



FOREIGN ACCOUNT TAX COMPLIANCE ACT (FATCA) GUIDELINES AND PROCEDURES SAINT LUCIA

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Abbreviations

AML	Anti Money Laundering
BR	An FI branch
GIIN	Global Intermediary Identification Number
EAG	Expanded Affiliate Group
FATF	Financial Action Task Force
FATCA	Foreign Account Tax Compliance Act
FATCA ID	Six character code for creating account and logging into FATCA web portal
FFI	Foreign Financial Institution
FI	Financial Institution
HMRC	HM Revenue and Customs
IGA	Intergovernmental Agreement
IRD	Inland Revenue Department
IRS	Internal Revenue Service (US)
KYC	Know your client
LE	Lead Financial Institution
ME	Member Financial Institution
NFE	Non Financial Entity
NFFE	Non Financial Foreign Entity
QI	Qualified Intermediary
SB	Sponsored Subsidiary's branch
SD	Sponsored Entity that is a sponsored direct reporting NFFE
SF	Sponsored Entity that is a sponsored fund
SL	Single Financial Institution
SP	Sponsoring Entity
SS	Sponsored Entity that is a sponsored subsidiary
TIN	Taxpayer Identification Number
US	United States
USIRC	United States Internal Revenue Code
WFP	Withholding Foreign Partnership
WFT	Withholding Foreign Trust

2 Glossary of Terms

With respect to FATCA:

Annuity contract means a contract where the issuer agrees to make periodic payments for a specific period in relation to the life expectancy of an individual. This contract must also be regarded as an annuity under the laws, practices and regulations of the jurisdiction in which it was issued.

Branch: is a unit, office or business which forms part of a financial institution and is treated as a branch under regulations. A branch should be registered as a part of its owner and not as a separate entity. (GIIN should have BR).

Cash Value Insurance Contract means an insurance contract (**other than an indemnity insurance contract**) that has a cash value greater than USD 50,000.

Controlling Person is a natural person who has control over an entity. This may be the settlor, trustee, protector or beneficiary of a trust. In accordance with FATF Recommendation 10, a controlling person could have at least 25% ownership in an entity.

Custodial Accounts contain financial instruments or contracts for investment held for the benefit of others. Such held financial instruments include, but are not limited to, shares and stocks of corporations, notes, bonds, debentures, evidence of indebtedness, currency or commodity transactions, credit default swaps, swaps based on non financial instruments, notional principal contract, insurance contract, annuity contract, and options and derivatives. Insurance contracts and annuities are not deemed as financial instruments for this purpose.

Custodial Institution-is any entity which derives at least 20% of its gross income from holding the financial assets, or for performing and related financial services, for other entities. The 20% of gross income is calculated using the shorter of: (i) the three year period ending December 31st, or non calendar year end, prior to the year the determination is being made or (ii) the lifespan of the entity.

Deemed compliant FFIs include small limited scope financial institutions such as financial institutions with local client base, local banks, financial institutions with only low value accounts, qualified credit card issuers, qualifying investment entities, trustee documented trusts, sponsored investment entities and controlled foreign corporations, sponsored closely held investment vehicles, investment advisors

and investment managers, collective investment vehicles. (All of which must meet certain criteria see Annex II, Section III)

Depository Accounts are maintained by financial institutions in the ordinary course of doing banking or similar business. Such accounts include (i) commercial, checking, savings, time or thrift accounts (ii) accounts evidenced by a certificate of deposit, thrift certificate, insurance certificate and certificate of indebtedness or similar instruments. (iii) accounts held by an insurance company in relation to a guaranteed investment contract or similar agreement to pay to credit interests.

Dormant Account/Inactive Accounts- an account is deemed to be dormant or inactive account in accordance with the all applicable laws or regulations, or the normal operating procedures of the participating financial institution. These stipulations must be consistently applied for all accounts maintained by this institution in a particular jurisdiction. If neither applicable laws or regulations nor the normal operating procedures of the participating financial institution address dormant or inactive accounts, an account will be treated as a dormant account if the account holder:

- a. Has not conducted transaction(s) with regard any account held by the account holder with the financial institution in the past three (3) years; and
- b. Has not replied to queries from the financial with regard to any account held by the account holder with the FFI in the past six (6) years.

An account ceases to be treated as dormant or inactive when the account holder—

- a. Executes a transaction(s) on any account held by the financial institution; or
- b. Replies to any query from the financial institutions regarding any of its accounts; or
- c. Ceases to be treated as a dormant account or inactive, under applicable laws or regulations or the participating financial institution's normal operating procedures.

Depository Institution- an entity which accepts deposits in the ordinary course of banking or similar businesses.

Equity Interests means capital or profit interests in a partnership; equity interests held by the settlor or beneficiary of a trust, or a natural person with effective control over a trust.

Established Securities Market means an exchange which is officially recognised and regulated by a government authority in the market where it is located. The annual value of shares traded in said market must be meaningful.

Exempt beneficial owner- includes a government entity (or integral parts , controlled entities or subdivisions of a government entity); a central bank ; or international organisation wholly owned, or entity thereof (comprising non US governments, which has a headquarters agreement with Saint Lucia, (income of which does not accrue to private persons), broad retirement funds; narrow participation retirement fund, pension fund of exempt beneficial owner, investment wholly owned by a exempt beneficial owner (all of which must meet certain criteria see Annex II , Section I)

Expanded Affiliate Group (EAG)-one or more chain(s) of members connected through common ownership by a parent entity, if said common parent entity owns stocks or other equity of at least one of its members.

FATCA ID is used to create and access a financial institution’s FATCA account. It is a 6 digit alpha numeric string. In the case of member entities, the FATCA ID has 12 characters, the first six of which mirror the lead entity’s FATCA ID. The FATCA ID is not the same as the GIIN.

Financial Account includes any maintained account (i) in which equity and debts interests are held in a financial institution (except interests which are regularly traded on established securities markets);or (ii) equity and debts interests held in a financial institution (except interests which are regularly traded on established securities markets) which generate US withholdable payments with respect to their assets, and any class of interests designed to avoid reporting; or (iii) any cash insurance contract or annuity contract issued or maintained by a financial institution [other than a noninvestment linked, non-transferable, immediate life annuity pension or disability benefit.](Agreement, Article 1)

Financial Institution means a custodial institution, depository institution, an investment entity or a specified insurance company (see individual definitions provided in this Glossary).

Global Intermediary Identification Number (GIIN) - is a unique 19 character, alpha numeric identifier issued to financial institutions. The GIIN is used for reporting and identification purposes.
[https://www.irs.gov/Businesses/Corporations/FATCA-Online-Registration-System-and-FFI-List:-GIIN-Composition-Information.](https://www.irs.gov/Businesses/Corporations/FATCA-Online-Registration-System-and-FFI-List:-GIIN-Composition-Information)

Insurance Contracts means a contract where the issuer agrees to pay an amount upon the occurrence of a contingency involving death, accident, liability or property risk. (This does not include an annuity).

Investment Entity- an entity which conducts, or is managed by an entity which conducts, the following on behalf of customers: trading in money market instruments; portfolio management (individual or collective); investing, administering or managing funds or money, on behalf of persons.

Lead Entity- is a member of an expanded affiliate group (EAG) responsible for registering and filing for other members of the group. There can be more than one lead entity in a group.

Member Entity- is a member of an expanded affiliate group that is registered by a lead entity. The member entity obtains its GIIN and FACTA ID from the lead entity.

