

FATCA Regulatory Timelines

Including Final Regulations
and Model Intergovernmental Agreements

July 19, 2013

Incorporating Notice 2013-43
Version 3.0

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FATCA timeline for PFFIs in non-IGA countries

For FFI agreements effective on June 30, 2014

	2013	2014	2015	2016	2017	2018	
FFI Governance	<ul style="list-style-type: none"> Aug 19 2013 - IRS FATCA registration portal available (Note 1) 	<ul style="list-style-type: none"> Apr 25 2014 - Last day to register for inclusion on the Jun 2, 2014 IRS list of PFFIs and RDCFFIs Jun 2 2014 - First IRS list of PFFIs and RDCFFIs to be published Jun 30 2014 - Earliest effective date of an FFI Agreement 		<ul style="list-style-type: none"> Jan 1 2016 - Expanded affiliated group transition period ends for Limited FFIs and Limited Branches Jan 1 2016 - Sponsored entities must furnish GIINs for payments made after 2015 	<ul style="list-style-type: none"> Dec 31 2016 - Last day for qualification as Limited Life Debt Investment Entity Jan 1 2017 - Interests previously issued in bearer form must be redeemed or immobilized Jun 30 2017 - End of first compliance certification period 		<ul style="list-style-type: none"> Dec 31 2017 - First certification of compliance and effective internal controls required
Due diligence for preexisting accounts			<ul style="list-style-type: none"> Dec 31 2014 - Complete identification and review of preexisting entity account holders that are prima facie FFIs 	<ul style="list-style-type: none"> Jun 30 2015 - Complete identification and review of preexisting high value individual accounts 	<ul style="list-style-type: none"> Jun 30 2016 - Complete identification and review of all remaining preexisting individual and entity accounts (Note 3) 		
Procedures for new accounts		<ul style="list-style-type: none"> Jul 1 2014 - Enhanced account opening procedures must be in place to establish the FATCA status of new individual and entity accounts 					
Withholding		<ul style="list-style-type: none"> Jul 1 2014 - Cut-off date for grandfathered obligations (Note 4) Jul 1 2014 - Begin FATCA withholding on US source FDAP income for insufficiently documented new entity accounts and NPFIs 	<ul style="list-style-type: none"> Jan 1 2015 - Begin FATCA withholding on preexisting entity account holders that are undocumented prima facie FFIs 	<ul style="list-style-type: none"> Jul 1 2015 - Begin FATCA withholding on any undocumented individual preexisting high value account 	<ul style="list-style-type: none"> Jul 1 2016 - Begin FATCA withholding on preexisting accounts 	<ul style="list-style-type: none"> Jan 1 2017 - Begin FATCA withholding on gross proceeds. FATCA withholding is also expected to begin for foreign passthrough payments. 	
Reporting			<ul style="list-style-type: none"> Mar 15 2015 - Begin FATCA reporting on Form 1042-S for US source FDAP income for calendar year 2014 Mar 31 2015 - Limited FATCA reporting on Form 8966 for calendar year 2014 for US accounts (Note 5) Mar 31 2015 - Begin aggregate FATCA reporting on Form 8966 for recalcitrant accounts 	<ul style="list-style-type: none"> Mar 15 2016 - Form 1042-S reporting must include foreign reportable amounts paid to NPFIs during calendar year 2015 (also applies to calendar year 2016) Mar 31 2016 - Limited FATCA reporting on Form 8966 for calendar year 2015 includes income payments 	<ul style="list-style-type: none"> Mar 31 2017 - Full FATCA reporting on Form 8966 begins for calendar year 2016 	<ul style="list-style-type: none"> Mar 15 2018 - Begin FATCA reporting on Form 1042-S for US gross proceeds and potentially foreign passthrough payments for calendar year 2017 	

- The IRS has projected that the FATCA registration website will be accessible to financial institutions on August 19, 2013. An FI will be able to access its account from that date through December 31, 2013 to modify and add registration information, as such information will not be regarded as final until the FI submits it as final on or after January 1, 2014.
- As part of the certification, FFI must also certify that it did not have any procedures in place from August 6, 2011 that would assist account holders in the avoidance of FATCA.
- Certain de minimis thresholds and retesting rules may apply.
- Generally applies to obligations that can produce a withholdable payment. Grandfathered obligations also include: (1) any obligation that gives rise to a withholdable payment solely because the obligation is treated as giving rise to a dividend equivalent pursuant to section 871(m) and the regulations thereunder, provided that the obligation is executed on or before the date that is six months after the date on which obligations of its type are first treated as giving rise to dividend equivalents; (2) with respect to foreign passthrough payments, any obligation that is executed on or before the date that is six months after the date on which final regulations defining the term foreign passthrough payment are filed with the federal register; and (3) any agreement requiring a secured party to make a payment with respect to, or to repay, collateral posted to secure a grandfathered obligation.
- Limited reporting includes name, address, TIN, account number, and account balance of each specified US person who is an account holder. For account holders that are treated as a US owned foreign entity or an owner-documented FFI, report the name, address and TIN of each substantial US owner of a US owned foreign entity, or each direct or indirect owner of an owner documented FFI that is a specified US person.

