STATUTORY INSTRUMENTS

2020 No. 1300

EXITING THE EUROPEAN UNION

TAXES

The International Tax Compliance (Amendment) (No. 2) (EU Exit) Regulations 2020

Made - - - - *17th November 2020*

Laid before the House of Commons *18th November 2020*

Coming into force in accordance with regulation 1

The Treasury make these Regulations in exercise of the powers conferred by section 222 of the Finance Act 2013(**a**):

Citation and commencement

1. These Regulations may be cited as the International Tax Compliance (Amendment) (No. 2) (EU Exit) Regulations 2020 and come into force on IP completion day(**b**).

Amendments to the International Tax Compliance Regulations 2015

2.—(1) The International Tax Compliance Regulations 2015(**c**) are amended as follows.

(2) In regulation 1—

(a) in paragraph (3)—

(i) omit sub-paragraph (a), and

(ii) in sub-paragraph (b), omit the "and" at the end of paragraph (i) and omit paragraph (ii),

(b) in paragraph (3A), at the end insert ", including the commentary on the common reporting standard(**d**)", and

(c) in paragraph (4)(a), omit "the DAC and".

(3) In regulation 2—

(a) in paragraphs (1)(b) and (2)(a) and (c), omit "the DAC or", in each place, and

(**a**) 2013 c. 29; section 222 was amended by section 50 of the Finance (No. 2) Act 2015 (c. 33) but the amendments are not relevant to these Regulations.

(**b**) "IP completion day" is defined in Schedule 1 to the Interpretation Act 1978 (c. 30) as having the same meaning as in the European Union (Withdrawal Agreement) Act 2020 (c. 1) (see section 39(1) to (5) of that Act). The definition of IP completion day was inserted by paragraph 12 of Part 2 of Schedule 5 to the European Union (Withdrawal Agreement) Act 2020.

(**c**) S.I. 2015/878; relevant amending instruments are S.I. 2015/1839, 2016/899, 2017/598, 2018/490, and 2020/438.

(**d**) The commentary to the CRS is available on the OECD website at http://www.oecd.org/ctp/exchange-of-tax-information/standard-for-automatic-exchange-of-financial-information-in-tax-matters.htm. A hard copy is available for inspection free of charge at the offices of HMRC at 100 Parliament Street, London, SW1A 2BQ.

(b) omit paragraph (5)(a).

(4) In regulation 3—

(a) omit paragraph (3)(a),

(b) in paragraph (3)(b), at the end insert "and the alternative procedure provided in the optional provision in paragraph 13 of the commentary to Section VII of the CRS",

(c) omit paragraphs (4) and (4A), and

(d) in paragraph (4B), for the words from "but" to the end substitute—

"that deadline is—

(a) in Section VIII(B)(8)(b) (qualified credit card issuer), Section VIII(C)(10) (new account) and Section VIII(C)(17)(f)(ii) (excluded accounts), 1 January 2016,

(b) in Section VIII B(9)(d) (exempt collective investment vehicle), 1 January 2018, and

(c) in all other cases, 31 December 2015".

(5) In regulation 4 and in the heading to that regulation, omit "the DAC and".

(6) In regulation 6—

(a) in paragraph (2)(b), omit "the DAC or", and

(b) omit paragraph (3)(a).

(7) In regulation 12A(3)—

(a) in the introductory words and in sub-paragraph (a), omit, "the DAC or" in both places, and

(b) in sub-paragraph (b), omit "Section VIII(D)(8)(h) of Annex I to the DAC or".

(8) In regulation 24, in the table in paragraph (2)—

(a) omit the row relating to the expression "the DAC",

(b) in the column headed "Regulations", in the entries for "pre-existing account" and "related entity", omit "regulation 3(4A)" in both places,

(c) omit the column headed "the DAC",

(d) in the column headed "the CRS"—

(i) in the entry for "pre-existing account", substitute "subject to paragraph (3), the replacement for Section VIII(C)(9) of the CRS in paragraph 82 of the commentary to Section VIII of the CRS",

(ii) in the entry for "related entity", substitute "the replacement for Section VIII(E)(4) of the CRS in paragraph 82 of the commentary to Section VIII of the CRS", and

(e) in paragraph (3)(b)(ii), for "Section VIII(C)(9) of Annex 1 of the DAC" substitute "the replacement for Section VIII(C)(9) of the CRS in paragraph 82 of the commentary to Section VIII of the CRS".

James Morris
Michael Tomlinson

17th November 2020 — Two of the Lords Commissioners of Her Majesty's Treasury

EXPLANATORY NOTE

(This note is not part of the Regulations)

The Regulations amend the International Tax Compliance Regulations 2015 ("the principal Regulations") which give effect to agreements and arrangements reached between the United Kingdom and other jurisdictions to improve international tax compliance.

The Regulations omit references to the European Union Council Directive on Administrative Cooperation (2011/16/EU) ("the DAC") and arrangements entered into by the EU relating to the implementation of the Common Reporting Standard for Automatic Exchange of Financial Account Information between member States and other territories as neither the DAC nor those arrangements will apply to the United Kingdom after the end of the transition period. The Regulations also make consequential amendments to replace definitions that rely on the DAC with equivalent definitions in the CRS and specify dates that are set out in the DAC but not the CRS to maintain the effect of those provisions after the end of the transition period.

A Tax Information and Impact Note covering the International Tax Compliance Regulations 2015 was published on 18th March 2015 and is available on the HMRC website at https://www.gov.uk/government/publications/tax-administration-regulations-to-implement-the-uks-automatic-exchange-of-information-agreements. It remains an accurate summary of the impacts that apply to this instrument.

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£4.90

UK202011171018 11/2020 19585

http://www.legislation.gov.uk/id/uksi/2020/1300

ISBN 978-0-34-821545-8

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