

# FATCA & CRS Self Certification Forms Guidance

Guidance notes was issued for the Reporting Financial Institutions (RFIs) in the Abu Dhabi Global Market (ADGM) regarding the procedures for conducting validity and reasonableness checks on Self-Certification Forms (SCFs) as part of compliance with the Common Reporting Standard (CRS) and the Foreign Account Tax Compliance Act (FATCA).

The guidance by the ADGM aims to ensure that RFIs meet their due diligence and reporting obligations, supporting the integrity of financial data exchange while highlighting that the guidance does not replace regulatory compliance or professional tax/legal advice. RFIs should develop their own procedures for SCF validation.



## 2. Validity and Reasonableness Checks

CRS and FATCA requires an RFI to obtain SCF(s) for all new accounts.

### Requirements for any SCF

Validity ✓

Reasonableness ✓

RFIs need to have robust processes in place to ensure that valid and reasonable SCFs are obtained.

### Failure to establish Validity and Reasonableness ?

Obtain a new SCF

Document reasonable explanation

A valid and reasonable SCF must generally be obtained on “day one” of the account opening process.

In limited circumstances, where a reasonableness check of the self-certification cannot be completed because it is a “day two” process undertaken by a back-office function, it must be checked within a period of 90 days and no later than the deadline for reporting.



### 3. Requirements for Validity

- **Signed or Positively Affirmed:** SCF must be signed or otherwise positively affirmed by the Account Holder or an authorized person. Positive affirmation includes explicit acknowledgment, such as voice recordings or digital footprints, which must be recordable for audit purposes.
- **Dated:** SCF must be dated at the time of signing/affirmation or at the latest upon receipt.
- **Consistency:** The process for obtaining SCFs should align with account-opening procedures, and records of the process must be maintained.
- **Details to be checked Validity of SCF:**

#### **A. For New Individual Accounts:**

- Full name (first and last).
- Date of birth.
- Residential address.
- All tax residence countries/jurisdictions.
- Tax Identification Number (TIN) for each Reportable Jurisdiction (or reason if no TIN is provided).
- Signature or positive affirmation.
- Properly dated (at signing or latest upon receipt).



### 3. Requirements for Validity (Continued)

#### *B. For New Entity Accounts:*

- Full entity name.
  - Operational address (street, city, country).
  - All tax residence countries/jurisdictions.
  - TIN for each Reportable Jurisdiction (or reason if no TIN is provided).
  - Name, title/capacity, and signature or positive affirmation of the authorized signer.
  - Properly dated.
- **FATCA-Specific Requirements:**
    - SCF must establish whether the Account Holder is a U.S. tax resident.
    - For U.S. tax residents, the SCF must include the U.S. TIN (e.g., IRS Form W-9).
  - **Additional Recommendations (for FATCA and CRS Compliance):**
    - Include explicit declarations of U.S. tax residency.
    - Ensure all SCF sections are fully completed.
    - Collect additional details during onboarding for entities:
      - Date and country of incorporation.
      - Registration/license number.
      - Email address and phone number.



## 4. Reasonableness Check Procedures

RFIs must assess the reliability of SCFs by:

- Comparing SCF data with other collected documentation.
- Identifying inconsistencies, such as mismatched tax residency and residence addresses.
- Validating the completeness of TINs and understanding their absence if not provided.

*If a declared tax residency lacks a TIN but the jurisdiction issues TINs, RFIs must investigate further.*

## 5. Additional FATCA and CRS Considerations

- **Changes in Circumstances:** RFIs must reassess SCFs if significant changes occur, such as relocation or citizenship changes.
- **Residency by Investment Schemes:** RFIs should scrutinize potential misuse of such schemes in tax evasion.
- **Documentation Retention:** Records must be kept for a minimum of six years to comply with audit and regulatory standards.



## 6. Key Recommendations

- Obtain SCFs as part of on-boarding for relevant accounts.
- Ensure SCFs are thoroughly completed with no omissions.
- Check the SCFs for validity and reasonableness.
- Document explanation for any issues in relation to SCFs.
- Maintain records of all SCFs and supporting documentation for compliance audits.
- Stay updated with OECD and regulatory changes to adapt due diligence procedures.
- Retain SCF records and related documentation for at least six years, ensuring accessibility for audits and compliance checks.