

Counterparty Manager: Tax Utility

The efficient and secure solution to solve FATCA and CRS tax documentation challenges

The Tax Utility enables counterparties to exchange validated tax documentation to support the processing of Forms W-8BEN-E, W-8IMY, W-8EXP, W-8ECI, W-9 and Common Reporting Standard (CRS). US tax regulations require tax forms be collected by withholding agents to appropriately identify payees and account holders, and determine the applicable withholding rate. Current methods of collection and the complexity of the forms have proven burdensome for the financial industry. In addition, FATCA imposes 30% mandatory withholding tax if a beneficial owner's tax status is not correctly and timely ascertained.

Under CRS financial institutions in participating jurisdictions are required to identify customers who appear to be a tax resident outside of the country where they hold their accounts and products, and report certain information to the local tax authority. Non-standard self-certification forms following the Organisation for Economic Co-operation and Development (OECD) standards are used to facilitate the gathering of this information. The lack of standardization with these forms has posed challenges for both account holders and financial institutions consuming these forms.

The Tax Utility collects, validates and monitors tax forms for clients and securely distributes the information to banks and other counterparties in accordance with IRS and OECD regulations. The Tax Utility adheres to the guidelines for a shared documentation system maintained by an agent as defined in § 1.1471-3(c)(9)(i). For contributors, the built-in workflow management helps facilitate onboarding tax documentation, client permissions and identifying refresh populations. For subscribers, access to a master set of tax data and documentation that has been collected and validated to an industry standard and is maintained and monitored for changes in circumstance on an ongoing basis. This helps to reduce cost through operational and technological efficiencies and eliminates duplicative requests for data and documentation accelerating remediation efforts.

The Tax Utility leverages S&P Global Market Intelligence existing Counterparty Manager database, which includes access to more than 145,000 legal entities across buy-side firms and corporates. The utility enables buy-side firms and corporates to validate Forms W-8, W-9 or CRS through CTI Tax Solutions and permission them out to their counterparties. Buy-side firms and corporates benefit from a centralized repository within Counterparty Manager to communicate any key changes in circumstances which may affect their tax or regulatory status. Subscribers benefit from access to a complete tax validation package for FATCA and CRS that is monitored for changes in circumstance and refreshed regularly.

Key Stats

200,000+
active entities
on the platform

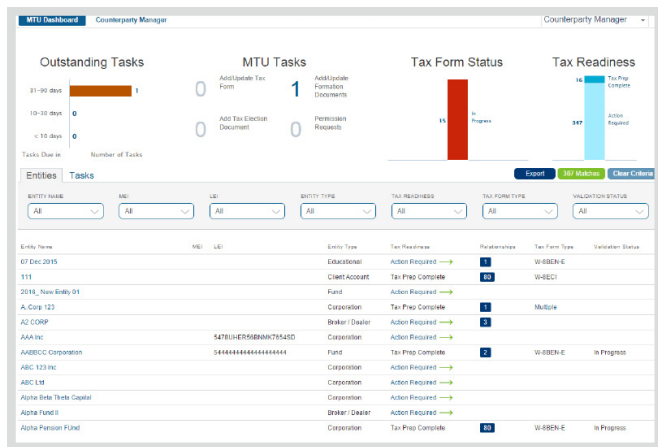
2,900+
corporates and
asset management
firms using the
platform

60,000+
valid W-8 &
W-9 tax forms

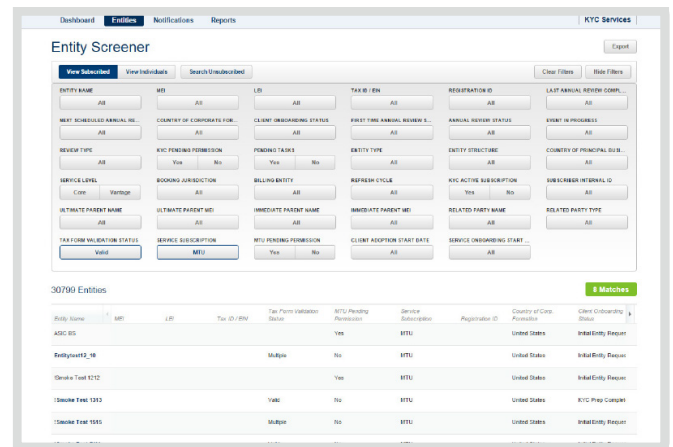
25,100+
new tax forms
loaded in 2023

43,000+
CRS forms

Byside Dashboard



Sellside Entity Screener



BENEFITS FOR CONTRIBUTORS AND SUBSCRIBERS

Improve Accuracy

Validate client tax status using industry standard validation tools. Ongoing monitoring of client tax status and resolution of discrepancies due to change in circumstance for both tax and KYC regulations

Drive Efficiency

Secure delivery of golden source tax data and documentation that can be easily reused for client onboard, tax remediation, KYC, FATCA and CRS

Implement Standardization

Industry consistent approach to tax regulations through standardized processes with continuous monitoring for changes to global tax regulations and guidance which may impact tax documentation/status

Enhance Customer Experience

Single point of contact with expertise in the documentation required; facilitating the exchange of information, reducing emails and/or phone traffic, creating a better working relationship

CONTACT US

The Americas

+1-877-863-1306

EMEA

+44-20-7176-1234

Asia-Pacific

+852-2533-3565

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