FATCA timeline for FFIs under Model II IGAs

For FFI agreements effective on June 30, 2014

	2013	2014	2015	2016	2017	2018	
FFI Governance	<ul style="list-style-type: none"> Aug 19 2013 - IRS FATCA registration portal available (Note 1) 	<ul style="list-style-type: none"> Apr 25 2014 - Last day to register for inclusion on the Jun 2, 2014 IRS list of PFFIs and RDCFFIs Jun 2 2014 - First IRS list of PFFIs and RDCFFIs to be published Jun 30 2014 - Earliest date that a Reporting FATCA Partner FI must comply with requirements of an FFI Agreement. 		<ul style="list-style-type: none"> Jan 1 2016 - Expanded affiliated group transition period ends for Limited FFIs and Limited Branches Jan 1 2016 - Sponsored entities must furnish GIINs for payments made after 2015 	<ul style="list-style-type: none"> Dec 31 2016 - Last day for qualification as Limited Life Debt Investment Entity Jan 1 2017 - Interests previously issued in bearer form must be redeemed or immobilized Jun 30 2017 - End of first compliance certification period 		<ul style="list-style-type: none"> Dec 31 2017 - First certification of compliance and effective internal controls required
Due diligence for preexisting accounts			<ul style="list-style-type: none"> Dec 31 2014 - Complete identification and review of preexisting entity account holders that are prima facie FFIs 	<ul style="list-style-type: none"> Jun 30 2015 - Complete identification and review of preexisting high value individual accounts 	<ul style="list-style-type: none"> Jun 30 2016 - Complete identification and review of all remaining preexisting individual and entity accounts (Note 3) 		
Procedures for new accounts		<ul style="list-style-type: none"> Jul 1 2014 - Enhanced account opening procedures must be in place to establish the FATCA status of new individual and entity accounts 					
Withholding		<ul style="list-style-type: none"> Jul 1 2014 - Cut-off date for grandfathered obligations (Note 4) Jul 1 2014 - Begin FATCA withholding on US source FDAP income paid to NPFIs (Note 6) 	<ul style="list-style-type: none"> Jan 1 2015 - Begin FATCA withholding on preexisting entity account holders that are undocumented prima facie FFIs 	<ul style="list-style-type: none"> Jul 1 2016 - Begin FATCA Withholding on US source FDAP income paid to preexisting NPFIs accounts 			
Reporting			<ul style="list-style-type: none"> Mar 15 2015 - Begin FATCA reporting on Form 1042-S for US source FDAP income for calendar year 2014 Mar 31 2015 - Limited FATCA reporting on Form 8966 for calendar year 2014 for US accounts (Note 5) Mar 31 2015 - Begin aggregate FATCA Reporting on Form 8966 for non-consenting accounts 	<ul style="list-style-type: none"> Mar 15 2016 - Form 1042-S reporting must include foreign reportable amounts paid to NPFIs during calendar year 2015 (also applies to calendar year 2016) Mar 31 2016 - Limited FATCA reporting on Form 8966 for calendar year 2015 includes income payments 	<ul style="list-style-type: none"> Mar 31 2017 - Full FATCA reporting on Form 8966 begins for calendar year 2016 	<ul style="list-style-type: none"> Mar 15 2018 - Begin FATCA reporting on Form 1042-S for US gross proceeds and potentially foreign pass-thru payments for calendar year 2017 	

- The IRS has projected that the FATCA registration website will be accessible to financial institutions on August 19, 2013. An FFI will be able to access its account from that date through December 31, 2013 to modify and add registration information, as such information will not be regarded as final until the FFI submits it as final on or after January 1, 2014.
- As part of the certification, FFI must also certify that it did not have any procedures in place from August 6, 2011 that would assist account holders in the avoidance of FATCA.
- Certain de minimis thresholds and retesting rules may apply.
- Generally applies to obligations that can produce a withholdable payment. Grandfathered obligations also include: (1) any obligation that gives rise to a withholdable payment solely because the obligation is treated as giving rise to a dividend equivalent pursuant to section 871(m) and the regulations thereunder, provided that the obligation is executed on or before the date that is six months after the date on which obligations of its type are first treated as giving rise to dividend equivalents; (2) with respect to foreign passthru payments, any obligation that is executed on or before the date that is six months after the date on which final regulations defining the term foreign passthru payment are filed with the federal register; and (3) any agreement requiring a secured party to make a payment with respect to, or to repay, collateral posted to secure a grandfathered obligation.
- Limited reporting includes name, address, TIN, account number, and account balance of each specified US person who is an account holder. For account holders that are treated as a US owned foreign entity or an owner-documented FFI, report the name, address and TIN of each substantial US owner of a US owned foreign entity, or each direct or indirect owner of an owner documented FFI that is a specified US person.
- Withholding on US source FDAP income for recalcitrant accounts starts on Jul, 1 2014. However, being qualified as a recalcitrant account under Model 2 IGA requires that a previous group request filed by the IRS was not successful.