NFFE (Non Financial Foreign Entity)- is a non US entity which is not a financial institution. These may be either active or passive.

NFFE (Active)-

For an entity to be deemed as an active NFFE, less than 50% of the NFFE gross income for the preceding calendar or normal reporting period is derived from passive income and less than 50% of the assets held by the NFFE produce passive income. (i) The stock of the NFFE is regularly traded. (ii) The NFFE is in a US territory and all the owners are bona fide residents of that US Territory. (iii) The NFFE is a government or subdivision of a government, (iv) Most of the activities of the NFFE consist of the holding of outstanding stock of, or provision of, financing services to subsidiaries that engage in trades or businesses other than the business of an FI. (v) The NFFE is not operating as yet. (vi) was not a FI in the past 5 years and is liquidating assets or is reorganising to change from being an FI. (Annex I, Section VI, subparagraph 4).

NFFE Excepted means the NFFE is excepted under US treasury regulations or (i) is established and operates for religious, charitable, scientific, artistic, cultural, athletic or educational purposes or is established and operated in its jurisdiction of residence as a professional organisation, business league, chamber of commerce, labour organisation, agricultural or horticultural organisation, civic league, or operates solely to promote social welfare or (ii) is exempt from income tax in its jurisdiction of residence; or (iii) has no shareholders or members or (iv) applicable laws or formation documents do not allow income from assets to accrue to individuals or (v)) applicable laws or formation documents require that all assets be distributed to a government entity or not for profit organisation upon liquidation or dissolution.

NFFE Passive- is a NFFE which is not an active NFFE; a withholding foreign partnership; a withholding foreign trust. In general, passive NFFEs would be required to report substantial US owners or US controlling persons to their Financial Institution(s).

Regularly traded means that there is a meaningful volume of trading, on an ongoing basis.

Recalcitrant Account- is an account held by any person, who is not exempt or disqualified, for which information sought has not been provided.

Passive Income-includes dividends, interest, rents, royalties, annuities, and certain other forms of indirect income.

Qualified Intermediary means an entity which has entered into a qualified intermediary agreement with the IRS.

Single Entity-is an FI which does not have any member FIs. Such an entity can register for FATCA on behalf of itself and its branches.

Specified Insurance Companies-insurance company, or holding company of an insurance company, that issues or makes payments related to Cash Value Insurance Contracts or Annuity Contracts. Cash Value does not include reinsurance contracts between insurance companies.

Specified US Person- is a US person **except** (i) a corporation with regularly traded stock (ii) member of an expanded affiliate group as described in 1471 (e) (2) of US Internal Revenue Code [USIRC] (iii) US or any wholly owned agency thereof (iv) any state of the US or US territory, or political subdivision thereof (v) any tax exempt organisation under 501(a) of USIRC or individual retirement plan under 7701 (a) (37) of USIRC (vi) any bank defined under 581 of USIRC, (vii) any real estate investment defined under 856 USIRC, (viii) any regulated investment entity under USIRC or registered US Securities and Exchange Commission (Investment Act of 1940), (ix) any common trust fund as defined in 584(a) USIRC(x) any trust that is tax exempt under 664 (c) USIRC or 4947 (a)(1) (xi) a dealer in securities, commodities, or derivative financial instruments (including options, contracts, futures, forwards) duly registered under US laws, (xii) a broker as defined in section 6045(c) USIRC or (xiii) any tax exempt trust under a plan described in 403(b) or section 457(g) of USIRC. (See Agreement, Article 1)

Sponsoring Entity- represents one or more entities on the FATCA interface and oversees registration and filing, conducts due diligence, withholding and reporting for these entities. (A trustee of a trustee

documented trust should register as a sponsoring entity if it will be fulfilling the responsibilities of such a trust.)

Sponsored Entity- is represented by a sponsoring entity. Sponsored entities cannot log into the system but will obtain a GIIN from the sponsoring entity.

Substantial owner- means any specified US person which (i) owns more than 10 percent of the stock of a corporation (whether directly or indirectly) (by vote or value),(ii) owns more than 10 percent of the profits, interests or capital interests in a partnership, and (iii) is treated as an owner of any portion of a trust under subpart E of part I of subchapter J of chapter 1, and to the extent provided by the Secretary in regulations or other guidance, holds, directly or indirectly, more than 10 percent of the beneficial interests of a trust. (See USIRC 1473 (2))

Trustee Documented Trust: means a trust that is a financial institution where the trustee of said trust is a reporting financial institution and reports all the information required in respect of the reportable accounts of the trust. (HMRC Guidance Notes 14th September 2015)

US Indicia include:

- Identification of the Account Holder as a US Citizen or resident
- Unambiguous indication of place of birth
- Current US mailing or residence address (including US post box)
- Current US telephone numbers
- Standing instructions to transfer funds to an account maintained in the US
- Person with US address has effective power of attorney or signatory authority
- An 'in care of' or hold mail US address that is the only address on file. Except if the address is for a pre-existing lower value account.

US Person means a US citizen or resident individual, a partnership or corporation organised under the laws of the US or any US state, a trust (US court has authority to render order, one or more US persons have authority over substantial decisions in the trust).

Withholding foreign partner means a foreign partnership that has entered into an agreement with the IRS.

Withholding foreign trust means a foreign trust which has entered into an agreement with the IRS.

3 Introduction

The Foreign Account Tax Compliance Act (FATCA) was enacted by the United States (US) in 2010 and compels foreign financial institutions (FFIs) and non-financial entities (NFEs) to report on applicable financial accounts held by US citizens or by foreign entities in which a specified US person is a controlling person (holds substantial ownership). This legislation ultimately aims to stop tax evasion and to improve income tax compliance. On November 19th 2015, Saint Lucia signed a model 1A (reciprocal) Intergovernmental Agreement (IGA) with the US with respect to FATCA.

FACTA provides for the automatic withholding of thirty percent (30%) of all payments due from US source income, including the gross proceeds of certain sales which generate US Source income, to non-compliant FFIs and NFEs. Every payer to such non-compliant entities is required to report and or withhold payments associated with the payments listed in Table 1 below.

Table 1 Withholdable Payments

Interests (including original issue discount)	Dividends
Annuities	Profits and Income
Salaries and wages	Compensation
Remuneration	Rents
Emoluments	Sale or disposition of property that can produce dividends and interest.
Sale of stock (on gross proceeds even when there is no gain)	Any other fixed or periodical gains, profit or income which stems from sources within the US.
Premiums	

To avoid the automatic withholding penalty, FFIs and NFEs must provide information on their applicable US account holders. In model 1 jurisdictions, like Saint Lucia, submissions are made through the government and FATCA requirements are legislated. Compliant financial institutions are expected to:

- Collect relevant information on all accounts holders (to identify US indicia)
- Comply with verification and due diligence procedures
- Report on relevant US accounts
- Comply with reporting requests

Notwithstanding the above, some categories of FFIs are exempted from FATCA requirements. These include:

- Most Government entities
- Most non-profit organisations
- Certain small, local financial firms
- Certain retirement entities

Due diligence rules and reporting requirements, for FATCA, are contained in the IGA. The onus is on financial institutions to ensure that the anti-money laundering (AML) and know your client (KYC) procedures, implemented by the institution, adhere to these requirements. In the event that information is deemed incorrect, the reporting financial institutions will be given the opportunity to make the necessary corrections and to resubmit. Notwithstanding, every effort should be made to provide accurate information. Also, all returns must be submitted **on time** to avoid withholding penalties.

