



Central Depository Services (India) Limited

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COMMUNIQUÉ TO DEPOSITORY PARTICIPANTS

CDSL/OPS/DP/POLCY/4910

December 31, 2014

SEBI CIRCULAR – REGISTRATION FOR THE PURPOSE OF FOREIGN ACCOUNTS TAX COMPLIANCE ACT (FATCA)

DPs are advised to refer SEBI circular no. **CIR/MIRSD/6/2014** dated December 30, 2014 regarding **Registration for the purpose of Foreign Accounts Tax Compliance Act (FATCA)** [refer **Annexure - A**].

DPs are advised to take a note of the same and ensure compliance.

Queries regarding this communiqué may be addressed to:

CDSL – Helpdesk on (022) 2272-8642, 2272-8427, 2272-8624, 2272-8693, 2272-8639, 2272-1261 or 2272-2075. Emails may be sent to: helpdesk@cdslindia.com.

Nayana Ovalekar
Sr. Vice President – Operations



CIRCULAR

CIR/MIRSD/6/2014

December 30, 2014

To,

All Intermediaries registered with SEBI

Dear Sir/Madam,

Sub: Registration for the purpose of Foreign Accounts Tax Compliance Act (FATCA)

1. Please refer to SEBI circular CIR/MIRSD/2/2014 dated June 30, 2014 on the captioned subject.
2. The Government of India has informed SEBI vide communication dated December 30, 2014 that as per the FAQ published on the US Internal Revenue Service (IRS) website, Foreign Financial Institutions (FFIs) in Model 1 jurisdictions need to register with the US IRS and obtain a Global Intermediary Identification Number (GIIN) before January 01, 2015, or at the earliest, in order to avoid withholding. The FFIs who have registered but have not obtained a GIIN should indicate to the withholding agents that the GIIN is applied for. The FAQ published on the IRS website (updated as on December 22, 2014), is placed as Annexure to this circular and is also available at: <http://www.irs.gov/Businesses/Corporations/Frequently-Asked-Questions-FAQs-FATCA--Compliance-Legal#IGA> .



भारतीय प्रतिभूति और विनिमय बोर्ड
Securities and Exchange Board of India

3. All SEBI registered intermediaries who maintain US reportable accounts, as defined in the Model 1 Inter-Governmental Agreement, may take action appropriately. Information on the IGA is available at: <http://www.treasury.gov/resource-center/tax-policy/treaties/Pages/FATCA.aspx> .
4. This Circular is being issued in exercise of powers conferred under Section 11 (1) of the Securities and Exchange Board of India Act, 1992 (SEBI Act).

Yours faithfully,

Krishnanand Raghavan
General Manager
022-26449632
Email: krishnanandr@sebi.gov.in

Annexure: as above

Copy to:

All Recognized Stock Exchanges & Depositories - To bring the contents of this Circular to the notice of the Stock Brokers, Depository Participants, as the case may be, and also disseminate the same on their websites.



Annexure

FAQ published on the US IRS website updated on December 22, 2014

Q8.	<p>Announcement 2014-38 provides that a jurisdiction that is treated as if it has an IGA in effect, but that has not yet signed an IGA, retains such status beyond December 31, 2014, provided that the jurisdiction continues to demonstrate firm resolve to sign the IGA that was agreed in substance. Given this additional time to sign the IGA, does a reporting Model 1 FFI in such a jurisdiction need to register and obtain a GIIN before January 1, 2015?</p> <p>Added: December 22, 2014</p>	<p>Announcement 2014-38 does not change the requirement in the chapter 4 regulations that for payments made on or after January 1, 2015, in order for withholding not to apply, a withholding agent may treat a reporting Model 1 FFI as a registered deemed-compliant FFI only if the withholding agent has a withholding certificate identifying the payee as a registered deemed-compliant FFI and the withholding certificate contains a GIIN for the payee that is verified in the manner described in those regulations. Thus, to avoid withholding on certain payments made on or after January 1, 2015, a reporting Model 1 FFI should register and obtain a GIIN to properly certify its status to a withholding agent required to document the FFI for chapter 4 purposes. A reporting Model 1 FFI that has registered but not yet obtained a GIIN should indicate to its withholding agent that its GIIN is "applied for," and in such case, the withholding agent will have 90 days from the date it receives the Form W-8 to obtain a GIIN and to verify the accuracy of the GIIN against the published IRS FII list before it has reason to know that the payee is not a registered deemed-compliant FFI.</p> <p>Announcement 2014-38 similarly does not change the timing of any other due diligence and reporting requirements in the chapter 4 regulations.</p>
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