

New Zealand is part of a global initiative for the automatic exchange of financial account information (AEOI) between tax authorities.

This information is required by law to be collected by financial institutions around the world for reporting to tax authorities. The aim of these exchanges is to ensure everyone pays the right amount of tax and reduce global tax evasion.

There are two reporting types that may affect you, the Common Reporting Standard (CRS) and the Foreign Account Tax Compliance Act (FATCA)

Common Reporting Standard (CRS)

The CRS was developed by the Organisation for Economic Co-Operation and Development (OECD) to combat global tax evasion. It is a global framework for the collection, reporting and exchange of financial account information about people and entities living outside of their tax residence jurisdiction. CRS has been in place in New Zealand since 1st July 2017.

Foreign Account Tax Compliance Act (FATCA)

FATCA is a United States law requiring all financial institutions around the world to identify clients who may be US persons and report their account information to their local tax authority. In New Zealand, the tax authority is the Inland Revenue Department.

What does this mean for me?

To meet our obligations NBS will ask for foreign tax information when an account is first opened, or if you are already a client, we may contact you if we think you could be a foreign tax resident.

If you are a tax resident outside of New Zealand, we may need to give this information to the IRD, along with other information about your accounts with NBS. The IRD may share this information with overseas tax authorities.

If you are unsure about your tax residency obligations we recommend you visit the IRD website or seek professional advice from an independent tax advisor.

You can find more information about AEOI, CRS and FATCA on the IRD website:

<https://www.ird.govt.nz/international-tax/exchange-of-information>