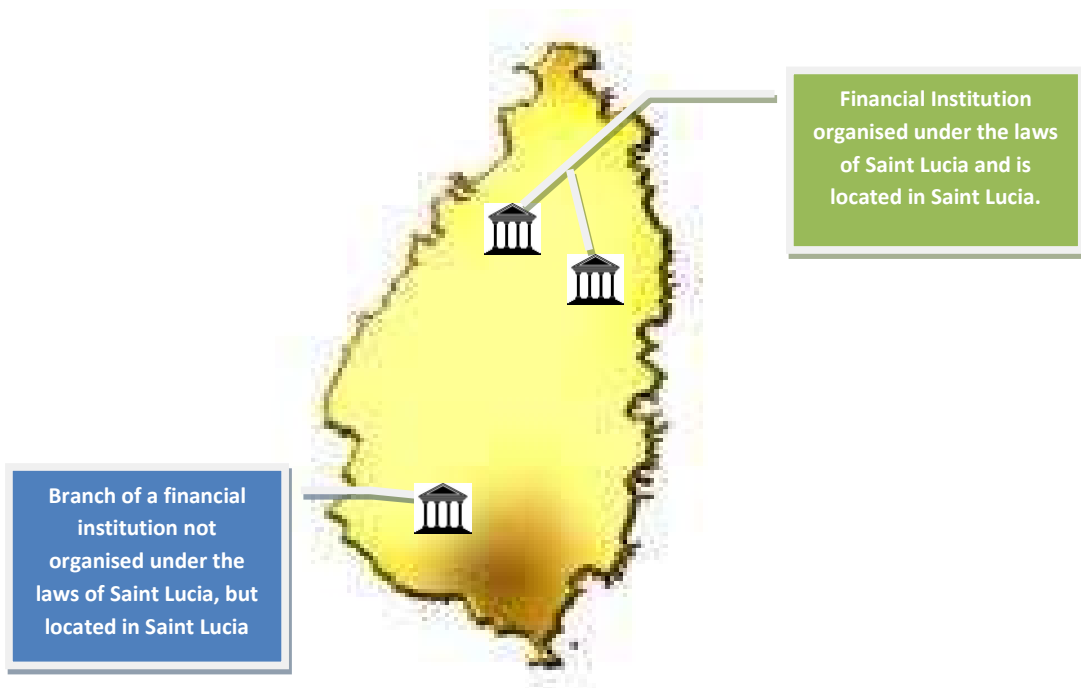
The Minister for Finance is the competent authority in Saint Lucia and this function has been delegated to the Comptroller of Inland Revenue. As such, the IRD is responsible for gathering and disseminating information associated with the exchange of information. IRD will serve as a bridge between the US and reporting Saint Lucia financial institutions and will administer all legislation enabling FATCA. All FATCA reports should be submitted **to the Inland Revenue Department (IRD, Department) on or before June 30th** each year for the relevant income years to be reported.

This guideline highlights some of the issues pertinent to FATCA reporting in Saint Lucia, and must be used in conjunction with the FATCA IGA (including the Annexes), IRS guidelines, the relevant laws of Saint Lucia, and any other documents distributed by the IRD and IRS with respect to FATCA.

4 Saint Lucia Financial Institutions

A Saint Lucia Financial Institution is generally any financial institution organised under the laws of Saint Lucia. This definition excludes the branch of any such financial institution located outside Saint Lucia but includes the branches of a financial institution, not organised under the laws of Saint Lucia, but located in Saint Lucia. Diagram 1, below, illustrates which entities are deemed to be Saint Lucia financial institutions.

Diagram 1 Reporting Saint Lucia Financial Institutions



Financial institutions and their branches in Saint Lucia, organised under the laws of Saint Lucia and the branches of financial institutions, organised outside of Saint Lucia, but operating in Saint Lucia are Saint Lucia financial institutions.

4.1 What Entities Should Register with the IRS?

Before signing on with the IRS or onto the Inland Revenue Department's FATCA

Portal, financial institutions must first determine if they meet the requirements for registration. In general, any financial institution or non-financial entity which is not exempted under Annex II, should register and report for FATCA. Such entities will report on the relevant financial accounts as stipulated in the IGA. Financial Institutions include depository institutions, custodial institution, investment entities and specified insurance companies. Excluded financial accounts held by these entities however, do not need to be reported.

4.2 What Entities Should Not Register with the IRS?

4.2.1 *Deemed Compliant Small or Limited Scope Financial Institutions*

In accordance with Annex II Section III, the following are not required to register for FATCA.

4.2.1.1 *A Financial Institution With a Local Client Base*

The FI must meet the criteria below. The entity:

- Is regulated as a financial institution by the laws of Saint Lucia.
- Has no fixed place of business outside of Saint Lucia. (If outside the jurisdiction, this place must not be advertised and must be used for support services only.)
- Does not solicit clients from overseas (outside Saint Lucia) especially from the United States, through the use of websites, print and radio media (advertising must remain primarily within Saint Lucia). Such media must not advertise that financial accounts can be opened by non-residents and must not specifically target US customers or account holders.
- Must be required by Saint Lucian law to identify resident account holders for information reporting or withholding.
- Assets, 98% of which, be held by residents of Saint Lucia.

Must have policies in place to prevent it from opening financial accounts to; non participating financial institution, a specified US person who is not resident in Saint Lucia; or any passive non-

financial foreign entity with controlling US residents or US citizens not resident in Saint Lucia. If an account as described above exists, the financial institution would need to either report such account or close it.

- Must review all pre-existing accounts with US Indicia using procedures in Annex I or close such accounts.
- Has related entities which are financial institutions ,and which are incorporated or organised in Saint Lucia (with the exception of retirement funds).
- Must not have policies and procedures which discriminate against opening or maintaining financial accounts for specified US persons who are residents of Saint Lucia.

4.2.1.2 A Local Bank

A local bank which meet the criteria, stipulated below, is deemed compliant.

The local bank:

- Operates solely as a small bank or credit union or cooperative credit society
- Mainly receives deposits and issues loans to unrelated retail customers/members. In the case of a credit union or cooperative no member should have more that 5% interest in the entity.
- Does not solicit clients from overseas (outside Saint Lucia) especially from the United States, through the use of websites, print and radio media (mainly within Saint Lucia). Such media must not advertise that financial accounts can be opened by non-residents and does not specifically target US customers or account holders.
- Does not have assets in excess of USD 175 million on its balance sheet and the institution and its related entities do not have assets in excess of USD 500 million on their consolidated balance sheet.
- Has related entities which are incorporated in Saint Lucia. Such related entities must meet certain criteria.

4.2.1.3 A Saint Lucia Financial Institution with only Low Value Accounts

Provided that the financial institution:

- Is not an investment entity.
- Has no account maintained by the institution which has values in excess of USD 50,000 (including in aggregate as set out in Annex I)
- Does not have more than USD 50 million in assets on its balance sheet and the financial institution and its related entities do not have assets in excess of USD 50 million in aggregate on their balance sheets.

4.2.1.4 Investment Advisors or Investment Managers,

Investment advisors or investment managers established in Saint Lucia, which exist solely to give investment advice and manage portfolios on behalf of clients. Said assets are in the client's name and are associated with a Financial Institution other than a non participating financial institution.

