

ADVISORY
Industry Information

Cayman Islands: Update on Automatic Exchange of Information and Country-by-Country Reporting

12 May 2020

The following advisory is a round-up of recent updates to the Cayman Islands framework for automatic exchange of information (“AEOI”) and country-by-country reporting (“CbCR”).

New Universal DITC Portal

The Department for International Tax Cooperation (“DITC”) is developing a new DITC Portal for registration and reporting purposes which is expected to be available in June 2020 for CRS and FATCA registrations and reporting and which will eventually encompass all legislative frameworks. Authorising Persons and Principal Points of Contact should expect an email from the DITC in June, which will contain steps on how to log onto the DITC Portal.

The new DITC Portal will include features such as bulk reporting, bulk user changes and a more streamlined process. The new DITC Portal will also facilitate economic substance reporting available in August and, later in the year, CbCR.

AEOI Reporting Deadline Extension

The DITC is now extending the FATCA and CRS reporting deadline for the 2019 reporting period to 16 November 2020. In regards to FATCA and CRS registrations, the Cayman Islands AEOI Portal is now offline and no new Financial Institution registrations are being accepted until the new DITC Portal is launched in June.

Institutional Authorising Persons and Principal Points of Contact

As discussed in our [previous advisory](#), the requirement for the Authorising Persons and Principal Points of Contact to be individuals has been removed. On the new DITC Portal, a Financial Institution can choose to either have an individual or an entity as the Authorising Person and Principal Point of Contact. Technical guidance on how to make these changes on the new DITC Portal will be published over the coming months.



2020 List of CRS Reportable Jurisdictions

A revised list of CRS Reportable Jurisdictions was published in the [Extraordinary Gazette No. 14 of 2020](#). For reports due in 2020 onwards, Ecuador, the Maldives, Oman, Kazakhstan, Nigeria and Peru have been added to the list.

CbCR

The Cayman Islands CbCR Portal is now offline. It is anticipated that notification and reporting functionality for CbCR will be available on the new DITC Portal in the fourth quarter of 2020.

By way of recap, CbCR only applies to certain multinational enterprise groups (“MNE Groups”) with annual consolidated group revenue of US\$850 million or more in the preceding fiscal year. MNE Groups that have a CbCR due in the period from when the portal was taken offline 25 March 2020 to when functionality becomes available in the DITC Portal, will be required to file no later than 31 December 2020, with no compliance measures being taken for late filing.

Further, the deadlines for CbCR notifications and reporting are as follows:

- >> New notifications and updates to existing notification must be made before the end of the relevant fiscal year;
- >> Reporting must take place within 12 months of the end of the relevant fiscal year.

CRS Compliance Form

The DITC has provided the industry with the advance release of its new [CRS Compliance Form](#) in a recent [industry advisory](#), which contains a link to the new form. This form must be completed annually by all Reporting Financial Institutions (“RFIs”) and Trustee Documented Trusts for the same period as their CRS returns. It will be available as both a manual entry and bulk upload.

The deadline for the submission of this form to the DITC is expected to be 15 September each year. However, for the 2019 reporting period the deadline will be 31 December 2020 to give sufficient time to collect the information required. The DITC will apply automatic penalties where this deadline is not met.

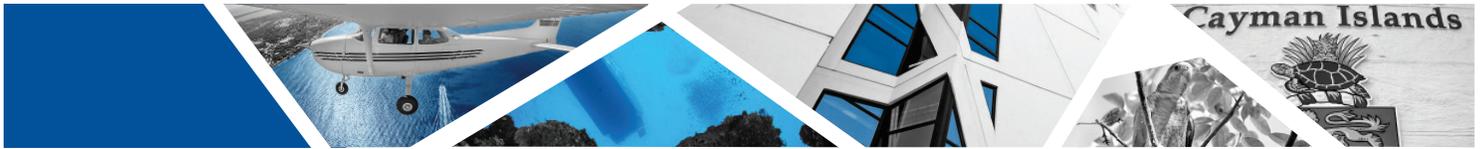
The DITC has been working on the development of this CRS Compliance Form in consultation with industry and has also published [Notes on the CRS Compliance Form](#). The purpose of these Notes is to provide a high-level overview of the process and data points that will be required on the CRS Compliance form in advance of it becoming available on the DITC Portal in June 2020.

The CRS Compliance Form is a critical component in the Cayman Islands assessment by the OECD Global Forum’s AEOI Peer Reviews, which are currently under way, to ensure data collection, analysis, and effective implementation of the CRS. These reviews cover over 100 jurisdictions and will result in a rating on effectiveness in 2021. A critical component of the review is an evaluation of jurisdictions’ data collection, analysis and assessment and compliance functions.

The DITC will be publishing a User Guide with detailed instructions on how to complete and file the CRS Compliance Form which will coincide with the launch of the DITC Portal.

Conclusion and Contacts

Walkers has a dedicated global Regulatory & Risk Advisory practice group that can offer legal advice and guidance in connection with all aspects of AEOI, CbCR, economic substance and other regulatory compliance. Through its affiliate, Walkers Fiduciary Limited, Walkers can assist clients with customer due diligence, filing obligations, provide Principal Points of Contact and Authorising Persons for clients and assist with the new CRS Compliance Form.



For further information please speak with your usual Walkers contact or one of the following:

Legal Services



Lucy Frew
Partner - Cayman Islands
T: +1 345 814 4676
E: lucy.frew@walkersglobal.com



Daniel Wood
Partner - Dubai
T: +971 4 363 7912
E: daniel.wood@walkersglobal.com



Alice Molan
Partner - Hong Kong
T: +852 2596 3425
E: alice.molan@walkersglobal.com



Sara Hall
Partner - London
T: +44 (0)20 7220 4975
E: sara.hall@walkersglobal.com



Thomas Granger
Partner - Singapore
T: +65 6603 1694
E: thomas.granger@walkersglobal.com

Professional Services



Anne Dolan
Director - Cayman Islands
T: +1 345 814 7620
E: anne.dolan@walkersglobal.com



Steven Manning
Director - Cayman Islands
T: +1 345 814 7612
E: steven.manning@walkersglobal.com



Judith Watler
Director - Cayman Islands
T: +1 345 914 6330
E: judith.watler@walkersglobal.com