



Making global information reporting manageable:

KPMG Rules for AEOI



Customer status identification

Embedding Foreign Account Tax Compliance Act (FATCA) and Common Reporting Standard (CRS) customer status identification as part of Automatic Exchange of Information (AEOI) compliance.

What is KPMG Rules for AEOI?

KPMG Rules for AEOI analyzes existing data to help you identify customers that are within scope for CRS and/or FATCA. It is a software solution that automatically filters customer information to determine the FATCA and CRS status applicable to each relevant customer account.

Many financial organizations have realized that the impact of CRS will be substantially greater than that of FATCA, due to the lack of thresholds for the review of individual account holders and looking for all non-residents rather than just those from the US. KPMG member firms have seen, in certain instances, the population to be looked at and potentially remediated for CRS increased by between four and ten-fold over those for FATCA. Many smaller banks who had a nominal requirement under FATCA are very likely to face increased reporting obligations to meet their responsibilities arising from CRS.

Financial institutions need a mechanism to help identify all required FATCA and CRS disclosures and to pinpoint which customers require further due diligence which is also in line with country specific legislation and guidelines.

Features of KPMG Rules for AEOI

Core features

- KPMG Rules for AEOI is flexible and can easily incorporate evolving regulations and new countries coming on board.
- KPMG Rules for AEOI's baseline rules can be customized to implement specific policies of the organization. These baseline rules have been reviewed and confirmed by KPMG member firms tax, operations, process and IT professionals.
- KPMG Rules for AEOI has traceability back to FATCA and CRS legislation to evidence compliance and can be updated in response to changes to the legislation.
- It leverages IBM Operational Decision Manager (ODM) which is an enterprise scale rules engine used by large banks around the world

KPMG Rules for AEOI works with other KPMG tools such as KPMG Case for AEOI. It will create a case for each customer with indicia. You can then manage the customer due diligence and self-certification process using your own solution or automatically load these cases into KPMG Case for AEOI, which will then guide users through the process of AEOI due diligence.

Delivery mechanisms

- ‘AEOI Scale Impact’ – we run the rules over your customer data and give you an analysis of the number of customers potentially impacted by FATCA and/or CRS by jurisdiction, brand, type of customer, etc.
- ‘In a Box’ – we bring KPMG Rules for AEOI to you already installed on KPMG laptops, we run the rules on your back book customer data and provide a file of the customers who are reportable, non-reportable and who require further due diligence – your client data never leaves your premises.
- ‘In the Cloud’ – KPMG Rules for AEOI can be provided as ‘Software As A Service’ on KPMG’s secure data center, and is used by several large banks.
- ‘Software’ – deploy KPMG Rules for AEOI software on your own IBM ODM installation.

Why KPMG Rules for AEOI?

KPMG Rules for AEOI has been developed to help cut the cost, resources and risks of meeting your information reporting obligations.

KPMG Rules for AEOI was developed by KPMG’s UK member firm and is supported by KPMG’s global network of member firm professionals combining tax, operations, process, and IT specialists with significant experience working on AEOI projects across the financial services spectrum.

KPMG member firms’ professionals are in regular dialogue with local governments and Competent Authorities, and are active contributors on numerous global industry bodies and AEOI working groups, such as the business advisory group to the OECD, the EU Commission, ALFI in Luxembourg, SIFMA in the United States, and IA in the United Kingdom.

Benefits of KPMG Rules for AEOI

- KPMG Rules for AEOI has been built and tested to help you assess your existing customer base for FATCA and/or CRS – whether you have many thousands of customers or many millions.
- A simple but powerful tool that brings together the wealth of knowledge and experience of KPMG member firm tax, operations, process and IT professionals.

- Flexible technology solution which supports identification of indicia across multiple legislations and jurisdictions.
- Designed to be up and running quickly to help you meet your AEOI obligations.

Additional AEOI services

- Early alert service of FATCA/CRS news in each country, followed by an analysis of key differences, all summarized by country on a web based status grid.
- KPMG Regulatory Explorer & Governance for AEOI which compares AEOI regimes across jurisdictions and traces them back to the rules.
- KPMG AEOI Reporting to help meet AEOI reporting requirements.
- KPMG Case for AEOI to help you conduct AEOI due diligence.

To find out more about how our tax reporting services and technology enabled solutions can help your business, please contact us at www.kpmg.com/AEOI.

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