

French Tax Authorities release final draft on new reporting of recalcitrant account holders for CRS purposes

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As reported at the end of October 2019, France has introduced **a new reporting requirement for French Financial Institutions (FIs) with respect to the Common Reporting Standard (CRS) and "recalcitrant account holders."** FIs should **report all account holders who have not provided the FI with the relevant information regarding their tax residence(s) and, where applicable, the related Tax Identification Number(s) (TIN) of the account holder (or the controlling person, if needed).** These account holders constitute **"recalcitrant account holders"** for CRS purposes.

For background on the new reporting requirements, see EY Global Tax Alert, [France imposes new reporting of recalcitrant account holders for CRS purposes](#), dated 30 October 2019. Since then, the French Tax Authorities have released the final draft on 25 November 2019 of the reporting requirements and some examples of the XML format.

The new reporting due date for French FIs to report the "recalcitrant account holders" for CRS purposes is **30 March 2020**. This applies to:

- ▶ New accounts opened between 1 January 2016 and 29 December 2017
- ▶ New accounts for which a change in circumstances occurred between 30 December 2017 and 31 December 2019

The account holders who have corrected their situation by sending the missing information to the FI (i.e., address, TIN, etc.) between 1 January 2020 and 30 March 2020 shall remain in the reporting of the “recalcitrant account holders” and the date of the correction should be mentioned under a specific category.

In addition to the above, a second period of reporting will be opened in July 2020 to correct previously submitted returns in cases of errors or omissions only. However, no new adjustments made after 30 March 2020 can be included in this reporting.

Given that **the new reporting due date for French FIs is now approaching**, reporting FIs should consider the French Tax Authorities latest guidance and take prompt action as appropriate to ensure that they have identified the list of “recalcitrant account holders” and that they will be able to report in the XML format required.

Endnote

1. This new reporting requirement is the result of Decree n°2018-569 published on 3 July 2018 which came into force on 1 November 2018 (the Decree) which sets out the conditions for application of Article L.102 AG of the French Procedure Code based on Article 56 of France's Amending Finance Bill for 2017 (law n° 2017-1775 dated 28 December 2017).

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