

## CRS Reporting 2020 - Frequently Asked Questions

### 1. Why have I received this letter?

You have received this letter because, according to the information in our possession,

- your tax residence (subject to reporting) is located outside of Belgium; and
- you are, as a natural person
  - o a (joint) account holder OR
  - o a 'partner' in a civil corporation, which is an account holder OR
  - o a 'controlling person' of a so-called 'passive NFE', which is an account holder.

### 2. What financial information is to be exchanged?

In addition to your personal details (name, address, tax residence, tax identification number, birthplace and date of birth), it concerns:

- The name of the financial institution where your account is held, as well as the account number(s). For deposit accounts (i.e. current and savings accounts), this is the IBAN number; for other accounts, it is the unique account number.
- For deposit accounts: the account balance at the end of the previous calendar year, as well as the gross amount of interest received on that account during the past year.
- For securities accounts: the same information as for deposit accounts, plus the gross amount of dividends and coupon payments received in the previous calendar year, as well as gross proceeds achieved in that year.

The 'gross amount' is the amount after the deduction of any foreign withholding tax, but before the deduction of any Belgian withholding tax and before applied charges.

### 3. I share a joint account with one or more persons. How do we go about this?

Every joint account holder who fulfils the criteria, as set out above, will be subject to reporting as if they are the sole account holder, i.e. by declaring the full amounts to be reported. In other words, for example, the total financial information of a joint account in the name of two (reportable) spouses will have to be reported for each spouse.

### 4. I am a shareholder ('partner') of a civil corporation. What happens in terms of reporting?

Since civil corporations are fiscally transparent, for CRS purposes, the account should be considered as a joint account, in which all partners are joint account holders. As mentioned under question 3, each partner (to be reported) will be reported for the totality of the account(s). In other words, the number of shares held by each partner in the civil corporation will not be taken into account.

### 5. When am I a 'controlling person' of a 'passive NFE'?

Even though it is a lot more complicated in theory, as a general rule, it concerns shareholders (to be reported) who own at least 25% of a Belgian or foreign company and whose income is mainly from investments.

### 6. My account is a 'split property' account: one or more persons are usufruct holder(s) and one or more persons are bare owner(s). What does this entail in terms of reporting?

In the case of the bare owner(s), only the gross proceeds and account balance of the account on which the 'split property' securities are held will be reported.

In the case of the usufruct holder(s), the gross income received (i.e. dividends and interest) will be reported. Depending on the type of account, other information will also be provided (see question 2).

If there are several usufruct holders (to be reported) and/or several bare owners (to be reported), every usufruct holder and bare owner, respectively, will be reported according to the terms set out for joint account holders (see question 3).

## **7. Do I need to include this information in my tax return?**

That depends on the legislation in your tax residence. We advise you to contact your tax adviser in this regard.

The financial information to be exchanged is defined by an international agreement. Even though the purpose of this is to avoid tax evasion, this information exchange should not be considered as fiscal advice.

## **8. Where can I find more information about CRS?**

More information concerning CRS can be found on the FPS Finance website.

<https://financien.belgium.be/nl/E-services/crs/beschrijving>

<https://financien.belgium.be/nl/E-services/crs/faq-en-documentatie>