



**Isle of Man
Government**

Reiltys Ellan Vannin

The Treasury *Yn Tashtey*

Assessor of Income Tax
Nicola Guffogg

INCOME TAX DIVISION

Government Office, Douglas
Isle of Man, British Isles
IM1 3TX

Telephone: (01624) 685400
Fax: (01624) 685351
E mail: incometax@itd.treasury.gov.im
Website: www.gov.im/incometax

INDUSTRY ADVISORY NOTICE

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AUTOMATIC EXCHANGE OF INFORMATION – NOVEMBER 2020 UPDATE

This industry update is applicable to all Isle of Man Financial Institutions, Third Parties and Sponsors as it provides important updates in respect of the Common Reporting Standard ('CRS') and FATCA, as well as Isle of Man Reporting Entities (Ultimate and Surrogate Parent Entities) in respect of Country by Country Reporting ('CbCR').

GUIDANCE

Earlier today the Income Tax Division published updated versions of Isle of Man's CRS and FATCA guidance notes, [GN53](#) and [GN55](#), which can be found online at www.gov.im/incometax.

CRS SCHEMA UPDATE – (Version 2.0)

As previously advised in the [May 2020 Industry Advisory Notice](#), the CRS schema has been updated by the OECD in order to reflect a number of technical changes that have been made following input from jurisdictions and Financial Institutions. This is the first update since the initial schema was launched in 2015 and makes some key changes which are summarised below.

Jurisdictions will be required to exchange data using version 2.0 of the schema with effect from early 2021 therefore Isle of Man Financial Institutions are reminded that any CRS submissions (new data, corrections or void files) made through the Online Information Providers Service will need to be made in the updated v2.0 format from **1 December 2020** regardless of the reporting period.

The CRS XML Schema v2.0 can be found, along with its user guide, at the links below:

Schema XSD <https://www.oecd.org/ctp/exchange-of-tax-information/CRS-Schema-v2.0.zip>

User Guide <https://www.oecd.org/tax/exchange-of-tax-information/common-reporting-standard-xml-schema-user-guide-for-tax-administrations-june-2019.pdf>

Key Changes

- **Empty Elements**

Empty elements are no longer allowable for CRS exchanges and the 2.0 schema treats any instances as invalid.

Where an element is optional, rather than mandatory and there is no data to provide (for example, the 'FloorIdentifier' element of an address, where there is no floor identifier) then the element should be excluded from the schema file altogether rather than being left empty, as illustrated in Fig1 (invalid) and Fig2 (correct) below.

Fig1

```

<AddressFix>
<Street>Test</Street>
<BuildingIdentifier>A</BuildingIdentifier>
<SuiteIdentifier/>
<FloorIdentifier/>
<DistrictName/>
<PostCode/>
<City>Example</City>
<CountrySubentity/></AddressFix>

```

Fig2

```

<AddressFix>
<Street>Test</Street>
<BuildingIdentifier>A</BuildingIdentifier>
<City>Example</City>
</AddressFix>

```

This is relevant throughout the CRS XML file.

- **Updated Namespaces**

All Isle of Man Financial Institutions must ensure that their files contain the updated v2.0 XML Schema Instance Namespace at the start of their report in order for it to validate.

Fig3 – Version 1

```

<crs:CRS_OECD xmlns:cfc="urn:oe.cd:ties:commontypesfatcacs:v1" xmlns:stf="urn:oe.cd:ties:stf:v4"
xmlns:crs="urn:oe.cd:ties:crs:v1">

```

Fig4 – Version 2

```

<crs:CRS_OECD xmlns:cfc="urn:oe.cd:ties:commontypesfatcacs:v2" xmlns:stf="urn:oe.cd:ties:crsstf:v5"
xmlns:crs="urn:oe.cd:ties:crs:v2">

```

- **MessageTypeIndic**

The element 'MessageTypeIndic' within the 'MessageSpec' at the start of the XML file is now mandatory. This should be populated with the code 'CRS701', unless corrections or deletions are required, where code 'CRS702' would be used instead.

- **Isle of Man Validations**

Most additional Isle of Man validation advised by the Assessor in the [December 2016 Industry Advisory Notice](#) remains relevant for version 2.0 submissions.

Isle of Man Validation	Version 1.0	Version 2.0
MessageSpec		
TransmittingCountry and ReceivingCountry – must be set to 'IM'	Y	Y
CorrMessageRefId – not allowable in MessageSpec or DocSpec	Y	Y
MessageTypeIndic – mandatory - CRS701 (New), CRS702 (Correction), CRS703 (Nil Reporting). Note – Nil Reporting isn't required on the Isle of Man.	N	Y
ReportingFI		
ResCountryCode – must be set to 'IM'	Y	Y
ReportingFI / Name – must be unique within the XML file.	N	Y
AccountReport		

TIN/IN – where an Account holder is tax resident in more than one jurisdiction the number of TINs/INs provided, and the attribute stating the issuing jurisdiction, must match the number of ResCountryCode and jurisdictions	Y	Y
AccountNumber – mandatory	Y	Y
AccountHolderType CRS102 or CRS103 then the ResCountryCode is mandatory. No ControllingPerson element can be included.	Y	Y
AccountHolderType CRS101 then a ControllingPerson must be present	Y	Y
AccountBalance and PaymentAmnt cannot be negative	Y	Y
Where an account is closed, the AccountBalance must be 0	Y	Y
General		
DocRefId - US or IOM Formats	Y	Y
<p>Option 1 (US Format) Isle of Man Financial Institutions can use the same format prescribed by the US for FATCA filing. This requires the FI to use its GIIN followed by a full stop and a unique number/character combination) eg. 000000.00000.XX.833.123abc456def789</p> <p>Option 2 (IOM Format) Instead of using a US GIIN the Assessor will also accept DocRefId that start with the Information Providers' Tax Reference Number for the Isle of Man Financial Institution followed by a full stop and a unique number/character combination eg. C000000Q01.123abc456def789</p>		
CorrDocRefId – US or IOM Formats (as noted above)	N	Y
DocTypeIndic - OECD1 (new), OECD2 (corrected), OECD3 (Void/deletion), OECD0 (re-send)	Y	Y
Sponsor, Intermediary and Pool elements are not allowable.	Y	Y
Empty Elements not allowable (as noted above)	N	Y

▪ **Undocumented Accounts**

Isle of Man Financial Institutions are reminded that where an account is noted as undocumented using the attribute of 'true', the corresponding 'ResCountryCode' must be set to 'IM'.

CbCR SCHEMA UPDATE

As previously advised in the [1 October 2020 Industry Advisory Notice](#), the CbCR schema has also been updated by the OECD. This is the first update since the initial schema was launched and makes some key changes which were summarised in the October update.

Jurisdictions will be required to exchange data using version 2.0 of the schema with effect from early 2021 therefore Isle of Man Reporting Entities are reminded that any CbCR submissions (new data, corrections or void files) made through the Online Information Providers Service will need to be made in the updated v2.0 format from **1 December 2020** regardless of the reporting period.

Nicola Guffogg
Assessor of Income Tax