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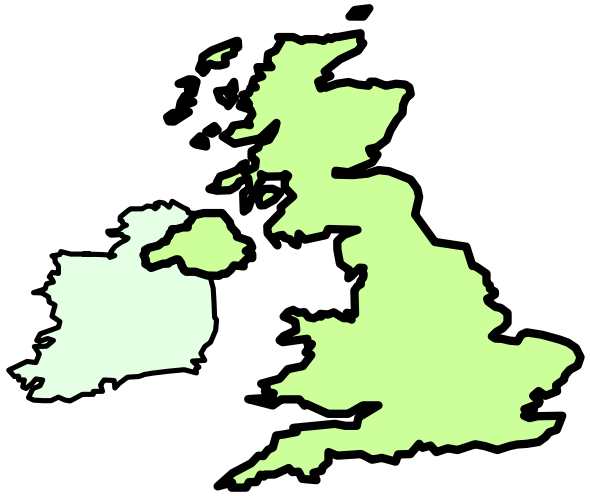
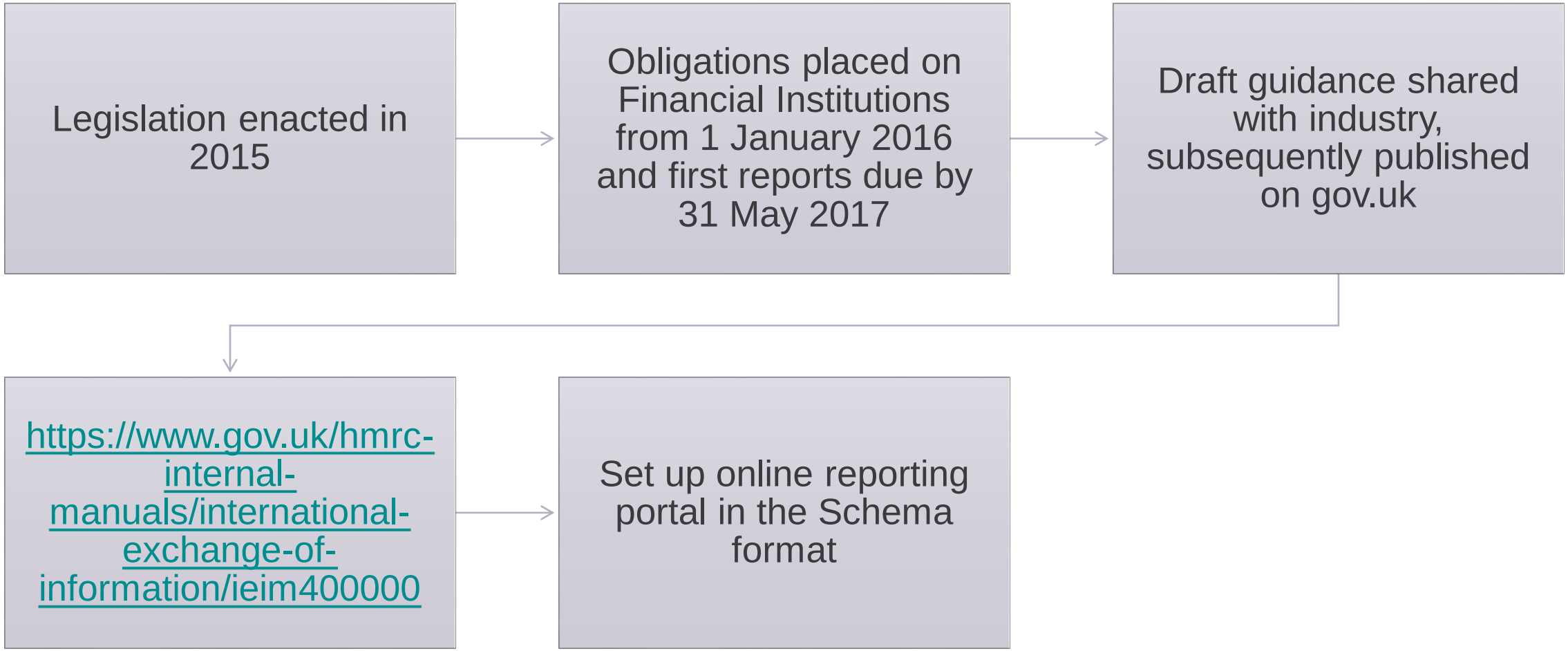
Common Reporting Standard

UK experience



David Smith
Mike Pocock
HM Revenue & Customs

UK Implementation stages



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Raising awareness

- Working with financial industry representative bodies
- Creating a stakeholder working group
- Sharing draft guidance and inviting input

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Early experience

- Most common questions:

  - Is my entity a Financial Institution?

  - How do I identify reportable accounts?

- Especially for Investment Entities under CRS Section VIII A.6(b).

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Development of guidance

- Sector specific guidance written for trusts and charities
- Explains CRS concepts and how to apply the rules
- Focus on helping Financial Institutions to get it right

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Common errors made by Financial Institutions

- Misunderstanding of ‘Undocumented Account’
- Joint account holders not reported separately
- Individuals reported as Entities
- Entities reported as Individuals

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Common errors made by Financial Institutions

- Entities reported as Controlling Persons
- Reporting residents of non-reportable jurisdictions
- Not providing full address details

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Common errors made by Financial Institutions

- Using default date of birth (such as 1/1/1900)
- Reporting accounts held by other Financial Institutions
- Reporting test accounts
- Missing information (name, TIN, address)

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Benefits of CRS for tax compliance

5.67m

10%

In 2018, HMRC received 5.67m records on UK taxpayers' offshore financial accounts, indicating that 1 in 10 UK taxpayers have an offshore financial interest.

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