

**MEMO# 26609**

October 24, 2012

# IRS Releases Timing Guidance for FATCA Implementation

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TO: TAX MEMBERS No. 38-12  
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TAAC FATCA TASK FORCE No. 8-12 RE: IRS RELEASES TIMING GUIDANCE FOR FATCA IMPLEMENTATION

Jesse Eggert, Associate International Tax Counsel for the Treasury Department, announced on October 22nd at an international tax conference at New York University School of Law that Final Regulations should be issued by the end of the year, pushing back the previous target date of October 31, 2012. Following that announcement, the IRS released Announcement 2012-42 on October 24.

[Announcement 2012-42 \[1\]](#) generally delays certain of the FATCA implementing deadlines and announces the intent to align the implementation dates in the Final Regulations with those in the model intergovernmental agreements ("IGAs").

Among other things, the Announcement generally provides:

- Most due diligence and withholding dates will be postponed by six months from the Proposed Regulations;
- New account opening procedures should be in place by January 1, 2014 (or the effective date of an FFI agreement, whichever is later);
- Gross proceeds withholding will be delayed until December 31, 2016; and
- Guidance concerning the status of certain grandfathered obligations under FATCA.

The Announcement also includes a useful chart that sets out the revised implementation dates for withholding agents and FFIs.

Ryan Lovin  
Assistant Counsel – Tax Law

**endnotes**

[1] Announcement 2012-42 is available from the IRS website at <http://www.irs.gov/pub/irs-drop/A-12-42.pdf>

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