4.2.1.5 Collective Investment Vehicle

The collective investment vehicle must be established in Saint Lucia and regulated as a collective investment vehicle and must have interests which are held by one or more exempt beneficial owner, or active non financial entity, or persons that are not specified US persons or financial institutions that are participating (Not non participating).

4.2.1.6 Saint Lucia Qualified Credit Card Holder

A Saint Lucia Qualified Credit Card Holder is deemed compliant if the entity:

Is a financial institution established solely to issue credit cards. This financial institution only accepts deposits in the form of prepayments, and overpayments are not returned.

- Implements policies and procedures to prevent customer deposits in excess of USD 50,000 and refunds deposits in excess of this amount within 60 days. This institution uses the currency aggregation and conversion rules set out in Annex I.

4.2.2 Investment Entities That Qualify as Deemed Compliant Foreign Financial Institutions and Other Special Rules

Annex II Section IV

4.2.2.1 A Trustee Documented Trust

If a US financial institution reports on behalf of the trust, then the entity is deemed compliant.

4.2.2.2 Sponsoring Investment Entity

A sponsoring investment entity established in Saint Lucia, is deemed compliant, provided that the entity is not a qualified intermediary, withholding foreign partnership or withholding foreign trust or the entity is has agreed to be a sponsoring entity for a financial institution.

4.2.2.3 A Sponsored Controlled Foreign Corporation-

A sponsored controlled foreign corporation organised under the laws of Saint Lucia, which is not a qualified intermediary, withholding foreign partnership or withholding foreign trust; the financial institution is wholly owned directly or indirectly by a reporting US financial institution; the entity shares the same accounting system as the sponsoring entity and can access all account and customer information.

In addition the sponsoring entity must:

- Be authorised to act on behalf of the financial institution with respect to FATCA.
- Register as a sponsoring entity for FATCA.
- Register the entity for FATCA by December 31st 2015 if US reportable accounts are identified.
- Agree to perform all due diligence on behalf of the entity as if it were a reporting Saint Lucia financial institution.
- Must have a sponsor status in tack (not revoked).

4.2.2.4 *Sponsored Closely Held Investment Vehicle*

A sponsored closely held investment vehicle is deemed compliant provided that the following requirements are met. The financial institution:

- Is solely an investment entity.
- Has a sponsoring entity which is a reporting US entity, reporting foreign financial institution or participating financial institution, which performs all due diligence of behalf of the entity as if it were a reporting Saint Lucia financial institution.
- Does not serve as an investment vehicle for unrelated parties
- Has debt and equity interests which are held by twenty individuals or less.

The sponsoring entity should:

- Register the entity for FATCA.
- Agree to perform all due diligence on behalf of the entity as if it were a reporting Saint Lucia financial institution for a period of six years.
- Identify the financial institution in all reports done on its behalf,
- Have a sponsor status which is in tack (not revoked).

4.2.3 *Exempt Beneficial Owners*

Annex II Section I

4.2.3.1 *Government entities*

The government or any integral part thereof, controlled entity or political subdivision of the government, or any wholly owned agency of Saint Lucia.

An integral part being: any person, organisation, agency, bureau or fund, instrumentality or other body that forms part of the government. The net earnings should be credited to the government account and no portion of such earnings should accrue to private individuals. Persons acting in individual capacities are not deemed integral parts. Based on this definition the government treasury is not required to report.

A controlled entity: is separate from the government but is wholly owned or controlled by the one or more or governmental entities, or through other government controlled entities. The net earnings of the entity should be credited to its own account and not go to private individuals. The assets

of the entity must be vested in one or more government entity upon dissolution. The National Conservation Authority is one such entity.

If private individuals are beneficiaries of the income, through social programmes, this is not deemed as income to private individuals as implied above. The programmes associated with these must be available to the general public for the common welfare of individuals or must be related to the administration of some phase of government.

4.2.3.2 International organisations-

Any international organisation or wholly owned agency or instrumentality of such an organisation which is made up of mainly non US governments and has a headquarters agreement with Saint Lucia. The income of such an international organisation must not go to private individuals.

4.2.3.3 Central Bank

A central bank which is the principal authority circulating currency within a jurisdiction is deemed compliant.

4.2.4 Funds which qualify as Exempt Beneficial Owners

Annex II Section II

4.2.4.1 Broad Participation Retirement Fund

A broad participation retirement fund established in Saint Lucia to provide retirement, disability, and death benefits to current or former employees, or their designates, for previous services rendered. The fund must not have a single beneficiary with rights to more than 5% of its assets and must be regulated by the government. The fund must also meet at least one of the following:

- Must be generally exempt from tax on investment income under Saint Lucia laws.
- At least 50% of funds should be received from sponsoring employers.
- Distribution or withdrawals must only be allowed under certain conditions
- Contributions by employees must be limited to income earned by these employees and may not exceed USD 50,000 annually.

(For example the National Insurance Corporation pension fund)

4.2.4.2 Narrow Participation Retirement Fund

A narrow participation retirement fund is similar to the broad participation fund except that this fund will have less than 50 participants. This fund must not be sponsored by employers that are either investment entities or passive NFFEs. In addition, participants who are not Saint Lucia residents, are not entitled to more than 20% of the assets of such a fund.

4.2.4.3 Pension Fund of an Exempt Beneficial Owner

The pension fund of an exempt beneficial owner is a fund established by the government to provide retirement, disability and death benefits to current or former employees in consideration of services performed.

4.2.4.4 Investment Entity Wholly Owned by Exempt Beneficial Owner

Saint Lucia financial institution which is an investment entity where the direct holders of debt or equity are exempt beneficial owners.

4.3 What accounts are not reportable financial accounts?

4.3.1 Accounts Excluded from Financial Accounts

Annex II Section V

4.3.1.1 Retirement and Pension Accounts

Such accounts must be maintained in Saint Lucia, must be regulated, tax favoured, must be reported annually to the tax authority, withdrawals must be conditional and annual contributions must be limited to USD 50,000 or less, or the maximum lifetime contribution does not exceed USD 1,000,000.

4.3.1.2 Non Retirement Savings Account

Non retirement savings accounts are accounts, other than an insurance or annuity which:

- Are subject to regulation as a savings vehicle but not in relation to retirement
- Are tax favoured
- Have conditional withdrawals
- Have Annual contributions which are limited to USD 50,000 or less.

4.3.1.3 Certain Term Life Insurance Contracts

These must be maintained in Saint Lucia with coverage that ends before policy holders turn 90 years provided that the contracts have set periodic premiums; are payable annually; have no value which can be accessed without terminating the contract; amount payable on death or termination cannot exceed the premiums paid less mortality fees; is not held by a transferee for value.

4.3.1.4 Account Held by Estate

These accounts must be maintained in Saint Lucia and held solely by estate, if available documentation includes the will or death certificate of the deceased.

4.3.1.5 Escrow Accounts

These accounts must be maintained in Saint Lucia and be established in connection with

(i) a court order or judgement; or

(ii) a sale, lease or exchange of real personal property which meets the following criteria::

- Is funded solely by a down payment, earnest money, and deposit in an account or is funded by a financial asset.
- Is established to secure the purchase of property, to pay a contingent liability or for the lessor or lessee to pay for damages.
- Has assets including the income earned which will be paid or distributed for benefit of the purchaser, seller, lessor or lessee.
- Is not a margin or similar account established in connection with the sale or exchange of financial assets (when sold , exchanged or surrendered or the lease terminates).
- Is not related to a credit card account.

