



NOTICE ISSUED ON 15th MAY, 2019

Guidance for Virgin Islands Financial Institutions and Virgin Islands Constituent Entities

The International Tax Authority (ITA) wishes to inform all Virgin Islands Financial Institutions (VIFIs) under the Common Reporting Standards (CRS) and all Virgin Islands Constituent Entities (VICES) for Country by Country Reporting (CBCR) that the BVI Financial Account Reporting System (BVIFARS) is still in the process of being updated and as such has provided the following guidance as it relates to your registration and filing obligations under the Mutual Legal Assistance (Tax Matters) Act, 2003 as amended (MLA) for Automatic Exchange of Information. All relevant entities are asked to take note and be guided accordingly. Provided that entities comply with the guidance herein they shall be deemed to be in compliance with the statutory deadlines as provided for in the MLA.

As it relates to VIFIs that qualify as Trustee Documented Trusts (TDT) under CRS and has reportable accounts for 2018, the reporting deadline for those accounts has been extended to 28th June, 2019. For those Trustees that have already registered their TDT on BVIFARS, you are advised to follow the instructions in the recently published Guidance Notes on the Common Reporting Standards and submit the filings via the TDT account. For those Trustees who have not yet registered their TDT on BVIFARS and are awaiting the system to be updated, you are advised that you should submit your TDT filings via your Trustee's account. This is just a temporary measure and as the Common Reporting Standards require the TDT to be identified, we will require you to insert the TDT's information in the Reporting FI Section of the report when preparing the filing via the Trustee account. This provision for TDTs to report via their Trustee's account is for the reporting year 2018 and once the system is updated to accommodate registration for TDTs, all reporting for the TDT is to be completed via the TDT account as advised in the Guidance Notes. A copy of these Guidance Notes is accessible on our website: www.bvi.gov.vg/aeoi-crs.

All reporting VIFIs under CRS are reminded that it is now mandatory for those VIFIs that do not maintain any reportable accounts, to submit a nil report. For guidance on how to submit a nil report, do follow the instructions as provided for in the BVIFARS User Guide which can be found on our website: www.bvi.gov.vg/fatca on page 51 paragraph 3.4.

As it relates to VICEs for CBCR the period for enrolment via email is being extended. All VICE are advised that they should continue to register via email as instructed in the recently published Guidance Notes for Country by Country Reporting until you are advised that the system is ready to accept your registration or enrolment applications and filings. VICE should consult the Guidance Notes to obtain the correct format to submit your email registration applications. A copy of the Guidance Notes for CBCR is accessible on our website: www.bvi.gov.vg/aeoi-beps.

As the ITA has received a number of requests for a test window to submit test data before filing, the ITA wishes to inform all entities that BVIFARS is a live system and only actual data to be transmitted to the reporting jurisdictions should be submitted in the system; no test data should ever be submitted in the live system. The system is set up in a way that it allows an entity to create its filings in draft form and the system performs a series of validation checks on the draft filing before it is submitted to the ITA to ensure that the filing has been created in conformity with the relevant XML schema; where errors are identified, the system generates a list of those errors and requires the FI to correct the errors before a file can be successfully submitted. Therefore, notwithstanding the ITA not having a mechanism where entities can submit test data there are various checks and balances that have been incorporated into the system to give the entities a certain level of comfort that the filing submitted meets the required criteria. Entities are also informed that you can save your draft filings and you can even delete your draft filings by going to the Manage filings tab and click on “delete filings tab”, where you will find a list of all your draft filings and choose which one(s) you wish to delete. However, once a filing has been successfully validated and submitted to the ITA, you will no longer have access to delete that filing. Therefore, entities are encouraged to double check their data before the filing is submitted to ensure that the information inputted in the system is correct.

Finally, VIFIs and VICES should note the following deadlines for US FATCA, CRS and CBCR as stated herein for the reporting year 2018:

- ❖ **Reporting Virgin Islands Financial Institutions**, enrolment or registration deadline for US FATCA was **1st April, 2019** and for the Common Reporting Standards (CRS) it was **30th April, 2019**.
- ❖ **Virgin Islands Financial Institutions** filing deadline for 2018 Reportable Accounts, (except reportable accounts for TDTs) is **31st May, 2019**. This filing deadline is applicable for both US FATCA and CRS.
- ❖ **Nil Reports for CRS** the filing deadline is also **31st May, 2019** for all reporting VIFIs (except reportable accounts for TDTs).
- ❖ **Trustee Documented Trusts** with reportable accounts for 2018, the extended filing deadline is **28th June, 2019**. If there is nothing to report, a nil filing is also to be submitted no later than 28th June, 2019.
- ❖ All **Non-Reporting Virgin Islands Financial Institutions**, enrolling or registering for CRS, the registration period has been extended and a further Press Release shall be issued to inform Non-reporting VIFIs when the system is ready to accept their applications. Therefore, Non-reporting VIFIs are not required to register until the system has been configured to accommodate such enrolments and this includes TDTs. At the time when you are informed that the system is ready, you will be notified of the new extended deadline to complete the registration process.
- ❖ **Virgin Islands Constituent Entities** enrolment or registration for Country by Country Reporting; this has been extended to allow VICE to continue to satisfy their registration requirements via email registration and a further Press Release shall be issued to inform VICES when email registrations will come to an end and when applications will be accepted via BVIFARS.

- ❖ **Virgin Islands Constituent Entities** eligible for reporting, whether as a Parent Entity or Surrogate Entity under the Country by Country Reporting requirements, the first reporting shall be **31st December, 2019** and thereafter as stated in the MLA. All reporting is to be completed via BVIFARS, which is expected to be ready in advance of the first reporting period.

For more information on anything stated herein or on the International Tax Authority in general, please contact the International Tax Authority via telephone: 1 (284) 468 4415 or email: BVIFARS@gov.vg

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