

CRS / FATCA Classification and Reporting: how to avoid the most frequent and costly mistakes?

- > The most frequent classification errors: active NFEs, real estate companies, ...
- > “Borderline” cases: Legitimate optimization or CRS circumvention?
- > How to organise an effective and risk based annual CRS / FATCA review?
- > Which types of errors are systematically identified during audits?



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Latifa advises international clients on complex tax matters, with strong expertise in FATCA, CRS, DAC6, QI, FASTER, and Pillar 2. She is the former Head of Operational Tax & Advisory at Forvis Mazars, and previously worked at Société Générale and Natixis Wealth Management, where she led operational tax teams and managed Operational tax guidance for entities in Luxembourg, Switzerland, and Monaco. Latifa holds degrees in Wealth Legal and Tax Engineering from Université Panthéon-Assas and Université Panthéon-Sorbonne, and the Luxembourg tax qualification (Cycle A and Cycle B).

Introduction – why is classification the no. 1 weak point of CRS / FATCA frameworks?

- Why do most CRS / FATCA errors originate at the classification stage?
- Why is the “once classified, always classified” approach dangerous?
- How does a classification error propagate through to reporting and regulatory risk?
- What do authorities, auditors, and inspectors really focus on when reviewing a CRS / FATCA file?

Where do the most frequent classification errors occur?

- **Why are active NFEs over-qualified ?**
 - What mistakes are made when analyzing passive income?
 - How can an operating asset be distinguished from an investment asset?
 - Why is the mere holding of assets so often wrongly treated as an activity?
- **How should real estate companies be correctly classified?**
 - At what point does real estate become an investment asset?
 - Why are real estate structures particularly exposed to CRS risk?
 - Which lines of reasoning are systematically rejected during audits?
- **Where is the real boundary between an Investment Entity and a Passive NFE?**
 - Why is this distinction the most risky in practice ?
 - What is the exact role of the asset manager in the classification?
 - Which typical cases create issues within international groups?

“Borderline” cases: Legitimate optimization or CRS circumvention?

- **Are retirement funds truly excluded from CRS?**
 - Which conditions must be cumulatively fulfilled?
 - Why do certain pension funds fail under audit scrutiny?
- **How should a start-up be correctly classified?**
 - Why do start-ups frequently change CRS status?
 - What is the impact of funding rounds and business model changes?
 - At what point does a start-up become a passive NFE or an investment entity?
- **Do structures presented as “outside CRS / FATCA” really withstand a substance analysis?**
 - Why is legal or financial sophistication often used as a smokescreen?
 - Which “turnkey” arguments should immediately raise red flags?
 - Why are restructurings or certain financial products never sufficient on their own?
 - When does a wrapper (structured product, certificate, certain life insurance policies, etc.) become suspicious from a CRS perspective?

- How do authorities arbitrate between legal form and economic reality?
- At what point does a structure become a red flag, regardless of its apparent legality?

Misrepresentation/omission by authorities

Mark Morris, CRS expert, Zurich

How to organise an effective and proportionate annual CRS / FATCA review?

- **Which entities should be prioritized for monitoring?**
 - Which structures are inherently unstable?
 - Which sectors present an increased risk of reclassification?
- **How to adopt a risk-based approach to the annual review?**
 - Which entities should be reviewed more frequently than others?
 - How can control resources be allocated efficiently?
- **Which warning signals should trigger an in-depth review?**
 - Which changes should trigger immediate alerts?
 - Which weak signals are most often wrongly ignored?

Why does reporting often reveal classification errors?

- **What are the most frequent reporting issues ?**
 - Why does reporting highlight classification inconsistencies?
 - Which types of errors are systematically identified during audits?
- **Which reporting rules are most often misunderstood?**
 - Which reminders are essential to avoid costly mistakes?
 - Where do the most frequent misunderstandings arise ?
- **How should complex structures be reported ?**
 - How to correctly report cascading entity structures involving trusts?
 - What is the impact of non-participating jurisdictions?
- **What are the most frequent errors in reporting complex products?** (Structured products, zero-coupon instruments, amortizing bonds, etc.)
 - Treating the absence of cash flows as the absence of reporting
 - Confusing capital gains, premiums, and financial income
 - Relying on the product’s commercial documentation

Conclusion – What really needs to be remembered ?

- Why must classification be regularly reassessed ?
- Why are CRS / FATCA errors rarely isolated incidents?
- How can institutions move from formal compliance to defensible compliance?

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PRACTICAL INFORMATION

Venue

Zurich Sheraton Hotel
Pfingstweidstrasse 100, Zurich

Visio conference on Zoom

The Zoom link and the documentation will be sent to the participants on 31 March in the afternoon. Academy & Finance provides technical assistance during the conference.

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
3 rue Neuve-du-Molard, CH-1204 Geneva
www.academyfinance.ch

Fees

620 CHF (+ VAT 8.1%)
Additional registrations from the same company: - 50%

Registration and payment

Payment is made by bank transfer or by credit card. Credit card payments will be debited immediately upon receipt of card details. 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 :

- 23 March refund of 90%
- after 23 March no refund will be made for cancellation.

REGISTRATION FORM

I register for the seminar "CRS/FATCA classification and reporting" on 1st April 2026.

☐ I will attend in the conference room

☐ I will attend online on Zoom

FIRST PARTICIPANT

Full name.....

Position.....

E-mail.....

SECOND PARTICIPANT (-50%)

Full name.....

Position.....

E-mail.....

Company.....

Address.....

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

Tel Mobile.....

Person to which the invoice must be sent for payment:

Name..... Email.....

Bank transfer ☐ Mastercard ☐ VISA ☐

Credit card No : ____/____/____/____ Expiry date : ____/____

Cardholder.....

Date Signature.....