

MEMO# 27241

May 16, 2013

Treasury Releases Updates to Model FATCA Agreements

[27241]

May 16, 2013

TO: TAX COMMITTEE No. 14-13

INTERNATIONAL COMMITTEE No. 16-13

INTERNATIONAL OPERATIONS ADVISORY COMMITTEE No. 11-13

TRANSFER AGENT ADVISORY COMMITTEE No. 38-13

BROKER/DEALER ADVISORY COMMITTEE No. 24-13

ICI GLOBAL TAX COMMITTEE No. 10-13

TAAC FATCA TASK FORCE No. 4-13 RE: TREASURY RELEASES UPDATES TO MODEL FATCA AGREEMENTS

The Treasury Department has released updates to the model intergovernmental agreements (IGAs) for the implementation of the Foreign Account Tax Compliance Act (FATCA). [\[1\]](#)

PDF versions of the updated model agreements are as follows: [\[2\]](#)

- [Reciprocal Model 1A Agreement, Preexisting TIEA or DTC](#)
- [Nonreciprocal Model 1B Agreement, Preexisting TIEA or DTC](#)
- [Nonreciprocal Model 1B Agreement, No TIEA or DTC](#)
- [Model 2 Agreement, Preexisting TIEA or DTC](#)
- [Model 2 Agreement, No TIEA or DTC](#)
- [Annex I to Model 1 Agreement](#)
- [Annex I to Model 2 Agreement](#)
- [Annex II to Model 1 Agreement](#)
- [Annex II to Model 2 Agreement](#)

Significant updates to the agreements include:

- Creating separate versions of each Model IGA for jurisdictions that do not have a preexisting tax information exchange agreement (TIEA) or Double Tax Convention (DTC) with the U.S.;
- Revising Annex II to reflect a summary of the final Treasury Regulations, rather than a list of financial products and institutions within a country that are exempt from FATCA; [\[3\]](#) and

- Updating the timing of implementation language in new Paragraph 6 of Article 4, which automatically synchs timing under the IGAs with the Treasury Regulations. This will be useful in the event that additional transition relief is provided by the Treasury.

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endnotes

[1] See ICI's FATCA Resource Center at <http://www.ici.org/fatca> for more information.

[2] The agreements are also available at:
<http://www.treasury.gov/resource-center/tax-policy/treaties/Pages/FATCA.aspx>

[3] Treasury believes that this change will eliminate the need for lengthy negotiations regarding what products and institutions should be exempt under an IGA. This should enable Treasury to expand the IGA network at a more rapid pace.

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