



ABC tax talk presentation

The impact of FATCA on individuals

26 March 2018

In the Middle East
since 1926

What is FATCA?

Concern:

- U.S. persons evade their tax obligations by holding assets overseas.
- U.S. persons do not file or report their worldwide income with integrity.

Response:

- Foreign Account Tax Compliance Act (“FATCA”)
- U.S government response to combatting tax evasion.
- The intent behind the law is for Foreign Financial Institutions (i.e. non-U.S. banks and investment firms) to identify and report their U.S. account holders to the Internal Revenue Service.

Goal:

- To ensure U.S. persons with financial assets outside the U.S. are complying with their U.S. tax obligations.



How to identify a U.S person?

New accounts



On-board

Pre-existing accounts



Review

What do Financial Institutions report?



Financial Institution Name



Account Holder's Name



Account Holder's Address



Account Holder's Tax Identification Number



Account Number



Account Balance / Value



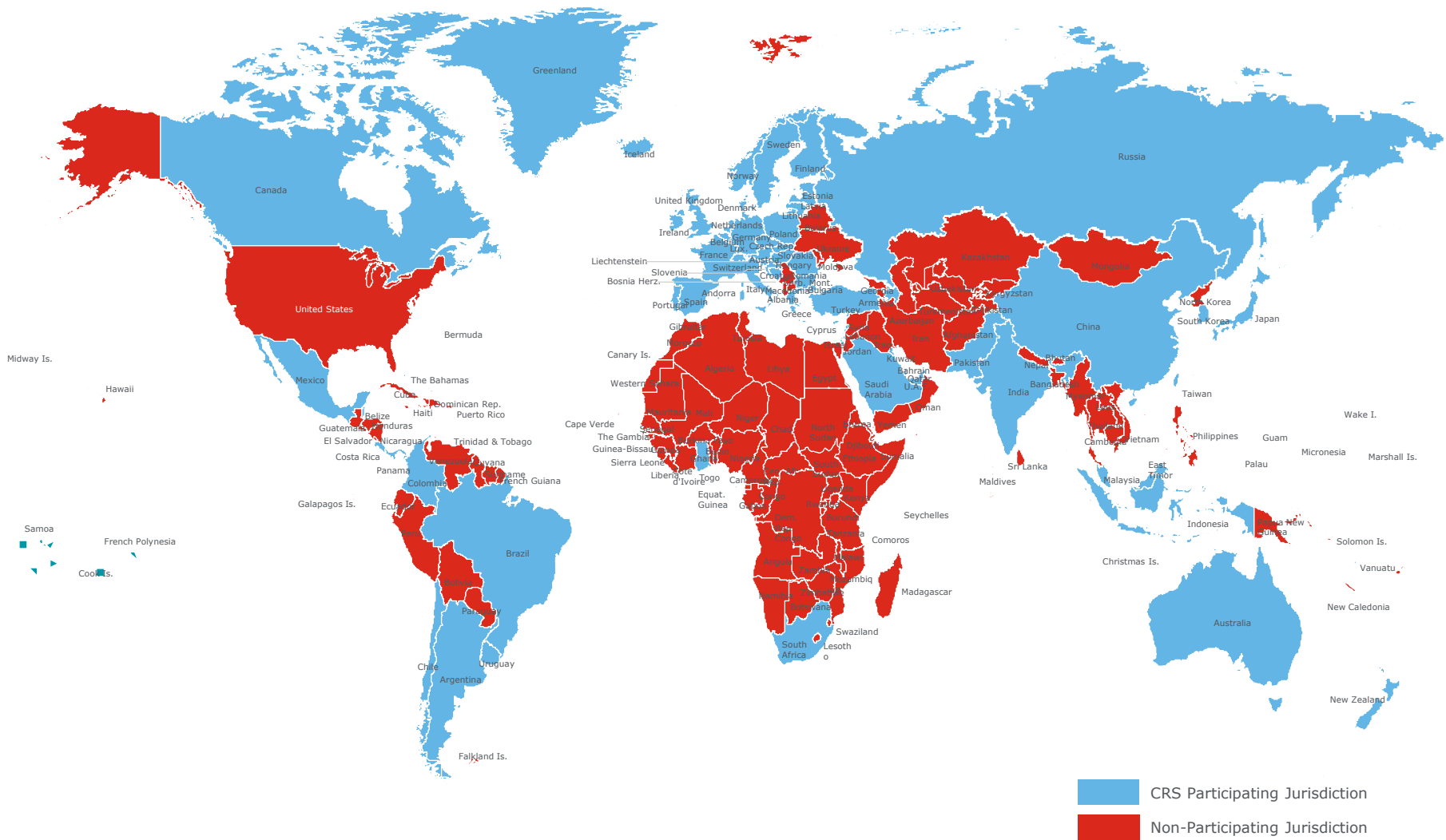
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Is FATCA successful?

“The IRS has passed several major milestones in our offshore efforts, **collecting a combined \$10 billion with 100,000 taxpayers coming back into compliance,**” said IRS Commissioner John Koskinen. “As we continue to receive more information on foreign accounts, people’s ability to avoid detection becomes harder and harder. The IRS continues to urge those people with international tax issues to come forward to meet their tax obligations.”

“The IRS remains actively engaged in ferreting out the identities of those with undisclosed foreign accounts with the use of information resources and increased data analytics,” said Don Fort, Chief, IRS Criminal Investigation. **“Stopping offshore tax noncompliance remains a top priority of the IRS.”**

The rise of GATCA (Common Reporting Standard)





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