



# FOREIGN ACCOUNT TAX COMPLIANCE ACT ('FATCA') / COMMON REPORTING STANDARD ('CRS') - REASONABLE EXPLANATION FORM

To: AIB

I understand that AIB, in accordance with the Foreign Account Tax Compliance Act ('FATCA') and Common Reporting Standard ('CRS'), is obliged to obtain a reasonable explanation and supporting documentation from me to support the validity of the tax certification provided by me at account opening.

I confirm that I am a tax resident of \_\_\_\_\_ and I provide the following explanation as to why there is a difference between the jurisdiction of tax residency stated on the tax certification form completed by me at account opening and the information AIB holds on file.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Please list the documentation provided to support the above explanation:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Note:** Please review the attached Frequently Asked Questions (FAQ's) before completing this form.

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NSC \_\_\_\_\_ Account Number: \_\_\_\_\_

Customer Name \_\_\_\_\_

I declare that, to the best of my knowledge and belief, the information I have provided is accurate, complete and up to date.

Customer signature \_\_\_\_\_

Date \_\_\_\_/\_\_\_\_/\_\_\_\_\_

Note: We will review your explanation and will advise you of the outcome of this review in due course.

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Once completed, please return this form to the following address:

**Group Tax Operations, AIB Bank, 6<sup>th</sup> Floor, 1 Adelaide Road, Dublin 2.**

## FREQUENTLY ASKED QUESTIONS

### Useful Information - Foreign Account Tax Compliance Act ('FATCA') and Common Reporting Standard ('CRS')

#### 1. What is FATCA?

FATCA is a legal framework which requires AIB to report details of financial accounts held by US citizens and persons tax resident in the US to the Irish Revenue on an annual basis who will then exchange this information with the US tax authorities.

#### 2. What is CRS?

CRS is a legal framework which requires AIB to report details of financial accounts held by reportable persons (i.e. customers who are not tax resident in the Republic of Ireland or the US) to the Irish Revenue on an annual basis who will then exchange this information with tax authorities in relevant jurisdictions.

#### 3. What is the impact of FATCA and CRS for you?

AIB will be required to undertake the following additional steps in relation to customers opening a new account:

- obtain a tax certification from the customer which enables the bank to determine (a) whether the account holder is a US citizen and (b) the account holders residence for tax purposes;
- confirm the reasonableness of the tax certification based on other information that we hold in relation to the customer;
- where there is a conflict between the tax certification and other customer information that we have on file, we will need customers to provide us with a reasonable explanation and documentation supporting the reasonableness of the tax certification provided (refer to Q4/5) or alternatively a revised tax certification. An example of such a conflict would be if a customer declares that they are Irish tax resident but they have a UK mailing address;
- if customers do not provide all of the information requested we will not be able to proceed with opening the new account until the relevant information is provided.

#### 4. What is a reasonable explanation?

In certain cases where there is a conflict between the tax certification provided at account opening and other customer information that we have on file, AIB is obliged to request customers to provide us with a reasonable explanation and documentation supporting the reasonableness of the tax certification provided (refer to Q3).

The explanation required will depend on the specific circumstances of each customer. It should explain why the customer is satisfied that they are tax resident in the jurisdiction provided in the tax certification completed at account opening. It should also include a detailed explanation as to why there is a difference between the jurisdiction of tax residence included on the tax certification and other information held by AIB.

If we take an example of a customer who certifies that they are Irish tax resident but who has a French mailing address, a reasonable explanation might be that they are living and working in Ireland but continue to have their post sent to their parents address in France.

## **5. What documentation should be provided to support the reasonable explanation?**

Customers will be required to submit documentation to support the reasonable explanation provided with regards to the tax residency status certified at account opening (refer to Q4). The following are examples of the types of documentation that will be accepted in support of the explanation provided:

**A.** a copy of a utility bill (if not already provided at account opening), issued in the past 6 months, from your jurisdiction of tax residency;

**and**

**B.** a copy of one of the following documents which must support the explanation provided

- Confirmation of tax residence from the appropriate Revenue authority
- Payslip (where employer is identified by name or tax number)
- Drug payment scheme card
- European health insurance card
- Tax Assessment
- Tax Return Form
- Notice of Tax Credits
- Child Benefit Award Letter / Book
- Pension Book
- Employment contract
- Social Services Card

## **6. How should you determine your country (or countries) of tax residence?**

In general, tax residence is the place which an individual lives and pays tax. However, in certain circumstances, such as where an individual lives and works in different jurisdictions, the determination of tax residency may be more complicated. Each country has its own rules on tax residency.

A person coming to live in Ireland or returning to Ireland after living abroad for a number of years may not be tax resident in Ireland from the date of arrival and may continue to be tax resident in the country in which they previously resided. Further information on tax residency and the implications for people coming or returning to live in Ireland is available at <https://www.revenue.ie/en/jobs-and-pensions/tax-residence/index.aspx>

An overview of the tax residency rules of countries participating in CRS can be found at <http://www.oecd.org/tax/automatic-exchange/crs-implementation-and-assistance/tax-residency>.

## **7. Do you need to provide a Tax Identification Number ('TIN')?**

AIB is required to collect a TIN for any customer that is a U.S. Citizen or tax resident outside the Republic of Ireland. Except in the limited circumstances where a customer is tax resident in a jurisdiction that does not issue TIN's, we may not be able to proceed with opening the new account until a TIN has been provided. Further information on TIN's is available at:

<http://www.oecd.org/tax/automatic-exchange/crs-implementation-and-assistance/tax-identification-numbers/>.

## **8. Do you need to provide a TIN if you are a US Citizen?**

A person born in the US is regarded as a US Citizen. Where a customer is a US citizen, we cannot proceed to open a bank account if the customer is unable to provide us with a US TIN. The only exception to this would be if the customer can verify that they have renounced their US citizenship. Further detail on our obligation to collect a TIN in these circumstances can be found at:

<https://www.revenue.ie/en/companies-and-charities/documents/aeoi/guidance-notes-fatca-ireland.pdf>

Customers can apply to the IRS to obtain a US TIN. Further information on how to apply for a US TIN can be found at: <https://www.irs.gov/individuals/international-taxpayers/taxpayer-identification-numbers-tin>

## **9. How frequently will you have to provide information for FATCA / CRS purposes?**

Customers should promptly advise AIB of any change in their tax residency status. To the extent that there is a change in the account information of a customer, we may be required to contact them to obtain additional information so that we can update their account classification for FATCA / CRS.

## **10. Who will be reported to Revenue under FATCA / CRS?**

Under FATCA, the details of accounts of US Citizens and US tax residents will be reported to the Irish Revenue who will exchange these details with the IRS.

Under CRS, the details of accounts of persons who are tax resident outside of the Republic of Ireland and the US will be reported to the Irish Revenue who will exchange these details with other tax authorities in relevant jurisdictions.

## **11. What information is reported to Revenue under FATCA / CRS?**

In general, financial institutions must report the following information to Revenue:

- the account holder's name, address and TIN
- jurisdiction of tax residence
- date and place of birth
- the account number
- the account balance or value at year end and
- payments made with respect to the account during the calendar year

### **Tax Advice and Disclaimer**

Please note that the information contained in this document is for information purposes only. AIB does not offer tax advice. If you have any questions in relation to FATCA / CRS you should contact your tax advisor or the Irish Revenue at:

[www.revenue.ie/en/companies-and-charities/international-tax/aeoi/index.aspx](http://www.revenue.ie/en/companies-and-charities/international-tax/aeoi/index.aspx)

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