(iii)The obligated financial institution servicing a loan for real property has set aside a portion of payments to facilitate the payment of taxes or insurance.

(iv) the financial institution is obligated to facilitate the payment of taxes at a future date.

4.3.1.6 *Partner Jurisdiction Accounts*

An account maintained in Saint Lucia is excluded from the definition of financial account under an agreement between the US and a jurisdiction, in relation to FATCA, provided that the financial institution is subject to requirements and oversight in that partner jurisdiction and is maintained by the partner jurisdiction financial institution, as if it were located in the jurisdiction.

4.4 Registered in Error/Cancellation of Registration

In accordance with Annex II of the Agreement, certain entities are not required to register or report with respect to FATCA. In the event that such an institution has already obtained a GIIN there are certain steps which may be taken for the entity to cancel this arrangement.

The entity should write to the Comptroller of Inland Revenue identifying why the initial registration was invalid. The letter to the Comptroller should cite the provisions of Annex II which have been satisfied by the entity.

Upon review of the information the Comptroller will either give the go ahead for the entity to cancel registration or conversely ask the entity to remain registered and report. If an entity is required to cancel registration, the steps on pages 71 to 77 of IRS publication 5118 (<https://www.irs.gov/pub/irs-pdf/p5118.pdf>) should be followed.

The above steps should also be employed by entities which have changes in their circumstances which render the initial registration null and void. For example, when an entity has been divested from its previous owner and assumes a new name etc; the registration of the old entity will need to be cancelled and the new entity will need to be registered.

5 What Should Be Reported?

5.1 Types of Financial Accounts

Financial institutions should report on U.S. Reportable Accounts in accordance with the IGA. A US reportable account is a financial account maintained by a reporting Saint Lucia financial institution. Financial Institutions should report on equity and debt interests, insurance contracts and annuity contracts.

5.2 Due Diligence Procedures

A reporting financial institution must never rely on information which is perceived to be incorrect or unreliable.

5.2.1 Pre-existing Individual Accounts not required to be Reviewed, Identified Or Reported

Table 2, below highlights the category of pre-existing accounts which will not be deemed as reportable with respect to FATCA. This exclusion is based mainly on account balance.

Table 2 Pre-existing Individual Accounts not required for reviewing, identifying or reporting

1. Balance or value was under USD 50,000 as of June 30th 2014.
2. Cash value insurance contract or annuity contract had a balance of USD 250,000 or less as of June 30th 2014.
3. Laws of Saint Lucia prevent the sale of a pre-existing cash value insurance or annuity contract to US residents.
4. Depository Account has a balance of USD 50,000 or less.

5.2.2 Lower Value Pre-existing Individual Accounts

Table 3, below shows the steps required for conducting due diligence on pre-existing lower value accounts.

Table 3 Review Procedures for Pre-existing Individual Lower Value Accounts

1. Electronic record search for US Indicia (see Annex I ,Section II, subparagraph B(1))
2. If no US Indicia, then no further action is required until US indicia is otherwise associated with the account
3. If US Indicia is found or if US Indicia is eventually associated with an account, it becomes reportable unless circumstances listed below exist. (see Annex I, Section II, subparagraph B(4))
4. Account is not reportable where (see Annex I, Section II, subparagraph B(4)) For persons born in the US <ul style="list-style-type: none">➤ Self certification indicates that the individual is not a US citizen or tax resident (W-8 or other IRS forms)➤ Non US passport or other documents of non US citizenship are produced➤ Certificate of lost nationality is produced or reasonable explanation is given. For account holder with US mailing or resident address, or telephone numbers <ul style="list-style-type: none">➤ Self certification indicates that individual is not a US citizen or tax resident (W-8 or other IRS forms)➤ Documentary evidence produced shows non US status (also See Annex I, Section VI paragraph D) For account with standing instructions to transfer funds <ul style="list-style-type: none">➤ Self certification indicates that individual is not a US citizen or tax resident (W-8 or other IRS forms)➤ Documentary evidence produced shows non US status (also see Annex I, Section VI paragraph D) For account with power of attorney or US signatory <ul style="list-style-type: none">➤ Self certification indicates that individual is not a US citizen or tax resident (W-8 or other IRS forms)➤ Documentary evidence produced shows non US status (also see Annex I, Section VI paragraph D)

(Balance or value over USD 50,000 or cash value insurance contract or annuity contract over USD 250,000 as of June 2014. Does not exceed USD 1,000,000)

The review discussed in Table 3 above must be completed by June 30th 2016. Except in the case of a depository account with a value under USD 50,000, all pre-existing individual accounts which have been identified as reportable shall continue to be treated as such, unless the account holder ceases to be a US specified person. Table 4, below provides the due diligence steps for pre-existing high value accounts.

Table 4 Pre-existing Individual High Value Accounts

-
1. **Electronic record search for US Indicia (Annex I, Section II subparagraph B(1))**
 2. **Paper Record Search. Includes the most recent documentary evidence collected for the account, most recent opening contract or documentation, most recent AML/KYC documentation, power of attorney or signatory information, standing instructions. Only required if electronic search does not have the following (See Annex I, Section II , subparagraph D(3)):**

The account holder's:

 - Nationality or residency information
 - Residence Address and mailing address
 - Telephone number
 - Standing instructions for transfer
 - In care of or hold mail address
 - Power of attorney or signatory
 3. **Relationship manager provides actual information on account holder.**
 4. **If no US Indicia, no further action is required until US indicia is otherwise associated with the account**
 5. **If US Indicia is found or if US Indicia is eventually associated with an account, it becomes reportable unless circumstances listed below exist. (See Annex I subparagraph A(4) and B(4) or table 3, above)**
 6. **Additional procedures for applicable High Value accounts can be found in section E of Annex 1**

(Balance or Value exceeds USD 1,000,000 as of June 30th 2015 or December 31st 2015 or any subsequent year)

Please note that if pre-existing accounts have been documented for other purposes, such as fulfilling obligations under chapter 61 of title 26 US code, or to meet requirements as QI, WFP or WFT, then the procedures in Annex I Section II B (1) are not required for lower value accounts and those in Annex I Section II) D (1) to D (3) are not required for higher value accounts.

5.2.3 New Individual Accounts (opened after July 1st 2014)

Certain new lower value accounts do not need to be reported. Depository accounts and cash value insurance and annuity contracts with values lower than USD 50,000 fall into this category (See Annex I, Section III, subparagraph A). However, self certification must be obtained for other new individual accounts which do not fall into this category, upon their opening or within 90 days after the end of the calendar year in which said status is no longer applicable. Self certification must include a US TIN.

If a financial institution obtains information to indicate that the circumstances surrounding the original self certification have changed, or that the information previously provided is incorrect, a replacement self certification must be requested. **If this is not obtained the account must be treated as a reportable account.**

5.2.4 Pre-existing Entity Accounts not required for Reviewing, Identifying or Reporting

Pre-existing entity accounts with values which do not exceed USD 250,000 as of June 2014 do not need to be reviewed, identified or reported, until the value of such accounts exceeds USD 1,000,000. Notwithstanding the above, please review aggregation rules.

