
STATUTORY INSTRUMENTS

2020 No. 438

TAXES

**The International Tax Compliance
(Amendment) Regulations 2020**

<i>Made</i>	- - - -	<i>20th April 2020</i>
<i>Laid before the House of Commons</i>	- - - -	<i>21st April 2020</i>
<i>Coming into force</i>	- -	<i>13th May 2020</i>

The Treasury make these Regulations in exercise of the powers conferred by section 222 of the Finance Act 2013⁽¹⁾:

Citation and commencement

1. These Regulations may be cited as the International Tax Compliance (Amendment) Regulations 2020 and come into force on 13th May 2020.

Amendments to the International Tax Compliance Regulations 2015

- 2.—(1) The International Tax Compliance Regulations 2015⁽²⁾ are amended as follows.
- (2) In regulation 1(3)(b)(i), for “16th May 2019” substitute “19th April 2020”⁽³⁾.
- (3) In regulation 3(4A)(a), at the beginning insert “subject to regulation 24(3)”.
- (4) In regulation 24—
- (a) in the table in paragraph (2), in the column headed “the CRS”—
- (i) at the beginning of the entry for “new account” insert “subject to paragraph (3)”, and

(1) 2013 c. 29; section 222 was amended by section 50 of the Finance (No. 2) Act 2015 (c. 33) but the amendments are not relevant to these Regulations.

(2) S.I. 2015/878 (referred to in these footnotes as “the principal Regulations”); relevant amending instruments are S.I. 2017/598, 2018/490 and 2019/881.

(3) In accordance with the common reporting standard for automatic exchange of financial account information developed by the Organisation for Economic Co-operation and Development and adopted by the United Kingdom, the United Kingdom exchanges information received from financial institutions under the principal Regulations with a territory which is a “Reportable Jurisdiction” under the CRS and with which the United Kingdom has entered into international exchange arrangements for that year. Reportable Jurisdictions are identified in a published list available at <https://www.gov.uk/hmrc-internal-manuals/international-exchange-of-information/ieim402340>. A hard copy of this list is available for inspection at the offices of HMRC at 10 South Colonnade, 9th Floor, Canary Wharf, London E14 4PU.

- (ii) at the beginning of the entry for “pre-existing account” insert “subject to regulation 3(4A)(a) and paragraph (3)”, and
- (b) after paragraph (2) insert—
 - “(3) In respect of the accounts listed in paragraph (4)—
 - (a) “new account” means a financial account maintained by a reporting financial institution⁽⁴⁾ opened on or after 13th May 2020;
 - (b) “pre-existing account” means—
 - (i) a financial account maintained by a reporting financial institution as of 12th May 2020, or
 - (ii) a financial account within Section VIII(C)(9)(b) of Annex 1 of the DAC⁽⁵⁾, but in the application of that provision the references to “subparagraph C(9)(a)” are to be read as references to paragraph (i) of this sub-paragraph.
 - (4) The accounts are—
 - (a) non-registered pension arrangements where the annual contributions are limited to £50,000 and funds contributed cannot be accessed before the age of 55 except in circumstances of serious ill health;
 - (b) Premium Bonds issued by the UK National Savings and Investments;
 - (c) Fixed Interest Savings Certificates issued by the UK National Savings and Investments; and
 - (d) Index Linked Savings Certificates issued by the UK National Savings and Investments.”.
- (5) In Schedule 2, omit paragraphs 2, 6, 8 and 9.

Transitional provision

3.—(1) For the purposes of the International Tax Compliance Regulations 2015, in relation to an account that by virtue of regulation 2(5) ceases to be an excluded account, the calendar year 2020 is treated as beginning on 13th May 2020 and ending on 31st December 2020.

(2) Where in consequence of paragraph (1) it is necessary to apportion an amount for the calendar year 2020 to the period ending immediately before 13th May 2020 and the period beginning with that date, it is to be apportioned—

- (a) on a time basis according to the respective length of the periods, or
- (b) if that method would produce a result that is unjust or unreasonable, on a just and reasonable basis.

20th April 2020

David Rutley
Maggie Throup
Two of the Lords Commissioners of Her
Majesty’s Treasury

(4) “Financial account” and “reporting financial institution” are defined in the table in regulation 24(2) of the principal Regulations.

(5) “The DAC” is defined in regulation 1(3)(a) of the principal Regulations.

EXPLANATORY NOTE

(This note is not part of the Regulations)

The Regulations amend the International Tax Compliance Regulations 2015 (“the principal Regulations”) which give effect to agreements and arrangements reached between the United Kingdom and other jurisdictions to improve international tax compliance.

Regulation 2(2) extends the application of the principal Regulations to arrangements entered into by the United Kingdom for the exchange of financial account information with other jurisdictions up to 19th April 2020, the date before the Regulations are made.

Regulation 2(5) omits various accounts from the category of excluded accounts. Regulation 2(4)(b) amends the definitions of “new account” and “pre-existing account” in relation to those accounts so that these terms are defined by reference to the date that those accounts ceased to be excluded accounts. Regulation 2(3) and (4)(a) make consequential amendments.

Regulation 3 makes a transitional provision for the calendar year 2020 in relation to accounts which were previously excluded accounts.

A Tax Information and Impact Note covering the International Tax Compliance Regulations 2015 was published on 18th March 2015 and is available on the HMRC website at <https://www.gov.uk/government/publications/tax-administration-regulations-to-implement-the-uks-automatic-exchange-of-information-agreements>. It remains an accurate summary of the impacts that apply to this instrument.