

# AEOI Update

28 February 2022

## Cayman Islands CRS Updates

Earlier this month, the Department for International Tax Cooperation (DITC) in Cayman Islands published a number of CRS updates in a bulletin (available [here](#)).

### 1. Deactivation from DITC Portal

The DITC has incorporated a functionality in the DITC Portal allowing for an entity to be deactivated from the portal where the entity has ceased to exist or is otherwise no longer a Cayman Reporting FI. A form is available to the Principal Point of Contact (PPoC) to request an FI deactivation, and pages 24 and 25 of the DITC Portal User Guide (available [here](#)) provide guidance on how to fill out the form.

All reporting obligations must still be completed before an entity submits a deactivation request. These obligations include a CRS Return (if applicable), CRS Filing Declaration and CRS Compliance Form for each year the FI had reporting obligations.

When submitting a deactivation request, evidence of dissolution or change in entity classification must be provided. In the case of dissolution, examples of evidence include:

- Certificate of Dissolution, Strike-Off, or equivalent
- Trust deed that clearly indicates the FI Name and date of termination
- Directors resolution to terminate a cell of an SPC

In the case of changes in classification, the following information is expected:

- reason(s) why the entity was initially classified as an FI based on the definition of that term in the CRS;
- reason(s) why the entity is no longer an FI and from what date;

- the entity's new classification (e.g. as a Passive or Active NFE) under the CRS; and
- where applicable, supporting documents such as termination of an investment management agreement or self-certification forms.

## **2. Update in validation rules in the DITC Portal**

Validation rules for submitting corrections to previously reported CRS data have been updated to be better aligned with the OECD's Common Reporting Standard User Guide. The changes relate to the technical specifications of the Reporting FI element where the data related to the Reporting FI has not changed but one or more Account Reports need to be corrected or deleted. Where this is the case, the DocSpec for the Reporting FI element must now follow the rules as set out in the OECD's Common Reporting Standard User Guide. Specifically:

- The DocTypeIndic must be set to OECD0, indicating that no changes are made to the data related to the Reporting FI itself.
- The DocRefId must be the same as the DocRefId used for the Reporting FI element in the most recent CRS XML Return submitted for the same reporting year and the same Reportable Jurisdiction.
- There should not be a CorrDocRefId element.

For detailed instructions on how to submit corrections and deletions of CRS data, please refer to pages 29-31 of the DITC Portal User Guide.

## **3. Updated List of Reportable Jurisdictions for CRS**

An updated list of CRS Reportable Jurisdictions has been published (available [here](#)). Jamaica, Kenya and Morocco have been added as Reportable Jurisdictions for the 2021 Reporting Period (reports due in 2022), while Kuwait has been removed from the list of Reportable Jurisdictions.