



2023 CRS/FATCA data – common errors

15 January 2025

The Foreign Account Tax Compliance Act (“FATCA”) and the Common Reporting Standard (“CRS”) have been operational in Jersey since 2014 and 2016 respectively. These regulations were implemented to promote transparency and prevent tax evasion.

Annually, Revenue Jersey identifies several common themes that can lead to Financial Institutions (“FIs”) not complying with their obligations under FATCA and CRS. These errors, often unintentional, can result in non-compliance and potential penalties. It is therefore crucial for FIs to be aware of these common pitfalls and take steps to avoid them.

To ensure compliance, FIs are encouraged to have well-developed Schemes of Internal Control and Assurance in place. These systems can be tested and validated by Revenue Jersey, providing a level of confidence in the FI’s compliance efforts. In the absence of such systems, Revenue Jersey may need to undertake increased testing of CRS/FATCA reports submitted by the FI at a granular level. This can be a more time-consuming and rigorous process, further emphasizing the importance of robust internal control systems.

Please note, this **document does not supersede any previous versions or other guidance**. Instead, it serves to enhance and build upon the information provided in those documents and outlines common errors identified across 2023.

The XML sample texts shown in this guidance are for specific illustrative purposes only and therefore is not an exhaustive list all mandatory elements for a valid CRS file.

Common errors for the Reporting Year 2023 data

1. Failure to include complete and accurate information on the AEOI return

Common error: The FI collects the required self-certification documentation on account opening but fails to report the entirety of the information declared by the reportable person on the self-certification resulting in an incomplete submission.

Mitigation: FIs should ensure that additional pre-reporting checks are implemented to cross reference the documentation held against the data saved on the core platform for any missed or partially completed fields.

Further support:

- FIs are encouraged to utilise the AEOI Test portal functionality for the test run of submissions whenever an update to the reporting process has taken place.
- Please contact the AEOI Compliance team on: aeoicompliance@gov.je if you would like a review of your reporting related processes and procedures.



2. De-registration of Global Intermediary Identification Numbers (“GIINs”)

Common error: FFIs register for a GIIN when an entity is first set-up however fail to de-register on the IRS portal on dissolution or if the classification changes.

Mitigation: De-registration from the IRS portal should be done in a timely manner once an FFI has been liquidated, dissolved, or re-classified. This task should be integrated in the end of entity lifecycle checklist.

Further support:

- You can de-register your GIIN by accessing your FFI account on the IRS portal here: [FATCA Foreign Financial Institution Registration System | Internal Revenue Service \(irs.gov\)](https://www.irs.gov/fatca).
- Ahead of de-registration FFIs must ensure that the final AEOI filing obligations have been met to avoid enquiries related to non-filing and any potential penalties.
- Service providers should review their liquidated, dissolved etc. clients from 2014 onwards to ensure that there have not been any missed de-registrations to date.
- If an FFI is looking to access the IRS portal for the purposes of de-registering a GIIN and is unable to do so as the client had been taken over from a previous service provider, please inform the compliance officer of your intention to de-register via email on: aeoicompliance@gov.je

3. 999999999 default TIN being used for FATCA reporting

Common error: Financial accounts being reported with the following ‘999999999’ default TIN value without considering the other alternative default TIN codes.

Mitigation: FFIs should familiarise themselves with the default TIN codes to be used for accounts where a valid TIN is not held on file and determine the most appropriate code to be used first ahead of finalising the return submission.

Further support:

- FFIs can find a list of the default TIN values and their uses via the updated Jersey FATCA practical guidance notes: <https://www.gov.je/TaxesMoney/InternationalTaxAgreements/IGAs/Pages/PracticalFATCAReportingGuidance.aspx>
- If none of the default TIN values are applicable it is only then that the 999999999 value is used.
- FFIs are reminded that to continue using the default TIN values, a record of all outreach activity including the rationale for using the reported TIN should be kept by FFIs as this could be requested by Revenue Jersey during the course of compliance activity.



4. Reportable persons with multiple residencies

Common Error: Reporting an account holder or controlling person with more than one country of residence under multiple crs:AccountReports (a separate account report for each jurisdiction of residence).

Mitigation: FIs should ensure that each financial account is being reported as one AccountReport (with the exception of joint accounts).

Further support:

- An account holder or a controlling person with multiple countries of residence reported under multiple account reports will be flagged as a duplicate entry. This could lead to compliance enquiries querying the quality of the data submitted.
- FIs should review their post XML conversion checks in place and ensure that the review flags any duplicate entries for the same financial account.

5. Failure to submit returns with negative or no balance.

Common error: Entities which are in deficit or end the year with a negative NAV incorrectly failing to submit AEOI returns.

Mitigation: Ensuring that the pre-reporting checks do not exclude entities with a negative NAV from reporting and that account holders are still being reported.

Further support:

- For CRS reporting, any negative balances should be reported as zero.
- For FATCA reporting, any negative balances should be reflected as such since negative balances are accepted.

6. Reporting controlling persons under incorrect account holder code.

Common error: FIs incorrectly reporting Passive NFE account holders with reportable controlling persons under both the CRS101 and CRS103 AccHolderType codes.

Mitigation: FIs should ensure that Passive NFE account holders with controlling persons should use the CRS101 AccountHolderType and those that are reportable persons themselves with no CPs use the CRS103 code instead.

