Person, the Company will be required to report information about you and your trading account to the Cyprus Tax Authority or the IRS on an annual basis.

### **Does FATCA apply to all financial institutions in Cyprus?**

Yes. The Company is committed to comply with this requirement and collect relevant information with a minimum burden on our clients.

**Important Note: As a financial institution, we are not allowed to give tax advice. Your tax adviser may be able to assist you in answering specific questions relating to FATCA. Your domestic tax authority can provide guidance regarding how to determine tax status.**