

Automatic Exchange of Information (AEOI) regime

AEOI is the exchange of financial account information between tax authorities in relevant countries. This requires financial institutions including Australian Unity, to collect tax residency information from their customers.

AEOI is currently made up of two information sharing frameworks:

- The Foreign Account Tax Compliance Act (FATCA) which is a US framework to identify US citizens and tax residents with accounts in foreign (non-US) jurisdictions. This has been in place since 1 July 2014 (see announcement); and
- The Common Reporting Standard (CRS) under which details of foreign tax resident accounts are shared between participating governments. Phased implementation of this regime commenced 1 January 2016 globally, and commenced in Australia from 1 July 2017.

Common Reporting Standard (CRS)

CRS is a global standard for collecting, reporting and exchanging financial information on foreign tax residents, which was initiated by the Organisation for Economic Cooperation and Development (OECD) to provide greater transparency and reduce offshore tax evasion in over 100 participating countries and jurisdictions.

In accordance with CRS, banks and other financial institutions in Australia are required to collect financial account information from their customers who are resident in countries other than Australia for tax purposes and provide financial information to the Australian Tax Office (ATO) where it will be exchanged with other participating countries. These changes are a legislative requirement, therefore must be complied with.

What does it mean to you?

This means Australian Unity will ask customers about their tax residency.

Existing Individuals/Entity Customers

If you are an existing customer, Australian Unity may contact you to confirm your country(ies) of tax residence and request additional information. This is to establish whether you have accounts that need to be reported under the CRS laws. We may also contact you if existing information indicate that you could be a foreign tax resident.

New Individual Customers

If you open a new account, you will be asked whether you are a tax resident in another country and if you are, you will be asked to provide further information such as your taxpayer identification number (TIN) or equivalent number used to identify you to the Tax Authority in the foreign country. If you don't provide a TIN, you will be asked to provide a reason for not doing so.

New Entity Customers (such as companies, trusts, partnerships, associations, etc.)

If you open a new account on behalf of a legal entity or arrangement (such as a trust or partnership), you will be asked to provide further information and documents to establish:

- the tax residence(s) of the entity;
- the natures of the entity's business and
- the individuals who control the entity or have specific connections to the entity. This includes their tax residence(s), TIN(s) and other required information.

What do I need to do?

It is important that you respond if Australian Unity contacts you requesting information. If you don't respond, the law may require us to treat you as if you are a tax resident in a foreign country and report this to the ATO. If you intend to open a new account and do not provide the relevant details, we will not be allowed (by law) to open the account for you.

You should respond truthfully and seek advice from an independent tax agent or advisor where required when you state your tax residence(s) or provide other information to us. Penalties may apply (under local and other laws) if you provide false or misleading information.

Contact Details

Address

Australian Unity
114 Albert Road
South Melbourne VIC 3205

Website

australianunity.com.au/wealth

Email

investments@australianunity.com.au

Investor Services

T 13 29 39 F 03 8682 5057

Adviser Services

T 1800 649 033 F 03 8682 5057

More information

Tax residency rules and information on TINs provided to the OECD by jurisdictions committed to automatically exchanging information under CRS can be found on the OECD website links below:

<http://www.oecd.org/tax/automatic-exchange/crs-implementation-and-assistance/tax-residency/>

<http://www.oecd.org/tax/automatic-exchange/crs-implementation-and-assistance/tax-identification-numbers/#d.en.347759>

Refer to the ATO website for more information on foreign tax resident reporting link below:

<https://www.atogov.au/individuals/international-tax-for-individuals/in-detail/foreign-residents-reporting/foreign-tax-resident-reporting/>

Disclaimer

This information is to help you understand your obligations under the Automatic Exchange of Information (AEOI) laws. It does not constitute any form of advice, has not taken into account your personal circumstances and is general in nature. If you have questions about your tax residence status, you should contact your relevant tax authority (in your country of residence), as applicable, or seek advice from an independent tax agent or advisor to ensure your personal circumstances are taken into account.