



**Government of the Republic of Trinidad and Tobago
Ministry of Finance and the Economy**

Office of the Minister of Finance and the Economy

MEDIA RELEASE

T&T is now regarded as FATCA Compliant

Trinidad and Tobago has reached agreement in substance with the US Treasury Department and is now regarded as FATCA compliant. This from the Minister of Finance and the Economy, Senator the Honourable Larry Howai.

FATCA, the Foreign Account Tax Compliance Act, is a United States federal law requiring US citizens, including individuals who live outside the United States, to report their financial accounts held outside of the United States. It requires non-US financial institutions such as banks and insurance companies in Trinidad and Tobago, to report to the Internal Revenue Service (IRS) about their U.S. clients.

FATCA was enacted in 2010 by the United States Congress to target non-compliance by U.S. taxpayers using foreign accounts. FATCA requires foreign financial institutions to report to the U.S. Internal Revenue Service (IRS) information about financial accounts held by U.S. taxpayers, or by foreign entities in which U.S. taxpayers hold a substantial ownership interest. Following the enactment of FATCA, the U.S. Treasury published the Model Intergovernmental Agreement (IGA) to improve tax compliance and to implement FATCA in various jurisdictions.

The Government of Trinidad and Tobago and the U.S. Treasury recently reached an agreement in substance on the terms of an Intergovernmental Agreement (IGA). Under this agreement, foreign financial institutions report the relevant information to the government that would then relay the information to the IRS. The agreement will add to the global effort against tax evasion and provide crucial clarity for financial institutions as they prepare to comply with FATCA.

According to Minister Howai, "FATCA compliance is critical for the continued interaction of our banks and other financial institutions with their counterparts in the US. As you know, Trinidad and Tobago conducts a tremendous amount of trading and investing with the United States and non-compliance would have seriously affected our ability to continue doing so. In fact we would have been blacklisted. We are happy that we have been able to put the necessary measures in place and the country's financial institutions can now look forward to business as usual with the US."

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