FATCA timeline for FFIs under Model 1 IGAs (Note 1)

Dates derived through the "coordination of timing" provisions of the Model 1 IGA

	2013	2014	2015	2016	2017	2018
FFI Governance	<ul style="list-style-type: none"> ◆ Aug 19 2013 - IRS FATCA registration portal available (Note 2) 	<ul style="list-style-type: none"> ◆ Apr 25 2014 - Last day to register for inclusion on the Jun 2, 2014 IRS list of PFFIs and RDCFFIs ◆ Jun 2 2014 - First IRS list of PFFIs and RDCFFIs to be published ◆ Jun 30 2014 - Earliest date that an FFI can be a Reporting Model 1 FI 	<ul style="list-style-type: none"> ◆ Jan 1 2015 - The first date on which verification of GIINs is required with respect to payees that are reporting Model 1 FFIs 	<ul style="list-style-type: none"> ◆ Jan 1 2016 - Sponsored entities must furnish GIINs for payments made after 2015 		
Due diligence for preexisting accounts			<ul style="list-style-type: none"> ◆ Jun 30 2015 - Complete identification and review of preexisting high value individual accounts (Note 3) 	<ul style="list-style-type: none"> ◆ Jun 30 2016 - Complete identification and review of all remaining preexisting individual and entity accounts (Note 3) 		
Procedures for new accounts		<ul style="list-style-type: none"> ◆ Jul 1 2014 - Enhanced account opening procedures must be in place to establish the FATCA status of new accounts (Note 4) 				
Withholding		<ul style="list-style-type: none"> ◆ Jul 1 2014 - Begin FATCA withholding on US source FDAP income paid to NPFI (Note 6) ◆ Jul 1 2014 - Cut-off date for grandfathered obligations (Note 7) 				
Reporting			<ul style="list-style-type: none"> ◆ Prior to Sep 30, 2015 - Reporting FATCA Partner FI will need to provide required information to FATCA Partner prior to IGA deadlines in order for FATCA Partner to be able to meet corresponding deadlines (Note 8,9) ◆ Sep 30, 2015 - Model 1A IGA will terminate if appropriate safeguards and infrastructure are not in place (Note 10) 	<ul style="list-style-type: none"> ◆ 2016 - Reporting FATCA Partner FI to report to FATCA Partner Country the name and the aggregate amount of payments made in 2015 and 2016 to NPFI (Note 8) 		<ul style="list-style-type: none"> ◆ 2018 - Reporting FATCA Partner FI to obtain and report TIN of each specified US account holder for preexisting accounts (Note 8)

- (1) IGA: Intergovernmental Agreement.
- (2) The IRS has projected that the FATCA registration website will be accessible to financial institutions on August 19, 2013. An FI will be able to access its account from that date through December 31, 2013 to modify and add registration information, as such information will not be regarded as final until the FI submits it as final on or after January 1, 2014.
- (3) Due diligence for pre-existing accounts is subject to the application of thresholds.
- (4) Certain types of new individual accounts (deposit accounts and cash value insurance contracts) are exempt from identification, review and reporting under the Model 1 IGA.
- (5) Dates for withholding on gross proceeds and passthru payments are highly speculative and will be worked out between the US and FATCA partner countries in the next two years.
- (6) Withholding applies to US source income paid to nonparticipating financial institutions by reporting FATCA partner financial institutions acting as a withholding QI, withholding foreign partnership or withholding foreign trust. Other reporting FATCA partner financial institutions must provide information necessary to allow an immediate payor to withhold.
- (7) Generally applies to obligations that can produce a withholdable payment. Grandfathered obligations also include: (1) any obligation that gives rise to a withholdable payment solely because the obligation is treated as giving rise to a dividend equivalent pursuant to section 871(m) and the regulations thereunder, provided that the obligation is executed on or before the date that is six months after the date on which obligations of its type are first treated as giving rise to a dividend equivalent; (2) with respect to foreign passthru payments, any obligation that is executed on or before the date that is six months after the date on which final regulations defining the term foreign passthru payment are filed with the federal register; and (3) any agreement requiring a secured party to make a payment with respect to, or to repay, collateral posted to secure a grandfathered obligation.
- (8) Dates will be provided under legislation or regulations issued by FATCA Partner tax authorities.
- (9) For 2014 reporting is limited to: name, address, U.S. TIN (date of birth for preexisting accounts if no U.S. TIN), account number, name and identifying number of the reporting institution, and account balance or value. For 2015 reporting includes the information reported for 2014, plus the income paid to the account. For 2016 and beyond, reporting includes the information reported for 2015 plus proceeds from the sale of property.
- (10) As per the updated Model 1 IGA, each Competent Authority must provide written communication that the other Competent Authority has in place appropriate safeguards to ensure information exchanged remains confidential and has an existing infrastructure in place to facilitate an effective exchange relationship, or the Model 1A IGA will terminate on September 30, 2015.