5.2.5 Pre-existing Entity Accounts

If pre-existing entity accounts have a balance which exceeds USD 250,000 as of June 30th 2014 or USD 1,000,000 as of the end of 2015, or any subsequent calendar year, such accounts must be reviewed. Only accounts that are held by one or more specified US person or by passive NFEs in which one or more US citizen is a controlling person shall be deemed reportable. **Aggregate payments to non participating financial institutions will also be deemed reportable.**

Table 5, below summarises the review procedures for pre-existing entity accounts.

Table 5 Review Procedures for Pre-existing Entity Accounts

<p>1. Determine if the Entity is a US specified Person</p> <ul style="list-style-type: none">➤ Review information maintained for regulatory or customer relationship purposes.➤ If account holder is a US person, treat as reportable unless proven otherwise.
<p>2. Determine if the Non US entity is a Financial Institution</p> <ul style="list-style-type: none">➤ Review information maintained for regulatory customer relationship purposes.➤ If account holder is an FI with a GIIN, account is not reportable.
<p>3. Determine if financial institution is non participating FI</p> <ul style="list-style-type: none">➤ If it is a participating FI, then no need for review.➤ If it is a non-participating FI, then the account is not reportable but payments to the account holder must be reported (Agreement, Article 4, subparagraph 1(b)).
<p>4. Determine if the account held by an NFFE is a US Reportable Account</p> <ul style="list-style-type: none">➤ Use procedures in Annex I, Section IV D(4) (Use self certification or AML/KYC checks)➤ If any controlling person of a passive NFFE is a US citizen or resident the account is a US reportable account

The review of pre-existing entity accounts with balances that exceed USD 250,000 as of June 30th 2014 must be completed by June 30th 2016.

Review of pre-existing entity accounts with balances that did not exceed USD 250,000 as of June 30th 2014, but exceeded USD 1,000,000 as of December 31st 2015, must be completed within 6 months of the last day of the calendar year in which the balance exceeded said amount.

If the reporting financial institution has reason to believe that the situation has changed or that self certification documents are incorrect, a replacement self certification must be requested. If this is not obtained the account must be treated as a reportable account.

5.2.6 New Entity Accounts (opened on or after July 1st 2014) not required to be reviewed, identified or reported

Credit card accounts or revolving credit facility do not need to be reviewed, identified or reported if the FI maintaining this account implements policies and procedures that prevent the account balance owed to exceed USD 50,000.

5.2.7 Other New Entity Accounts

If an account is not a non reportable account, the financial institution must determine if the account holder is (i) a specified US person, (ii) a financial institution (iii) a participating FFI, deemed compliant FFI or exempt beneficial owner (iv)an NFFE. The status may be determined based on the account holder’s GIIN or other publically available information. If the financial institution is treated as non- participating then it is not reportable but payments made with respect to such entity must be disclosed. (Agreement, Article 4, subparagraph 1(b)).

In all other cases financial institutions must obtain self certification from the account holder. The treatment of each type entity account based on account holder is presented in table 6, below.

Table 6 Treatment of Account

1. If the account holder is a US specified Person, then treat the account as reportable.
2. If the account holder is a Passive NFFE <ul style="list-style-type: none">➤ Identify controlling persons and determine status of said person.➤ If account holder is a US citizen or resident, then account is reportable.
3. If account holder : is not a US specified person, is a participating Saint Lucia financial institution, is a participating jurisdiction FFI, is a deemed compliant FFI , is an exempt beneficial owner, or is an NFFE with no US controlling citizen or resident <ul style="list-style-type: none">➤ The account is not reportable.
4. If the account holder is a non participating financial institution <ul style="list-style-type: none">➤ Account is not a US reportable account but payments to the account must be reported.

5.3 Special Rules

5.3.1 Aggregation Rules

Table 7, below describes the special aggregation requirements for financial accounts.

Table 7 Account Balance Aggregation

Type of Account	Aggregation Rule
Individual Accounts	<p>Aggregate the balance or value of all accounts held by the financial institution and related entities, to the extent to which such accounts are linked on the computerised system (ID number or client number) and allows values to be aggregated</p> <p>Each holder of a jointly held financial account shall be attributed the entire balance for the purpose of aggregation.</p>
Entity Accounts	<p>Aggregate the balance or value of all accounts held by the financial institution and related entities, to the extent to which such accounts are linked on the computerised system (ID number or client number) and allows values to be aggregated</p> <p>Each holder of a jointly held financial account shall be attributed the entire balance for the purpose of aggregation.</p> <p>The relationship manager must aggregate all accounts known to be directly or indirectly owned, controlled or established by the same person</p>

5.3.2 Currency Rules

For balances not denominated in US currency, a reporting financial institution must convert the currency using published spot rate determined at the last day of the calendar year which preceding the year for which the balance is being calculated.

5.4 Required Information

In accordance with Article 2 of the Agreement, a Saint Lucia financial institution should report the following with respect to US reportable accounts:

- ✚ Name
- ✚ Address
- ✚ U.S Tin of each specified US Person, or Controlling person in an entity that is an account holder, or US Tin of controlling US specified person
- ✚ Account Number (or equivalent)
- ✚ Name and Identifying number of Reporting Saint Lucia FI
- ✚ Account balance or value, (including cash surrender value on applicable insurance accounts) as of the end of the relevant calendar year. For closed accounts use the value of the account as of the end of the relevant calendar year, or balance immediately before closure.

Dormant and Closed Accounts

Information with respect to dormant and closed accounts must be reported. In the case of dormant account information similar to that required for an active account must be provided. However, since the self certification documentation has not been obtained the account must be reported as a passive NFFE.

In the case of a closed account the balance at closing should be reported.

5.4.1 *Date of Birth in Lieu of US TIN*

With respect to information reported for income years 2014, 2015 and 2016, the date of birth of an individual can be reported in lieu of the US TIN if this information is not available. The date of birth must be formatted as per Publication 5124 (That is, format is **YYYYMM-DD**), and this information must be placed in the BirthInfo/Birthdate sub-element of the Accountholder or Substantial owner element. A filler of nine consecutive zeros "000000000" should be placed in the Account Holder TIN field as this should not be left blank.

In addition,

For Custodial Accounts

- ✚ Total gross interest, dividends and or other income generated by the asset.
- ✚ Total gross proceeds from the sale or redemption of property paid or credited to the account in which the reporting FI was a custodian, broker, nominee or agent for the account holder.

For Depository Accounts

- ✚ Total gross interest paid.
- ✚ Total gross amounts credited or paid to the Account Holder.

6 When Should Information Be Reported?

All information on relevant accounts should be submitted to IRD by **June 30th of each year**. Information will be validated, by IRD, and in the event that there are any issues, the financial institutions will be informed. Amendments required by IRD must be made before the IRS reporting date of Sept 30th of each year.

If the IRS has issues with a submission, corrections will be requested. All corrections requested by the US must be made and resubmitted within eighteen (18) months for the submitting financial institution to avoid being deemed as non compliant, and ultimately being forced to face withholding penalties.

7 How Is Information Reported?

At this point in time, the IRD FATCA Compliance Solution (system) only allows for (i) manual data entry and (ii) for uploading of data (which follows the XML schema set by the US. Further information on the XML schema can be obtained at <https://www.irs.gov/pub/fatca/pub5124userguidev20draft.pdf>. All financial institutions will be required to comply with this requirement and to select **one option** for providing information per year. (That is either manual or XML upload).

7.1 Registration on IRS website

In order to report, all relevant entities must first sign on to the IRS website to apply for a FATCA ID and GIIN. Please use this link <https://www.irs.gov/Businesses/Corporations/FATCA-Foreign-Financial-Institution-Registration-Tool>.

