



4th Floor, Weymouth Corporate Centre, Weymouth, Barbados, BB 1129  
Tel: (246)535-8312 | Fax: (246) 535-8376 | Email: [compauth@bra.gov.bb](mailto:compauth@bra.gov.bb)

# FREQUENTLY ASKED QUESTIONS

## Common Reporting Standard

September 2023

**Global Relations Unit**  
**Barbados Revenue Authority**

Query	Response
<p>What is the Common Reporting Standard?</p>	<p>The Common Reporting Standard (CRS), developed in response to the G20 request and approved by the OECD Council on July 15, 2014, calls on jurisdictions to obtain information from their financial institutions and automatically exchange the information with other jurisdictions on an annual basis.</p> <p>The standard describes the financial account information to be exchanged, which financial institutions are required to be report, the different types of accounts and taxpayers covered, as well as common due diligence procedures to be followed by financial institutions.</p>
<p>What is the purpose of CRS?</p>	<p>The purpose of CRS is to enable tax authorities to obtain information pertaining to the financial assets held by their citizens in foreign or overseas financial institutions, thereby greatly strengthening global tax compliance.</p>
<p>What is the legislation governing the CRS regime in Barbados?</p>	<p>Income Tax (Automatic Exchange of Information) Regulations, 2017</p>
<p>Are Reporting Reporting Barbados Financial Institutions expected to rely on the OECD's Commentaries in OECD's AEOI Standard, the Standard for Automatic Exchange of Financial Account Information in Tax Matters Implementation Handbook ("CRS Implementation Handbook"), and OECD's CRS-related FAQs for guidance in implementing the CRS?</p>	<p>Yes</p>
<p>Has the Barbados Revenue Authority issued any other technical guidance?</p>	<p>To date the Barbados Revenue Authority has published the following documents on its web site –</p> <ul style="list-style-type: none"> <li>(a) Automatic Exchange of Information Web Portal Technical Guidance</li> <li>(b) Standard for Automatic Exchange of Financial Account Information in Tax Matters</li> <li>(c) OECD Common Reporting Standard FAQ Document</li> <li>(d) Reportable and Participating Jurisdiction Listing</li> <li>(e) Automatic Exchange of Information – Due Diligence</li> </ul> <p>Link: <a href="https://bra.gov.bb/About/Global-Relations/">https://bra.gov.bb/About/Global-Relations/</a></p>
<p>Who is required to file a CRS Report?</p>	<p>All Reporting Barbados Financial Institutions are required to file a CRS report with the Barbados Revenue Authority.</p>

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<p>What is a Reporting Barbados Financial Institution?</p>	<p>A Reporting Barbados Financial Institution means a Barbados Financial Institution that is not a Non-Reporting Financial Institution and, for the purposes, means</p> <ul style="list-style-type: none"> <li>(a) A financial institution that is resident in Barbados, but excludes a branch of the financial institution that is located outside of Barbados; and</li> <li>(b) A branch of a financial institution that is not resident in Barbados, where the branch is located in Barbados.</li> </ul>
<p>What is a Non-Reporting Financial Institution?</p>	<p>A non-reportable Financial Institution means any Financial Institution that is -</p> <ul style="list-style-type: none"> <li>(a) a Governmental Entity, International Organisation or Central Bank, other than with respect to a payment that derived from an obligation held in connection with a commercial financial activity of a type engaged in by a Specified Insurance company, custodial institution, or a depository institution;</li> <li>(b) a Board Participation Retirement Fund; a Narrow Participation Retirement Fund, a Pension of a Government Entity, International Organisation, Central Bank; or a Qualified Credit Card Issuer;</li> <li>(c) An Exempt Collective Investment Vehicle; and</li> <li>(d) A trust to the extent that the trustee of the trust is Reporting Financial Institution and reports the required information with respect to all Reportable Accounts of the trust.</li> </ul>
<p>Are there any jurisdiction-specific non-Reporting Barbados Financial Institutions?</p>	<p>There are two jurisdiction-specific non-Reporting Barbados Financial Institutions, namely, The Barbados Agency for Micro Enterprise Development Ltd. (Fund Access) and Enterprise Growth Fund.</p>
<p>What is a financial institution?</p>	<p>A financial institution means a custodial institution, a depository institution, an investment entity, or a specified insurance company.</p>

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Is a Credit Union a financial institution?	Yes, a credit union is a depository institution and therefore a Reporting Barbados Financial Institution for CRS purposes.
Is a general insurance company a financial institution?	<p>The term “<b>Specified Insurance Company</b>” means any Entity that is an insurance company (or the holding company of an insurance company) that issues, or is obligated to make payments with respect to, a Cash Value Insurance Contract or an Annuity Contract.</p> <p>Where an insurance company is not obligated to make payments with respect to, a Cash Value Insurance Contract or an Annuity Contract, the insurance company is not captured for CRS purposes.</p>
What was the first reporting year for CRS?	2017
What is the nature of the information that is captured in the CRS report filed with the Barbados Revenue Authority?	<p>Reporting Barbados Financial Institutions must report the following information with respect to each Reportable Account –</p> <ul style="list-style-type: none"> <li>(a) Name, address, jurisdiction of residence; Tax Identification number and date and place of birth (in the case of an individual) of each Reportable Person that is an Account Holder of the account and, in the case of an Entity that is an Account Holder, the controlling persons that is a Reportable Person, the name, address, jurisdiction of residence, tax identification number and date of place of birth of each Reportable Person;</li> <li>(b) The account number (or functional equivalent in the absence of an account number); and</li> <li>(c) The account balance or value (in the case of a Cash Value Insurance Contract or Annuity Contract, the Cash Value or Surrender Value.</li> </ul>
Who is a controlling person?	<p>The term “<b>Controlling Persons</b>” means the natural persons who exercise control over an Entity. In the case of a trust, such term means the settlor(s), the trustee(s), the protector(s) (if any), the beneficiary(ies) or class(es) of beneficiaries, and any other natural person(s) exercising ultimate effective control over the trust, and in the case of a legal arrangement other than a trust, such term means persons in equivalent or similar positions. The term “Controlling Persons” must be interpreted in a</p>

