

## **FAQ -FATCA**

### **DISCLAIMER :**

This document is intended as a summary, is for information purposes only and is general in nature. It should not be construed as tax or legal advice. Abu Dhabi Commercial Bank or any other member of its Extended Affiliated Group may not be held liable for any loss that results from reliance upon this information. Customers should seek professional legal and tax advice relevant to their specific circumstances

### **FATCA Overview**

#### **1. What is FATCA?**

FATCA stands for the Foreign Account Tax Compliance Act. It is a law enacted in the United States of America (U.S.) and is aimed at addressing perceived tax abuse by U.S. Persons through the use of accounts maintained with Foreign Financial Institutions outside the U.S.

#### **2. Will ADCB implement FATCA?**

In compliance with RBI requirements, ADCB will implement and comply with FATCA.

#### **3. Is ADCB the only Bank affected by FATCA?**

No. All Banks and Financial Institutions in the India will be affected by FATCA. However, each financial institution will have its own approach for implementing FATCA.

#### **4. When is the effective date of FATCA?**

The effective date of FATCA is July 1st 2014.

#### **5. Who is impacted by FATCA?**

FATCA will impact individual customers who exhibit any one of the indicia of U.S. status and certain business customers with U.S. owners. Such customers will be required to provide additional information/documentation to confirm their FATCA status.

#### **6. What documentation will I be requested to submit for FATCA purposes?**

ADCB may request you to submit a self-certification by completing one of the Internal Revenue Service (IRS) withholding certificates (9 or W-8BEN / W-8BEN-E) to confirm whether or not you are a specified U.S. Person, and to confirm if there are any U.S. substantial owners for business customers.

#### **7. Where can I find the form that I need to complete?**

You may find it on the IRS website [www.irs.gov](http://www.irs.gov). The forms can also be found at our Mumbai and Bangalore ADCB branches.

#### **8. Where can I find more detailed information on FATCA?**

For further information on FATCA, please visit: [www.irs.gov/FATCA](http://www.irs.gov/FATCA)

#### **9. What happens if I don't provide the required form?**

If an ADCB customer has U.S. indicia and fails to confirm its U.S. status by providing a self-certification, the account will be considered as a Reportable Account. ADCB may refuse to open new accounts and may restrict the products offered to customers who choose not to provide the required documents.

#### **10. How often do I have to provide information for FATCA purposes?**

Customers are expected to provide updated personal information and account details to ADCB as and when there is a change to this information.

#### **11. Does FATCA replace existing U.S. tax rules that I already follow?**

No, FATCA does not replace the existing U.S. tax rules but adds to them. It is recommended you contact a professional tax adviser for more information.

### **Individual Clients**

#### **12. What are the indicia of U.S. status for individuals?**

The following criteria are considered U.S. indicia for individual customers:

- ? U.S. citizenship (passport or green card holder) or U.S. residency
- ? U.S. place of birth
- ? U.S. mailing or residence address (including P.O. Box)
- ? U.S. telephone number (residence or mobile)
- ? Standing instruction to transfer funds to an account domiciled in the U.S.
- ? Power of attorney or signatory authority granted to a person with a U.S. address
- ? An 'in care of' or 'hold mail' address that is the sole address for the account holder as per ADCB's records

Customers having any one of the above listed indicia will be required to provide additional information and/or documentation to confirm their U.S. status.

#### **13. What does FATCA mean for me if I don't have any U.S. indicia?**

If you don't have any U.S. indicia, FATCA will have no impact on your relationship with ADCB; however, we may still request you to confirm your non-U.S. status.

#### **14. What does FATCA mean for me if I have U.S. indicia?**

If you have any one of the U.S. indicia, you will be asked to provide us with additional information/documentation, to confirm your U.S. status.

#### **15. If I have surrendered my U.S. citizenship (I am no longer a U.S. passport/green card holder) what are the documents required to prove the same?**

A government issued identification document, in addition to a Certificate of Abscondment of Lawful Permanent Resident Status.

#### **16. What happens if a joint account is held by a U.S. person and a non-U.S. person?**

Balances of such accounts will be in scope for FATCA reporting, however, personal information related to the U.S. person ONLY will be reported.

**17. Does the required IRS (W-9/W-8BEN) documentation have to be provided in original form at?**

Yes, the document will need to be submitted in original.

**18. If I have all U.S. dollar account, does this classify me as a U.S. person?**

Not necessarily, the definition of a U.S. person is based on the account holder's information, rather than the type of account that is held.

**19. If I have dual citizenship with the U.S., am I considered a U.S. person?**

Yes, please refer to the "What are the indicia of U.S. status for individuals" for further information.

**20. I was born in the U.S., but have lived outside the U.S. my whole life. How does FATCA impact me?**

Generally, if you were born in the U.S., you are considered a U.S. person, unless you have renounced your U.S. citizenship, and obtained a certificate of abandonment of a full permanent resident status.

### **Business Clients**

**21. Is FATCA only applicable to U.S. entities?**

No, FATCA may also impact certain non-U.S. entities with U.S. substantial owners.

**22. What do I need to do if I am a business client with U.S. owners?**

You need to confirm your U.S. status by providing certain information. This information can be provided by completing the "ADCB FATCA Information Form". Additionally, in some instances an additional IRS form may be required to declare U.S. owners.

**23. What if I am unable to select any of the classifications mentioned on the form?**

If you are unable to select any of the classifications, you should seek advice from a tax professional.