

On 24 March 2017 the Government of the British Virgin Islands announced that the 2017 deadlines for notification and reporting obligations under the Common Reporting Standard will be extended by two months.

British Virgin Islands: CRS notification and reporting deadlines extended

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CRS deadlines extended

On 24 March 2017 the Government of the British Virgin Islands announced that the 2017 deadlines for notification and reporting obligations under the Common Reporting Standard¹ (**CRS**) will be extended by two months.

Reporting BVI Financial Institutions will now have until 30 June 2017 to register with the BVI International Tax Authority (**ITA**) on the ITA's reporting portal, **BVI FARS** without the ITA considering compliance measures or penalties.

Reporting obligations for Reporting BVI Financial Institutions will now have to be complied with by 31 July 2017.

FATCA obligations unchanged

Deadlines under FATCA² remain unchanged:

- all Reporting BVI Financial Institutions which had not previously enrolled on BVI FARS should have done so by 1 April 2017
- the deadline for reporting all reportable accounts through BVI FARS is 31 May 2017

UK CDOT³ notification and reporting obligations

In transitioning to CRS, the UK has indicated that for 2016 accounts reportable in 2017, both UK CDOT and CRS will be operational. In order to comply with both, Reporting BVI Financial Institutions will be required to report the maximum of what is required by the CRS and UK CDOT. For example, in 2017 CRS does not require the reporting of lower value pre-existing individual accounts and pre-existing entity accounts unless they have already been identified and the due diligence time period for CRS runs until 31 December 2017. However, under UK CDOT, all lower-value pre-existing accounts must be reported in 2017 and so such accounts must be reported.

It has been agreed that UK CDOT will remain in force until 31 December 2018 so that any queries on information submitted under the UK CDOT can be dealt with. There will no longer be an option to

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make a separate UK CDOT filing and reports for UK CDOT made in 2017 must either be submitted using the manual entry or XML upload for CRS on BVI FARS. The 2017 deadlines for UK CDOT will, therefore, be the extended deadlines for CRS.

BVI FARS is currently fully operational for FATCA enrolment and filings but is not yet open for enrolment and filing in respect of UK CDOT and CRS. We will issue a further update once the ITA confirms that BVI FARS is ready for UK CDOT and CRS.

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¹ **Common Reporting Standards.** The Mutual Legal Assistance (Tax Matters) (Amendment) (No. 2) Act, 2015 implementing the Common Reporting Standards (known as CRS)

² **US Foreign Account Tax Compliance Act.** The agreement between the Government of the British Virgin Islands and the Government of the United States to improve Tax Compliance and to implement the US Foreign Account Tax Compliance Act (known as FATCA), as implemented by the Mutual Legal Assistance (Tax Matters) (No.4) Order, 2014

³ **UK Crown Dependencies and Overseas Territories International Tax Compliance Regulations.** The agreement between the Government of the British Virgin Islands and the Government of the United Kingdom to improve international Tax Compliance (known as UK CDOT or UK FATCA)