

Advice regarding the Automatic Exchange of Information (AEOI)

What does the exchange consist of and in which States does it take place?

The Automatic Exchange of Information on tax matters (AEOI) is a new international standard, aimed at achieving transparency with regards to assets held abroad and preventing cross-border tax evasion. To date, over one hundred States, including Switzerland, have adopted this standard.

In this particular case, the exchange occurs only between partner States with which Switzerland has concluded a bilateral agreement. The continuously updated list of such partner States can be found on the following website:

www.sif.admin.ch/sif/en/home/themen/informationsaustausch/automatischer-informationsaustausch/automatischer-informationsaustausch1.html

How does the Automatic Exchange of Information (AEOI) take place?

By clicking here, you can access the explanations given by the Federal Tax Administration.

www.efd.admin.ch/efd/en/home/themen/wirtschaft--waehrung--finanzplatz/finanzmarktpolitik/automatic-exchange-of-information--aeoi-.html

Who is affected by the Automatic Exchange of Information?

All clients, natural persons and entities, as well as individuals who exercise control over such entities, that have their (main) domicile for tax purposes in a partner State (a State which has entered into an agreement with Switzerland as regards the Automatic Exchange of Information (AEOI) in compliance with the Common Reporting Standard (CRS)).

What kind of information is exchanged?

Personal details:

- Name and surname / company name
- Date of birth (only for natural persons) and place if available
- Full address
- State of residence and State of domicile for tax purposes (everyone)
- Tax Identification Number (TIN)
- TIN issuing jurisdiction(s)
- Type of account holder (only for legal persons)
- Function of the person who exercises control (only for legal persons)

Financial and/or account-related information:

- Relationship number, account numbers
- Bank name and address
- Bank UDI (Unique Enterprise Identification Number)
- Total gross income deriving from dividends, interest and other financial revenues credited to the account
- Total gross income deriving from the disposal or redemption of financial activities
- Total value of assets at the end of the respective calendar year, or at the date of relationship closure (without the deduction of any commitments)
- Any monetary distributions to shareholders/beneficiaries carried out by a Professionally-Managed Investment Entity (PMIE) (by the Financial Institute required to communicate such information)

Data regarding the exchange of information

The first exchange of information with the Partner States is expected to be carried out on 30.06.2018 and will be performed annually.

Useful information for clients affected by the Automatic Exchange of Information (AEOI)

The following link to the OECD website (in English) provides some important information to help clients affected by the Automatic Exchange of Information define their residence for tax purposes and identify their TIN (Tax Identification Number):

www.oecd.org/tax/automatic-exchange/crs-implementation-and-assistance

What are your rights as a client?

In accordance with the Federal Act on the Automatic Exchange of Information (AEOI Act) and the Federal Data Protection Act, the client has the following rights:

1. Against Banca del Sempione SA (Simplon Bank)

In accordance with the Federal Data Protection Act, the client is entitled to make a claim against Banca del Sempione SA for complete legal protection. In this particular case, further details can be requested as regards the type of information that has been sent to the Federal Tax Administration. After submitting a specific request, Banca del Sempione SA must forward the client a copy of the communication sent to the Federal Tax Administration. In this respect, it should be noted that the information collected and forwarded may differ from that considered fiscally significant for the client from a tax point of view.

Moreover, the client can request the rectification of any incorrect data entered in the Banca del Sempione SA systems.

2. Against the Federal Tax Administration

With regards to the Federal Tax Administration, the client can only assert the right to access information and to demand the rectification of incorrect data due to transmission errors.

Following the transmission of data, should the client suffer unsustainable disadvantages due to the lack of guarantees provided by the Rule of Law, the same is granted rights pursuant to Art. 25a of the Federal Act regulating Administrative Procedure.

However, the client's right to have access to Federal Tax Administration documents is not recognised. Therefore, the right to block the communication of personal details to the Federal Tax Administration is excluded. Furthermore, the client can neither request the verification that the forwarding of the information overseas has been carried out in a lawful and proper manner, nor demand the blocking of the improper forwarding and/or destruction of data that was processed without sufficient legal grounds to do so.

Further links and information

- Federal Tax Administration
(www.estv.admin.ch/estv/en/home/internationales-steuerrecht/fachinformationen/aia/qualifikationsgremium.html)
- OECD – Common Reporting Standard
(www.oecd.org/tax/automatic-exchange/common-reporting-standard)
- OECD – Participating States (PDF)
(www.oecd.org/tax/transparency/AEOI-commitments.pdf)