

# CRS entity classification & reporting involving trusts, companies & partnerships

- > Investment Entity Reporting FI: automatic reclassification and dual classification issues
- > Account reporting, entity reporting, combinations of trusts and underlying companies: what are the reporting obligations in multiple usual scenarios?



**Zac Lucas**

Founder,  
Centenal Legal Technology  
Group, Singapore

Zac Lucas is a practicing lawyer with over 20 years legal experience, admitted to practice in England & Wales, and is a former Partner of various international law firms including, Harneys, Ogier, Lawrence Graham and Gowling WLG advising on all areas of international private client law, including cross border wills, trust and estates and business succession planning. Zac has particular expertise advising on international regulatory law and has lectured and written extensively on the OECD Common Reporting Standard (CRS). As a result, Zac has been retained by a number of leading private banks, trust companies, wealthy individuals and families and a governmental authority to advise on the practical implementation of the CRS. Zac has now taken the step, in founding Centenal Legal Technology Group, to leverage the power of information technology to create innovative enterprise application software solutions for use by Financial Institutions, Business Professionals and UHNW families and individuals.

## CLASSIFICATION AS INVESTMENT ENTITY REPORTING FINANCIAL INSTITUTION

### Application of the CRS Investment Entity criteria to:

- A trust
- A company
- A partnership

### Classification consequences where an Investment Entity is:

- Resident in a reportable jurisdiction: according to EU DAC and OECD CRS
- Resident in a participating jurisdiction: according to EU DAC and OECD CRS
- Resident in a non-participating jurisdiction: according to EU DAC and OECD CRS

### Automatic reclassification of an Investment Entity as Passive NFE or Active NFE

- Reclassification to automatic Passive NFE: where the Investment Entity is resident in a non-participating CRS jurisdiction;
- Reclassification to automatic Active NFE: where the Investment Entity holds trading subsidiaries or otherwise acts as a treasury center

### Can an Entity hold dual classification as both an Active NFE and an Investment Entity: the case of a professionally managed charitable trust?

### Comparison between Investment Entity financial accounts:

- Loan arrangements
- Voting shares in an Investment Entity (IE)
- Equity participating shares in an IE
- Preference shares in an Investment Entity

### Listed company group structures and investment entities

## ACCOUNT REPORTING: CASE STUDIES

### Practical examples of account reporting:

- Depository account
- Custodial account
- Cash value insurance contract
- Equity interest in a trust, company and partnership
- Non-reportable assets and entities

## ENTITY REPORTING: TRUSTS, COMPANIES, PARTNERSHIPS

### CRS entity classifications applied to trusts, companies and partnerships: what are the reporting obligations in each scenario?

#### TRUST

- When a trust is a Reporting Financial Institution
- When a trust is a Non-Reporting FI
- When a trust is a Non-Reportable Person
- When a trust is an Active NFE
- When a trust is a Passive NFE

#### COMPANY

- When a company is a Reporting FI
- When a company is a Non-Reporting FI
- When a company is a Non-Reportable Person
- When a company is an Active NFE
- When a company is a Passive NFE

#### PARTNERSHIP

- When a partnership is a Reporting FI
- When a partnership is a Non-Reporting FI
- When a partnership is a Non-Reportable Person
- When a partnership is an Active NFE
- When a partnership is a Passive NFE

## TRUST AND UNDERLYING COMPANY: 14 USUAL SCENARIOS

### Trust with underlying company and depository account: what are the reporting obligations?

- Passive NFE trust, Passive NFE company
- Passive NFE trust, Investment Entity company
- Investment Entity trust, Investment Entity company
- Active NFE trust, Passive NFE company
- Active NFE trust, Active NFE company
- Passive NFE trust, Active NFE company
- Non-Reporting Trust, Passive NFE company
- Non-Reporting Trust, Investment Entity company
- Non-Participating Jurisdiction Investment Entity trust, Passive NFE company
- Passive NFE trust, Non-Participating Jurisdiction Investment Entity company
- Passive NFE trust, Passive NFE company and Non-Participating Jurisdiction Depository Account
- Active NFE trust, Non-Reportable company
- Investment Entity trust, Non-Reportable company
- Passive NFE trust, Non-Reportable company.

### «CRS EXPERT» SOFTWARE

- Demonstration of Software user interface
- Demonstration of the automatic classification of complex structures and resulting compliance monitoring

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## PRACTICAL INFORMATION

### Venue

Hotel Le Royal  
12 bd Royal, Luxembourg

### How to register

by phone: +41 (0) 22 849 01 11  
by fax: +41 (0) 22 849 01 10  
by e-mail: info@academyfinance.ch  
by post: Academy & Finance SA  
PO Box 6069, CH-1211 Geneva 6  
www.academyfinance.ch

### Fees

550 euros  
Additional registrations from the same  
company: - 50%

### Registration and payment

Payment is made by credit card. Credit card payments will be debited immediately upon receipt of card details. If it is impossible or impractical for you to pay by credit card we will accept a payment by wire transfer. In this case please mention it on the registration form or send an email to info@academyfinance.ch. In any case, we will send you an invoice by email.

### Substitution & cancellation policy

Substitutions from the same company are accepted at any time. Cancellation requests must be received in writing, by fax or by post up to the following dates end of business :

- 17 March 2018 refund of 80%
- 3 April 2018 refund of 30%
- after 3 April no refund will be made for cancellation.

## REGISTRATION FORM

I register for the seminar «CRS entity classification & reporting involving trusts, companies & partnerships» in Luxembourg on thursday 19 April 2018.

### FIRST PARTICIPANT

Full name.....

Position.....

E-mail.....

### SECOND PARTICIPANT (-50%)

Full name.....

Position.....

E-mail.....

Company.....

Address.....

Postcode..... City.....

Tel ..... Fax.....

Mastercard  VISA  AMEX

Credit card No : \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_ Expiry date : \_\_\_\_ / \_\_\_\_

Cardholder.....

Address of AMEX cardholder .....

Date ..... Signature.....

The organisers reserve the right to amend the programme if, despite their best efforts, circumstances oblige them to do so.