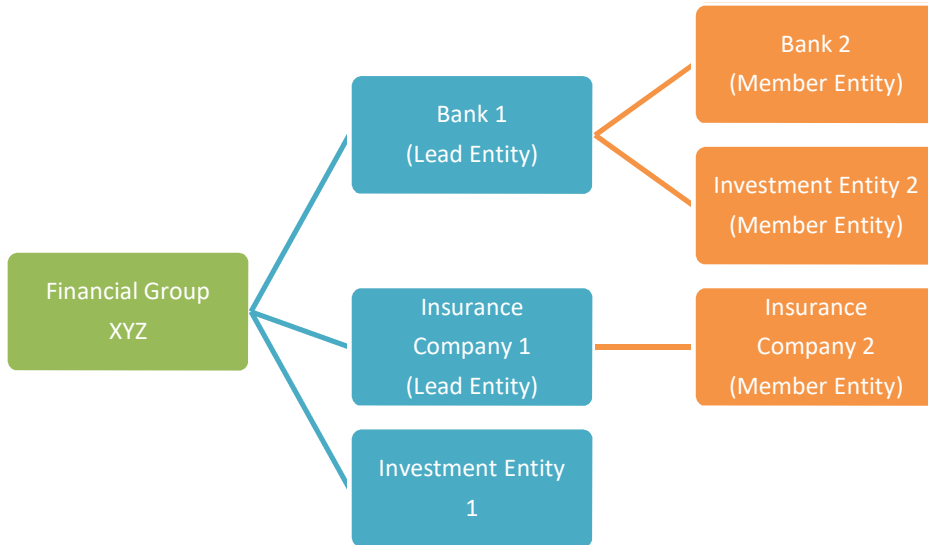
It is advisable that entities verify whether or not they actually need to register and report before doing so.

7.2 Registration with the Inland Revenue Department

In order to submit data to IRD financial institutions need to register on the FATCA Compliance Solution at fatca.govt.lc. In addition, a user manual with more detailed instructions on the registration is also available.

Once registered on the system, the FI user will need to create an account. **Please note that only the entity reporting on behalf of a financial institution such as the lead entity (LE), or the sponsoring entity (SE) is required to register here.**

Diagram 2 Financial Institution XYZ



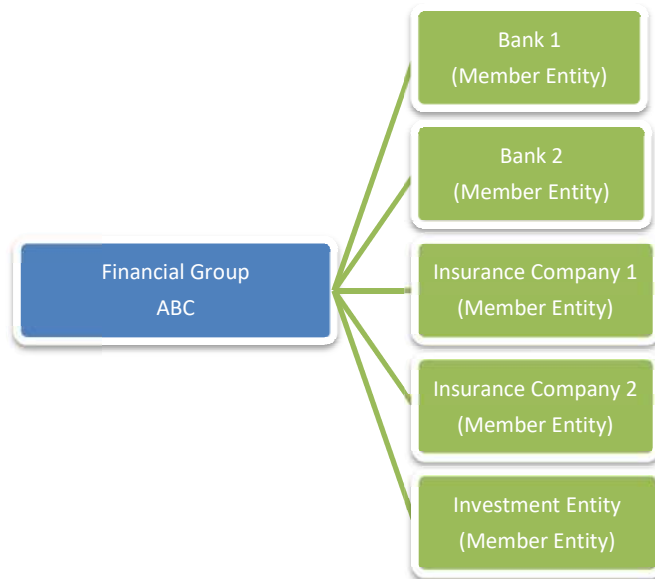
In diagram 2, above, the financial group consists of six entities. Although each has a GIIN on the IRS system, only three entities will be required to sign up for the IRD FATCA Compliance Solution. See table 8 below.

Table 8 Reporting members of financial group XYZ

Entity To Sign Up	Entity Will Report For
Bank 1	Bank 1, Bank 2, Investment Entity 2
Insurance Company 1	Insurance Company 1, Insurance Company 2
Investment Entity 1	Investment Entity 1

In diagram 3, below each entity of Financial Group ABC, can sign up on the IRD FATCA Compliance Solution and report individually.

Diagram 3 Financial Group ABC



N.B. ONLY THE ENTITIES REPORTING THE FINANCIAL ACCOUNT INFORMATION NEED TO CREATE A USER ACCOUNT WITH IRD.

A financial institution can be registered once a user's email address has been authenticated. The registration screen is displayed in Diagram 4 below. **Please note that an authorization letter from the entity (on letterhead, with the official stamp and manager's signature) and a valid form of identification is required to complete the registration process.**

Diagram 4 Registration Screen

If a user requires administrative privileges (as the FI Admin to add and/or remove other users on the system), this needs to be stated in the authorisation letter as well. Likewise, an official letter must be sent if an individual will no longer be representing an entity as the FI Admin. The FI Admin, will be required to add other users from the entity onto the system. If the FI Admin will also be expected to

report on behalf of the institution, the individual will be required to create a FI user account using a different email address.

In addition, please note that only GIINs recorded on the system will be accepted. If users cannot find the correct GIIN for their financial institution, the Department should be contacted. Also, please note that the specifics of the financial institution can only be entered during initial registration. Any subsequent changes must be made through the Department.

All users must create accounts using the system and await approval from the FI Admin user. In the case of the institution the FI Admin is responsible for adding FI users. IRD will therefore **only** be registering FI Admin.

7.3 Types of Submission

When submitting a report, users need to determine what category of data is being uploaded. Data may be new, updated, or a correction being made in response to an IRS request. It is important to choose the correct option. Please see the explanation of each type of submission, below.

New Submission- the first instance data is being uploaded for an income year.

Update (Amended File) - in the event that there are issues with the file and this has been highlighted by IRD, the FI will be required to send an amended file. The FI needs to resubmit the data in the timeframe allotted and communicate any issues with the Department. Please note that data cannot be uploaded after the 30th of September, each year. FI user will receive an initial email indicating the issues which were identified, directly from the IRD FATCA Compliance Solution. Subsequent communication, regarding the errors will need to be conducted outside of the system. If a user recognises that there are errors in a submission, an update can be sent as well (before September 30th).

Corrected File (Response to IRS request)-In the event that the IRS has an issue with a submission made by an entity, the entity will need to upload a corrected file. Entities have 18 months within which files should be corrected. After this period has elapsed, the entities will be deemed non compliant and penalties will ensue. If a correction is required then the entire file needs to be resubmitted within the stipulated time frame.

7.4 Uploading of Data (XML)

All data to be uploaded using this option, must follow the **XML schema** provided by the IRS. Please visit <https://www.irs.gov/Businesses/Corporations/FATCA-XML-Schemas-and-Business-Rules-for-Form-8966> to obtain more information about the schema and its requirements.

From this screen all required information can be uploaded onto the system. In order to submit a report the user needs to go to the submit report tab and select **Upload XML**. See diagrams 5 and 6 below.