Further support:

Example of CRS101 and 103 AccountHolderTypes used incorrectly -

```
</crs:DocSpec>
  <crs:AccountNumber>123456</crs:AccountNumber>
  <crs:AccountHolder>
    <crs:Organisation>
      <crs:ResCountryCode>XX</crs:ResCountryCode>
```



```
<crs:IN issuedBy="XX">987654</crs:IN>
<crs:Name>ABC LTD</crs:Name>
<crs:Address>
  <cfc:CountryCode>XX</cfc:CountryCode>
  <cfc:AddressFix>
    <cfc:Street>
      <cfc:City>
        </cfc:AddressFix>
      </cfc:AddressFix>
    </cfc:AddressFix>
  </cfc:AddressFix>
</crs:Address>
</crs:Organisation>
<crs:AcctHolderType>CRS101</crs:AcctHolderType>
</crs:AccountHolder>
<crs:ControllingPerson1>
  <crs:Individual>
<crs:ControllingPerson2>
  <crs:Individual>
</crs:DocSpec>
<crs:AccountNumber>123456</crs:AccountNumber>
<crs:AccountHolder>
  <crs:Organisation>
    <crs:ResCountryCode>XX</crs:ResCountryCode>
    <crs:IN issuedBy="XX">987654</crs:IN>
    <crs:Name>ABC LTD</crs:Name>
    <crs:Address>
      <cfc:CountryCode>XX</cfc:CountryCode>
      <cfc:AddressFix>
        <cfc:Street>
          <cfc:City>
            </cfc:AddressFix>
          </cfc:AddressFix>
        </cfc:AddressFix>
      </cfc:AddressFix>
    </cfc:AddressFix>
  </cfc:AddressFix>
</crs:Address>
</crs:Organisation>
<crs:AcctHolderType>CRS103</crs:AcctHolderType>
</crs:AccountHolder>
<crs:AccountBalance>
```

In this example case, ABC LTD as the entity account holder should be reported by the FI under the CRS101 AcctHolderType as the entity has reportable controlling persons.

7. Corrections to Passive NFE with multiple controlling persons.

Common error: When correcting an entry for a Passive NFE with multiple controlling persons, the FI only includes the updated information related to one controlling person and omits the others.

Mitigation: FIs should ensure that all information of all other controlling persons (those which do not require any amendments are also included within correction file) since controlling persons are all reported under the same DocRefID.

Further support:

Example of correction report including all controlling persons -

```
<crs:MessageSpec>
<crs:MessageRefID>JE2023String3651VCRS_34</MessageRefID>
```



<crs:MessageTypeIndic>CRS702</MessageTypeIndic>
<crs:CorrMessageRefId>JE2023String7855VCRS 67</CorrMessageRefId>
<crs:ReportingPeriod"2023-12-31">/ReportingPeriod>
</crs:MessageSpec>
<crs:CrsBody>
<crs:ReportingFI>
<crs:DocSpec>
<stf:DocTypeIndic>OECD0</stf:DocTypeIndic>
<stf:DocRefId>JE2023String7869VCRS 65</stf:DocRefId>
</crs:DocSpec>
</crs:ReportingFI>
<crs:AccountReport>
<crs:DocSpec>
<stf:DocTypeIndic>OECD2</stf:DocTypeIndic>
<stf:DocRefId>JE2023String75543VCS 78</stf:DocRefId>
<stf:CorrDocRefId>JE2023String668943VCS 52</stf:DocRefId>
</crs:DocSpec>
<crs:AccountHolder>
<crs:Organisation>
</crs:Organisation>
</crs:AccountHolder>
<crs:AcctHolderType>CRS101</crs:AcctHolderType>
<crs:ControllingPerson 1>
<crs:Individual>
<crs:ResCountryCode>GB</crs:ResCountryCode>
</crs:Individual>
</crs:ControllingPerson 2>
<crs:ControllingPerson>
<crs:Individual>
<crs:ResCountryCode>FR</crs:ResCountryCode>
</crs:Individual>
</crs:ControllingPerson 3>
</crs:AccountReport>
</crs:CrsBody>

8. Void return submissions

Common error: An FI mistakenly submits a void report for all of the financial accounts included in the return and looks to submit an amendment further down the line for some of the remaining accounts.

Mitigation: FIs should ensure that only the accounts which require re-submission are voided and not the entire OECD1/FATCA1 file.

9. Failure to file an AEOI return

Common error: Newly created Entities which have not filed an AEOI return due to being set up in December of the prior year.



Mitigation: Entities set-up on or prior to the 31 December of the current year must ensure that an AEOI return is timely submitted by the 30 June of the following year.

Further support:

- In instances where investors have made a commitment but not yet made a contribution they should not be regarded as reportable persons.
- Inversely any contributions made during the Reporting Year should be captured as part of the return submission.
- In cases where an entity is entitled to coupon income until the bond reaches maturity but has not yet received any income, the expected income should not form part of the calculation for the gross income test.

10. Discrepancy in entity naming convention Year on year

Common error: The service provider or administrator does not maintain a consistent approach to including the full name of the entity in the return submission.

Mitigation: The full name of the FI should be included within the AEOI report under the ReportingFI Name without the use of abbreviations or replaced characters.

Further support:

Example of possible abbreviated ReportingFI Name between reporting Years –

2023 ReportingFIName – The Sample One Limited

2022 ReportingFIName – Sample1 Ltd

11. Administration change

Common error: Upon migration of the entity to a different service provider the contact details on the portal are left unchanged.

Mitigation: FIs should ensure that the contact details maintained on the portal are kept current at all times. This is to avoid communication being sent to the incorrect address and not reaching the FI for time sensitive enquiries.

Further support:

- FIs should ensure that the migration process includes a conversation with the new service provider to transition over the relevant portal login information.
- The new service provider should ensure that the update of portal information is included as part of the onboarding checklist.
- The new service provider should contact the AEOI team on aeoi@gov.je if they are unable to access the account of their newly transferred over entity.

Deputy Director – International
And Competent Authority
15 January 2024