

The Automatic Exchange of Information

The Automatic Exchange of Information (the Common Reporting Standard)

The OECD Standard for Automatic Exchange of Financial Account Information in Tax Matters, otherwise known as the Common Reporting Standard (hereinafter referred to as “CRS”), is a new global regulation that has been endorsed by over 100 jurisdictions to increase tax transparency and prevent tax evasion.

The CRS introduces new reporting and information-gathering requirements for financial institutions. It calls on countries that participate in applying this standard to obtain information from their financial institutions on non-resident account holders and automatically exchange that information with other participating countries on an annual basis.

Who it concern ?

The new reporting requirements concern individuals and entities (and in certain cases their beneficial owners) if they hold a bank account in another country than where they are tax resident and if the countries in which they are tax resident and where they hold a banking relationship have concluded an agreement to exchange of information on an automatic basis.

When will the automatic exchange of information apply in Switzerland ?

The automatic exchange of information was implemented in Switzerland on the 1 January 2017. As a Swiss financial institution, Lombard Odier will need to determine the tax residence(s) of all its clients and will request to collect additional information in this respect.

How it works?

Lombard Odier will need to transmit information regarding accounts held by clients whose country(ies) of tax residence has signed an agreement for the automatic exchange of information with Switzerland to the Swiss tax authorities. The Swiss tax authorities will in turn transmit this information to the tax authorities of the client’s country(ies) of tax residence. The first exchange will take place in 2018 related to the calendar year 2017.

Below you will find the list of countries that have signed an agreement for the automatic exchange of information with Switzerland:

Switzerland's official list of Reportable Countries

- Federal Department of Finance of the Swiss Confederation on automatic exchange of information

www.sif.admin.ch/sif/en/home/multilateral/steuer_informationsaust/automatischer-informationsaustausch/automatischer-informationsaustausch1.html

What information will be reported ?

The information which will be reported includes:

- the client's identity such as name, address, country of tax residence, date and country of birth, tax identification number (TIN);
- account information such as account number; balance or value of the account at the end of the calendar year, or the date when the account was closed during a reportable year; investment income including gross amount of dividends, interest and other income; and the gross proceeds from sales or redemptions, as well as.
- the name and identification number of Lombard Odier.

To find out more on the Automatic Exchange of Information:

- Automatic Exchange of Information Portal (OECD and Global Forum)
<http://www.oecd.org/tax/automatic-exchange/common-reporting-standard/>
- Federal Department of Finance of the Swiss Confederation on automatic exchange of information
<https://www.efd.admin.ch/efd/en/home/themen/wirtschaft--waehrung--finanzplatz/finanzmarktpolitik/automatic-exchange-of-information--aeoi-.html>
- Website of the Swiss Bankers Association on automatic exchange of information
<https://www.swissbanking.org/en/topics/tax/the-automatic-exchange-of-information>

Frequently Asked Questions:

- Questions and answers on the automatic exchange of financial account information (AEOI)
https://www.lombardodierevents.com/Regulatory/LOC/Doc_CRS/SIF%20CRSQA_03.2017_English.pdf
- Countries that have officially committed to implementing the automatic exchange of information
<http://www.oecd.org/tax/transparency/AEOI-commitments.pdf>