

OECD/FATCA

OECD

The OECD is an agreement for the exchange of automatic tax information signed by 108 countries (including the Argentine Republic) within the framework of the Organization for Economic Cooperation and Development. In our country it was implemented through General Resolution No. 3826/2015 of the AFIP (Tax Authority)

What is the objective of the OECD Agreement signed by the Argentine Republic?

The objective of the OECD Agreement is to intensify the fight against tax evasion at a global level.

What does OECD impact on?

The OECD Agreement is applicable to Individuals and Entities that pay income tax in the 108 signatory countries of the agreement.

Which is AR Partners S.A.'s position?

AR Partners S.A. must comply with the requirements and obligations of the OECD Agreement in order to continue providing quality financial services to its customers.

How does OECD impact on AR Partners S.A.?

As of January 1, 2016, new clients of AR Partners S.A (Individuals and Entities) must inform us if they have fiscal residence abroad, and in the case of Entities they must also inform if they have a Parent Company or beneficial owners (shareholders with more than 25% of the company) who are taxed abroad.

On the other hand, ARP must identify the clients that existed before December 31, 2015, with tax residence abroad, and in the case of entities, also identify the beneficial owners with tax residence abroad.

In that context, our clients may need to sign an OECD form.



FATCA

The Foreign Account Tax Compliance Act (FATCA) was enacted by the U.S. government on March 18, 2010.

FATCA requires Participating Foreign Financial Institutions (PFFIs) to identify, report, and, in some cases, withhold funds from U.S. persons.

What is the purpose of FATCA?

The goal is to detect and prevent tax evasion by U.S. citizens and residents through offshore investments.

Who is affected by FATCA?

FATCA is a broad regime that may impact any individual or legal entity—U.S. or foreign—involved in making or receiving payments that fall under the scope of the regulation.

PFFIs must report relevant information to the Argentine tax authority (AFIP), which then carries out the automatic exchange of information with the U.S. Internal Revenue Service (IRS).

What is Latin Securities' position?

Latin Securities has agreed to participate in FATCA and comply with its requirements and obligations in order to continue providing high-quality financial services to its clients.

What does this mean for clients?

This law requires us to determine the FATCA status of all new clients before accepting them. Reporting of U.S. person accounts to the IRS is carried out annually in March.