



## Common Reporting Standard FAQ's

### **1. What is CRS**

The Common Reporting Standard (CRS) is a new information-gathering and reporting requirement for financial institutions in participating countries, to help fight against tax evasion and protect the integrity of tax systems.

### **2. Why are you asking me for my jurisdiction(s) of tax residency?**

Under the CRS, tax authorities require financial institutions such as ABC to collect and report certain information relating to their customers' tax statuses.

### **3. How is my tax residence defined?**

This will depend on where you live and your circumstances. Please contact a professional tax advisor or your local tax authority for more information on how to determine your tax residency.

### **4. What information will be reported to tax authorities?**

The information provided in the self-certification form, and details about the accounts and products you have with us, including:

- the balance or value
- the total amounts of interest or payments credited.

### **5. I have already provided you with my PIN**

Banks are required to go further and obtain information on the tax residence status, just in case it could be elsewhere other than the KRA pin.

### **6. Are all banks in Kenya doing this?**

Yes. All financial institutions in participating countries are required to be compliant with the CRS and in line with the Finance Act 2021 and The Tax Procedures (Common Reporting Standards) Regulations 2023

### **7. What information are we asking customers to provide and verify?**

In line with the CRS requirements, we will ask you for your:

- CONSENT
  - Name
  - Address
  - Place of birth\* (for Individual and Controlling Persons)
  - Date of birth\*(for Individual and Controlling Persons)
  - Country(ies) of tax residence
  - Taxpayer identification number(s)\*
  - Place of registration/incorporation (for Entities)
  - Entity Type (for Entities)
  - Controlling Person Type for certain Entity Types (for Controlling Persons)
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### **8. What if I don't provide or decline to complete the self-certification form?**

The relationship may have to be reviewed or reconsidered as the account will be held in non-compliance with the law. ABC seeks to obtain your consent on CRS matters in order to proceed with the relationship.

### **9. I live in Kenya as I pay tax so why do I need to give you these details?**

Under the CRS, we are legally required to establish the tax residency status of all our customers, if you declare that you are Kenyan and that your tax residence is in Kenya, then we shall not be report you to KRA CRS purposes.

### **10.The tax authorities in my country of tax residence already have my tax details**

ABC is required to notify your tax residence tax authority of your tax details under the legal requirements introduced by countries participating in the CRS and the Kenya Tax Procedures (Common Reporting Standards) Regulations-2023.

### **11.Is my information safe?**

Customer information is protected by a strict code of secrecy as provided under The Banking Act and the Data Protection Act. The information you will provide us shall be handled as provided under law

### **12. Why are you asking me for supporting documents?**

We are required by law to verify the details you have provided as part of your self-certification. We might ask you for a copy of your passport to verify your identity or for some other evidence of your tax residency declared in your self-certification.

### **13. Where can I find more information on CRS?**

Kenya, as a signatory to the CRS Multilateral Competent Authority Agreement, legislated the Common Reporting Standard (CRS) through the introduction of section 6B of the Tax Procedures Act (TPA) through the Finance Act 2021. The CS National Treasury vide Legal Notice No. 8 of 2023, gazetted the CRS regulations on 7 February 2023, with an effective date of 1 January 2023.

For further information on your tax residency, please refer to the rules governing tax residence that have been published by each national tax authority.