Diagram 5 Upload XML



Diagram 6 Uploading a Report

The screenshot displays the 'Upload XML' form on the Inland Revenue Department website. The page header includes the department's name and logo, a navigation menu with 'Home', 'Submit Report', 'Report Status', 'FAQ', and 'Contact Us', and a user login status 'test name is Logged in Logout'. The form itself is titled 'Upload XML' and contains the following elements:

- Instructions: 'Use this page to upload your XML file in the correct format. The IRD only accepts XML files in the official XML V1.1 format. Details on this format can be found on www.irs.gov/XML.'
- Step 1: 'Please select your Reporting Year' with a dropdown menu. A red circle highlights this dropdown, with a callout box stating: 'The user selects the Reporting Period (Year) for which the file is being submitted. Also, whether actual or test data is present in the file.'
- Step 2: 'Please select your Submission Type' with a dropdown menu.
- Step 3: 'Please select the XML' with a 'Choose File' button and the text 'No file chosen'. A callout box points to the 'Choose File' button, stating: 'User can select the file to be uploaded using this button.'
- A question: 'Is this a new submission or an update?' with a dropdown menu. A callout box points to this dropdown, stating: 'This identifies whether this is a New file or and Update to already submitted file.'
- An 'Upload' button.
- Footer text: 'Once you click on upload, the file will be sent for validation. Please check the [Report Status](#) page to see Upload Results.'

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7.5 Manual Data Entry

A financial institution can opt to upload data manually into the system. In order to do so, please select submit report then select **Fill Manually Online**. Please see diagram 7 below.

Diagram 7 Fill Form Manually Online



Select the appropriate filing year and type of submission. Information can then be entered manually on the screen shown in Diagram 8 below. Account information needs to be added individually. At the end of the entry phase a table will indicate the total number of accounts entered. Please ensure that information is saved periodically. All saved data can be modified before submission.

If an individual is entering data related to an account owned by an entity, the system will request the information on the substantial owner(s) of the entity.

8 Special Reporting

8.1 Nil Reporting

In accordance with Subsection 11 (4) of the Inter-Governmental Agreement (Saint Lucia and the United States) No. 19 of 2016, **all entities registered with the IRS are required to file**. Nil reports **is mandatory** for all entities which do not have financial accounts to report for any given year.

The IRD FATCA Software Solution facilitates nil reporting. Entities submitting a nil report can do so by either **uploading a NIL XML file** on the Upload XML screen, or by selecting **Submit a NIL Report option** on the Fill Data Manually screen (see diagram 8 above).

Diagram 9 Process for filing NIL Report



8.2 Reporting Recalcitrant Accounts

A recalcitrant account is an account for which the account holder has failed to provide requested information to a Saint Lucia FI regarding its FATCA status and/or regarding information which needs to be reported regarding an account. Saint Lucia FI are not required to withhold or close such accounts provided that the relevant information on such accounts is reported in accordance with the IGA(Article 4_(2)).

Recalcitrant accounts are to be reported using the same criteria as other accounts (See with Articles 4 (2), 2 2(a) and 3 of the Agreement).

- Recalcitrant Individual accounts should be reported in the same manner as US specified accounts.
- Recalcitrant Entity accounts should be reported as passive NFFE accounts.

Table 9, below provides the values which should be entered when recalcitrant accounts are being reported.

Table 9 Reporting Recalcitrant Accounts Using the XML Schema

ELEMENT	VALUE
TIN	000000000
FIRST NAME	NFN
LAST NAME	NLN
ADDRESS	ADDRESS UNKNOWN
ACCOUNT HOLDER	FACTA 104 (Specified US Person) FACTA 102 (Passive NFFE)

The following information should be reported with respect to recalcitrant accounts:

- The aggregate number and aggregate value of accounts held by recalcitrant account holder(s) at the end of the calendar year, that have U.S. indicia;
- The aggregate number and aggregate value of accounts held by recalcitrant account holders at the end of the calendar year, that do not have U.S. indicia; and
- The aggregate number and aggregate value of accounts held by recalcitrant account holders at the end of the calendar year that are dormant accounts.

8.3 Non Participating Financial Institutions

Saint Lucia Financial Institutions are required to report, for income years 2015 and 2016, the names of all non participating financial institutions to which payments were made and the aggregate sums paid to each such account (Article 4 1 b).

In addition, a Saint Lucian Financial Institution which is not a, qualified intermediary, withholding agent, or foreign trust,(in accordance with IRS codes 1441 and 1471) and makes payments of or acts as an intermediary to the payment of US Source income to non participating financial institutions, must provide the immediate payor with information required for withholding and reporting.

9 Report Status

At any point in time the FI user will be able to see the status of a submission as seen below in Diagram 10.

Diagram 10 Report Status

test name is: Logged in [Logout](#)

Inland Revenue Department
Government of St. Lucia

Home Submit Report **Report Status** FAQ Contact Us

FI Reporting Life Cycle

This section shows your FI's overall position/stage in the current Reporting Cycle. To understand more about the different stages, please click on the bubble or stage indicator. Every Reporting Cycle, you should strive to reach "Report Successful" stage at the earliest.

Upload File Portal Validation **IRD Verification** Submitted to IRS RFE by IRS Report Successful

Submission History

Latest Submission

This section shows the historic status changes on each of your submissions. The status of your latest submission is also depicted here. Note: This section shows the status of your individual submissions and not the stage where your FI lies in the current Reporting Cycle.

Stage and Status: **IRD Verification**

Report Name: 31_29_01_16_172301.xml

Submission Date: Fri Jan 29 17:23:03 IST 2016

Report Name	Submitted by	Type	Stage	Status (?)	Date & Time
31_29_01_16_172301.xml	deepak-singh@newgen.co.in	Actual	IRD VERIFICATION	InProgress	Fri Jan 29 17:23:03 IST 2016
31_29_01_16_172301.xml	deepak-singh@newgen.co.in	Actual	PORTAL VALIDATION	Successful	Fri Jan 29 17:23:03 IST 2016

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10 Legal Requirements

Inter-Governmental Agreement (Saint Lucia and the United States of America) Act No. 19 of 2016 and is the piece of legislation which gives the IGA the force of law in Saint Lucia. This Act is available at the following link:

http://slugovprintery.com/template/files/document_for_sale/laws/3883/Act%2019%20of%202016.pdf.

10.1 Penalties

Pursuant to Section 16 of the Inter-Governmental Agreement (Saint Lucia and the United States of America) Act, penalties will be levied on institutions that fail to comply with the reporting requirements of FATCA.

“16.—(1) A Reporting Saint Lucia Financial Institution who fails to make a return as and when required under this Act is liable to pay a penalty of five thousand dollars for such failure and a penalty of two thousand dollars for each month or part of the month that the failure continues.

(2) A Reporting Saint Lucia Financial Institution who makes a false statement or omission in respect of any information required to be included on a return, under this Act is liable to a penalty of fifty thousand dollars for each such failure, unless in the case of information required in respect of another person, a reasonable effort was made by the person to obtain the information from the other person.

(3) A Reporting Saint Lucia Financial Institution who does not comply with the requirement of the Competent Authority in the exercise or performance of the Competent Authority’s powers or duties under this Act is liable to a penalty of fifty thousand dollars for each such failure.”

All Saint Lucia financial institutions should make every effort to adhere to the Laws of Saint Lucia to avoid penalties and sanctions.

11 References

FATCA Online Registration User Guide Nov 2015 Publication 5118 (Rev 11-2015)

FATCA IGA and Annex I and Annex II

Financial Account Reporting and Automatic Exchange of Financial Account Information (Draft)

HM Revenue and Customs, Automatic Exchange of Financial Information Guidance Notes 14

Inter-Governmental Agreement (Saint Lucia and the United States of America) Act No. 19 of 2016

United States Internal Revenue Code