

MEMO# 25234

May 31, 2011

Draft ICI Comment Letter on FATCA -- Please Comment by June 3

ACTION REQUESTED

[25234]

May 31, 2011

TO: TAX COMMITTEE No. 32-11
INTERNATIONAL COMMITTEE No. 14-11
INTERNATIONAL OPERATIONS ADVISORY COMMITTEE No. 9-11
TRANSFER AGENT ADVISORY COMMITTEE No. 39-11
BROKER/DEALER ADVISORY COMMITTEE No. 30-11 RE: DRAFT ICI COMMENT LETTER ON
FATCA -- PLEASE COMMENT BY JUNE 3

Attached for your review is a draft of the comment letter to be filed by the ICI on the Foreign Account Tax Compliance Act ("FATCA") [\[1\]](#) and the recently-issued Notice 2011-34. [\[2\]](#) The draft comment letter follows the outline circulated on May 11. [\[3\]](#)

Please provide all comments on this draft to the undersigned – at lawson@ici.org or 202/326-5832 – by Friday, June 3. The letter will be filed after the Tax Committee discusses it during its June 6 meeting.

Keith Lawson
Senior Counsel - Tax Law

[Attachment](#)

endnotes

[\[1\]](#) See Institute [Memorandum](#) # 24186, dated March 17, 2010. FATCA is the acronym for "Foreign Account Tax Compliance Act," which was an earlier version of the Chapter 4 withholding regime enacted as part of the HIRE Act. FATCA's reporting and withholding provisions generally will apply to payments made after December 31, 2012.

[\[2\]](#) See Institute [Memorandum](#) # 25134, dated April 21, 2011. This Notice, which supplements IRS Notice 2010-60, provides additional guidance regarding proposed

regulations that will be drafted to permit foreign financial institutions (“FFIs”) may invest in U.S. securities without incurring “Chapter 4” withholding that will be imposed by FATCA on “recalcitrant account holders.”

[3] See Institute [Memorandum](#) # 25181, dated May 11, 2011.

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