

AEOI Update

28 April 2021

Cayman Islands

FATCA: Updated Guidance

Earlier this month, the Department for International Tax Cooperation (DITC) updated its FATCA guidance to issue clarification on circumstances where TIN information is not available.

Specifically, given that the transition relief provided under Notice 2017-46 issued by the U.S. IRS is no longer applicable from Reporting Year 2020 onwards, the following codes can be included in the TIN field in lieu of an unobtainable TIN.

Code	Circumstance
22222222	Preexisting individual account with only U.S. indicia being a U.S. place of birth.
33333333	New individual account that (1) has indicia of a U.S. place of birth, and (2) either: (a) has a change in circumstances causing the self-certification originally obtained at account opening to be incorrect or unreliable, and a new self-certification has not been obtained, or (b) was below the threshold for documenting and reporting the account at the time of account opening and subsequently exceeded the threshold, and a self-certification has not been obtained.
44444444	Preexisting individual and entity account that (1) has U.S. indicia other than a U.S. place of birth, and (2) either: (a) has a change in circumstances, causing the self-certification or other documentation originally obtained to be incorrect or unreliable, and a new self-certification or other documentation has not been obtained, or (b) was below the threshold for documenting and reporting the account at the time of account opening and subsequently exceeded the threshold, and a self-certification or other documentation has not been obtained.
55555555	New individual and entity account that has a U.S. indicia other than a U.S. place of birth, and (2) either: (a) has a change in circumstances causing the self-certification or other documentation originally obtained to be incorrect or unreliable, and a new

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55555555	self-certification or other documentation has not been obtained, or (b) was below the threshold for documenting and reporting the account at the time of account opening and subsequently exceeded the threshold, and a self-certification or other documentation has not been obtained.
66666666	Preexisting entity account with account balance exceeding \$1,000,000 held by a passive NFFE with respect to which no self-certifications have been obtained, and no U.S. indicia has been identified in relation to its controlling persons.
77777777	For pre-existing accounts where there is no TIN available and the account has been dormant or inactive, but remains above the reporting threshold, also known as a “dormant account”. For reference, the U.S. defines “dormant account” in U.S. Treasury Regulations §1.1471-4(d)(6)(ii).
66666666	Preexisting entity account with account balance exceeding \$1,000,000 held by a passive NFFE with respect to which no self-certifications have been obtained, and no U.S. indicia has been identified in relation to its controlling persons.

The use of these codes is optional.

Whilst the codes assist the U.S. IRS with understanding the reasons why a Financial Institution is unable to obtain a U.S. TIN, it does not mean that a Financial Institution will not be at risk of being found significantly non-compliant for failing to report each required U.S. TIN. Facts and circumstances contributing to the absence of the U.S. TIN will be considered in the process, and Financial Institutions are expected to have adequate and robust procedures in place to obtain U.S. TINs.

The DITC Portal will begin to accept FATCA XML Returns for 2020 Reporting Period in May 2021. You may access the updated guidance [here](#).

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