

MEMO# 27813

December 30, 2013

FFI Agreement for Participating FFIs and Reporting Model 2 FFIs

[27813]

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TO: TAX MEMBERS No. 37-13

INTERNATIONAL MEMBERS No. 57-13

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INTERNATIONAL OPERATIONS ADVISORY COMMITTEE No. 16-13

TRANSFER AGENT ADVISORY COMMITTEE No. 91-13

BROKER/DEALER ADVISORY COMMITTEE No. 60-13

TAAC FATCA TASK FORCE No. 8-13 RE: FFI AGREEMENT FOR PARTICIPATING FFIs AND REPORTING MODEL 2 FFIs

The Internal Revenue Service (“IRS”), in Revenue Procedure 2014-10, [1] has finalized the agreement [2] that certain foreign financial institutions (“FFIs”) must enter into to satisfy requirements of the Foreign Account Tax Compliance Act (“FATCA”). [3] Specifically, the FFI agreement is relevant for an FFI (including a branch of an FFI) that is located in a country that either (1) has not entered into an intergovernmental agreement (“IGA”) with the United States or (2) has entered into a “Model 2” IGA. [4] An FFI that is located in a non-IGA country and that has entered into an FFI Agreement with the U.S. is known as a “Participating FFI.” An FFI in a Model 2 IGA country is known as a “Reporting FI.”

An FFI will enter into an FFI Agreement via the FATCA registration website available at <http://www.irs.gov/fatca> and submitting a completed Form 8957 (the FATCA registration form). [5] FATCA registrations cannot be submitted as final until January 1, 2014. Additional information regarding the FATCA registration process is provided by IRS Announcement 2014-1 [6] and on the FATCA Registration System Frequently Asked Questions page. [7]

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endnotes

[1] <http://www.irs.gov/pub/irs-drop/rp-14-10.pdf>.

[2] The final FFI agreement makes a few changes, discussed in the preamble to this Revenue Procedure, to the draft FFI agreement that was released in October. See Institute [Memorandum](#) No. 27661, dated October 30, 2013.

[3] See Institute [Memorandum](#) No. 24186, dated March 17, 2010.

[4] See, e.g., Institute [Memorandum](#) No. 27012, dated February 14, 2013.

[5] <http://www.irs.gov/pub/irs-pdf/f8957.pdf>.

[6] <http://www.irs.gov/pub/irs-drop/a-14-01.pdf>

[7] <http://www.irs.gov/Businesses/Corporations/FAQsFATCARegistrationSystem>

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