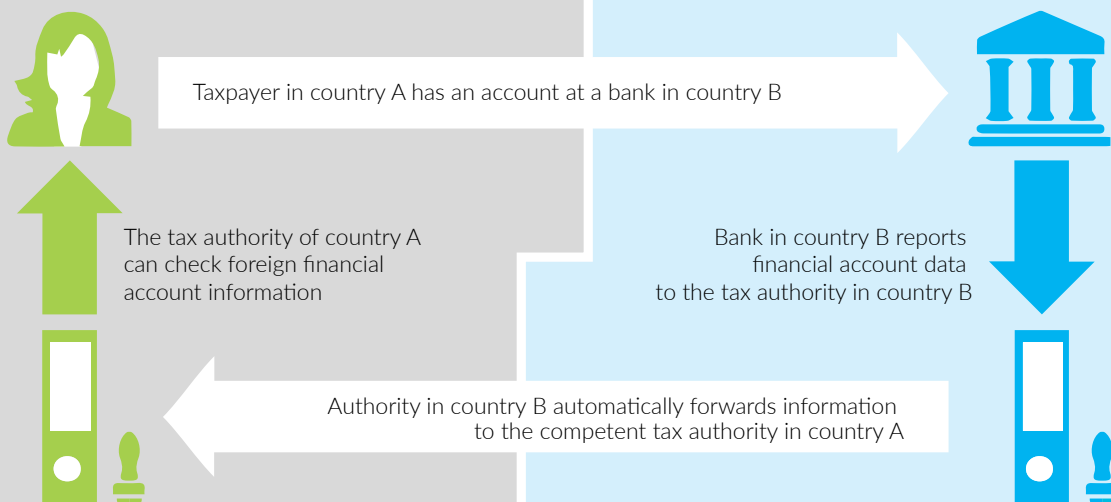


Automatic Exchange of Information (AEoI)

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Quelle: Staatssekretariat für internationale Finanzfragen (SIF)

Purpose of the AEoI

The AEoI aims to prevent tax fraud and tax evasion. Under the AEoI, Bank CIC, as a reporting financial institution of a participating country, has the obligation to report all reportable accounts to the Federal Tax Administration (FTA) on a yearly basis. The FTA forwards these data to the tax authorities of the partner jurisdictions. No client consent is required for this transmission. The partner jurisdictions may use the information exclusively for tax purposes.

Implementation date of the AEoI

Switzerland has introduced the AEoI with the EU member states and other partner jurisdictions with effective date as of 1 January 2017. A first exchange of data with these countries took place in mid-2018. Agreements with additional countries entered into force on 1 January 2018 (with first data delivery in 2019).

Reportable bank accounts under the AEoI

Reportable accounts are accounts whose owners are resident in a partner jurisdiction. There is no data exchange within Switzerland. Therefore Bank CIC will not report any data of Swiss resident account owners to the Swiss tax authorities.

In the case of bank accounts held by certain legal entities or some trusts reporting may be required in case a controlling person is resident in a partner jurisdiction.

Bank client data subject to exchange

Each year, Bank CIC is to send personal and financial information to the FTA by June 30 of the year subsequent to the reporting year. The FTA forwards this data to the tax authorities of the residence countries of the reportable persons. Personal information includes name, address, country of residence, tax identification number and date of birth (for individuals), type of account holder (for legal entities) and type of control (for controlling persons). Financial information includes the account number, total balance/value at year end, the relevant payments (interest, dividends, sales proceeds and other income) during the calendar year (or until closing date of the account). It must be noted that the reported information is likely to deviate significantly from the information that is required for tax purposes. The reason for this is that information for AEoI purposes must be reported under an internationally agreed standard whilst the relevant values for tax purposes derive from local tax laws.

Partner jurisdictions of Switzerland (countries having an AEoI agreement with Switzerland)

The State Secretariat for International Financial Matters (SIF) maintains a list of all AEoI partner jurisdictions of Switzerland under the following link: www.sif.admin.ch (Topics >Exchange of Information >Automatic exchange of information >Financial accounts).



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Rights and duties of bank clients vis-à-vis Bank CIC

According to the Swiss Federal Act on Data Protection and the AEoI agreements, bank clients could request information about the data transmitted to the FTA. They can also request a correction of incorrect data.

In the event of a change in tax domicile, bank clients are obliged to inform the bank about this change immediately.

Rights and duties of bank clients vis-à-vis the FTA

Vis-à-vis the FTA reportable persons only have the right to access information. You are entitled to request that incorrect data resulting from errors in the exchange process be corrected.

If the exchange of information would result in disadvantages for the reportable person that are not permissible due to a lack of constitutional guarantees, the rights as set out in Article 25a of the Federal Act on Administrative Procedure are granted.

Information received by the Swiss tax authorities from partner jurisdictions

Under the AEoI agreement, the partner jurisdictions are subject to the same obligations as Switzerland reciprocally. Therefore, the Swiss tax authorities will also automatically receive data on Swiss taxpayers with an account in a partner jurisdiction. However, Bank CIC will not provide any data on clients domiciled in Switzerland to the FTA unless these clients are Swiss legal entities with controlling persons domiciled in a partner jurisdiction for which a duty of reporting exists.

Further information

Further information about AEoI are available on the following websites:

- Automatic Exchange Portal of the OECD
www.oecd.org/tax/automatic-exchange/
- State Secretariat for International Financial Affairs (SIF)
www.sif.admin.ch/sif/de/home/themen/informationsaustausch/automatischer-informationsaustausch/automatischer-informationsaustausch1.html
- Federal Tax Administration (FTA)
www.estv.admin.ch/estv/de/home/internationales-steuerrecht/fachinformationen/aia.html

If in your capacity as contracting party of Bank CIC (Switzerland) Ltd., you are not the account holder in the meaning of the AEoI or if you are an entity for which Bank CIC (Switzerland) Ltd. is required to identify and report one or more controlling persons, we ask you to forward copies of this mailing to all of the relevant persons.