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	manner consistent with the Financial Action Task Force Recommendations.
What is an account holder?	The term “ <b>Account Holder</b> ” means the person listed or identified as the holder of a Financial Account by the Financial Institution that maintains the account. A person, other than a Financial Institution, holding a Financial Account for the benefit or account of another person as agent, custodian, nominee, signatory, investment advisor, or intermediary, is not treated as holding the account for purposes of the Common Reporting Standard, and such other person is treated as holding the account.
Who am I reporting on?	Reporting Barbados Financial Institutions are required to report on individuals and entities that are resident in a Reportable Jurisdiction under the tax law of such jurisdiction, or an estate of a decedent that was a resident of a Reportable Jurisdiction.
What is an Entity for the purposes of CRS?	An Entity means a legal person or a legal arrangement, such as a corporation, partnership, trust or foundation.
What are lists of reportable jurisdictions?	The list of reportable and participating jurisdictions can be found on the Authority’s website. Please note that this list is updated on an ongoing basis.
Are US reportable accounts captured under CRS?	No, CRS does not relate to US reportable accounts.
Is a valid tax identification number required to be reported?	<p>A valid tax identification number should be reported. However, a tax identification number is not required if –</p> <ul style="list-style-type: none"> <li>(a) the tax identification number is not issued by the relevant reportable jurisdiction; or</li> <li>(b) the domestic law of the relevant jurisdiction does not require the collection of the tax identification number issued by such Reportable Jurisdiction.</li> </ul>
How can I verify that the tax identification number received from a reportable person is valid?	<p>In requesting a tax identification number, please request that the reportable person provide official documentation evidencing the tax identification number.</p> <p>Barbados Reporting Financial Institutions may also visit the OECD website which an overview of domestic rules</p>

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	<p>in the jurisdictions listed below governing the issuance, structure, use and validity of Tax Identification Numbers or their functional equivalents.</p> <p>Link: <a href="https://www.oecd.org/tax/automatic-exchange/crs-implementation-and-assistance/tax-identification-numbers/">https://www.oecd.org/tax/automatic-exchange/crs-implementation-and-assistance/tax-identification-numbers/</a></p>
What is a pre-existing account?	A Pre-existing account means a financial account maintained by a Reporting Barbados Financial Institution as of the 30 <sup>th</sup> day of June 2017.
What is a new account?	A new account means a financial account opened on or after the 1 <sup>st</sup> day of July 2017 and maintained by a Reporting Barbados Financial Institution.
Are there any jurisdiction-specific excluded accounts?	No.
Where a Reporting Barbados Financial Institution does not have any reportable accounts in a given calendar year is a NIL report required.	Yes, please note Regulation 12 (6) of the Income Tax (Automatic Exchange of Information), 2017.
When is the deadline to file a CRS report with the Barbados Competent Authority?	The deadline to file the CRS report is July 31 on every calendar year.
Can a third-party file on behalf of a Reporting Barbados Financial Institution?	Yes, a third party or agent can file on behalf of a Reporting Barbados Financial institution.
Are there penalties for late filing or not filing?	<p>Regulation 20 of the Income Tax (Automatic Exchange of Information) Regulations, 2017 provides that failure to submit the required report is an offence and a Reporting Barbados Financial Institution found guilty of the offence is liable on indictment to a fine of \$50,000 or to imprisonment for a term of 10 years or to both.</p> <p>Further, per Regulation 21(1)(a) provides that the Revenue Commissioner may also impose a pecuniary penalty of \$10,000 on a Reporting Barbados Financial Institution which fails to deliver the required reports.</p>
Can pecuniary penalties be waived or appealed?	A Reporting Barbados Financial Institution may request a waiver of the pecuniary penalties per Regulation 22 of the Income Tax (Automatic Exchange of Information)

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	<p>Regulations, 2017 of the Laws of Barbados. In addition, a Reporting Barbados Financial Institution may appeal the imposition of the pecuniary penalty to the Barbados Revenue Appeals Tribunal.</p> <p>Please see Regulations 23-25 for the appellate process.</p>
Can I amend the CRS report while filing is ongoing?	Yes
Can I amend the CRS report after the filing deadline?	Once the filing deadline has passed, no amendments can be effected to the report without the permission of the Barbados Revenue Authority.
How long is the document retention period as it relates to CRS?	The Reporting Barbados Financial Institution is required to keep records for a minimum of 5 years after the 31 <sup>st</sup> day of December of the calendar year in which the Reporting Barbados Financial Institution is required to submit a report to which the records relate to the Barbados Competent Authority.
What is an undocumented account?	An undocumented account is where a Reporting Barbados Financial Institution maintains a pre-existing individual account for which only a hold- mail or in-care of address in a reportable jurisdiction is captured and no other CRS indicia is captured as part of the electronic indicia search and/or paper record search and the RFI is unable to obtain a self-certification form or documentary evidence from the account holder to establish the account holder's residence for tax.
Can the CRS report be completed in any currency?	The CRS report should be completed in the currency in which the account is denominated.
What happens when an account closes during the year?	Where the account is closed during the year, the Reporting Barbados Financial Institution must report the balance or the value immediately before the closure.