

FiTAX – Solution for UK FATCA reporting

FiTAX UK FATCA – An intuitive solution to cover Her Majesty Revenue and Customs (HMRC) reporting requirements

Following the US FATCA model, British Crown Dependencies (Jersey, Guernsey and the Isle of Man) and Overseas Territories (Anguilla, Bermuda, the British Virgin Islands, the Cayman Islands, Gibraltar, Montserrat and the Turks and Caicos Islands) entered into Inter-Governmental Agreements with HMRC and provide information relating to account details of bank clients. Those agreements include information that must be sent from and to the UK under the UK FATCA regime.

FiTAX UK FATCA helps financial institutions comply with UK CDOT regulations, based on residence, Alternative Reporting Regime (ARR) for UK Resident Non Domiciled individuals (RNDs), reciprocal/non-reciprocal agreements.

A solution trusted by many clients

The FiTAX solution enables financial institutions to automate the regulatory reporting processes and to report for many countries from a single and centralized platform. Each module is independent, but in order to ease the implementation, all the reporting modules can share the same user interface (Helios), the same IT infrastructure, the same access rights management and the same data.

More than 60 main financial groups – representing over 2000 financial institutions across more than 45 countries – use FiTAX: **FiTAX QI** for Qualified Intermediaries, **FiTAX FATCA** to report to the US tax authority International Revenue Service (IRS) or the local tax authorities under Foreign Account Tax Compliance Act, **FiTAX EU** to report under the European Union Savings Directive (EUSD), **FiTAX UK FATCA** to report to the HMRC or to the local tax authorities under CDOT agreements (Crown Dependencies and Overseas Territories) and **FiTAX CRS** to report under the Organisation for Economic Co-operation and Development (OECD) Common Reporting Standard (CRS).

Extensive experience in tax reporting

One of the main challenges faced by financial institutions is to stay up to date with the ever-changing reporting requirements imposed by tax authorities, which frequently request modifications in electronic files and reports. Monitoring and implementing changes both punctually and reliably is increasingly difficult for financial institutions. BearingPoint handles this process and makes sure that FiTAX is regularly updated to always provide its clients with a promptly renewed solution.

This approach has proven to be a cost-effective solution to lighten the burden of reporting for financial institutions, thus allowing them to focus on their core activities.

Close collaboration with a Big 4 firm

Since 2001, BearingPoint works together with tax advisors of a Big 4 auditor. They support us in the interpretation of tax laws so that we can prepare the required reports.

This is an example of how we strive to bring real value by adding services that enable high-quality reporting to tax authorities.

FiTAX provides scalability for global deployment

FiTAX can be scaled to serve global financial institutions as well as local entities.

An increasing number of financial institutions implement FiTAX as a hub-based approach. This means that most entities report centrally, while other clients do so locally for each entity.

FiTAX supports both approaches: local and global.

An established reporting solution since 2001

In 2001, BearingPoint implemented its FiTAX solution at the first client site. Since then, FiTAX has grown into a highly-advanced tax-reporting solution, covering all aspects of QI Reporting, including data reconciliation with custodians. In 2005, BearingPoint added a sophisticated EUSD reporting module to FiTAX. In 2014, the firm developed the FiTAX FATCA module to cover the reporting needs for FATCA, including the final regulations as well as IGA model 1 and 2, in more than 45 countries.

In 2015, BearingPoint launched two new modules:

- **FiTAX CRS:** to cover both the generic and specific CRS reporting requirements in accordance with OECD specifications, the bilateral/multilateral agreements and the local guidances
- **FiTAX UK FATCA:** to cover the reporting needs required under CDOT agreements, including the Alternative Reporting Regime (ARR) for UK Resident Non-Domiciled Individuals (RNDs)

Throughout the year, BearingPoint stays in regular contact with its clients and is therefore able to gather recommended new features and functionality directly from the user community.

FiTAX UK FATCA covers also ARR for RNDs

One of the key differentiators of FiTAX UK FATCA is our commitment to provide the reporting required by the HMRC under the Inter-Governmental Agreements between the CDOT and the HMRC and the local tax authorities, but also the ARR for UK RNDs.

All FiTAX modules share the same user-friendly, powerful and multilingual user interface named Helios, which includes the following key features:

- Advanced roles and security administration
- Integrated workflow management and 4-eyes validation
- Advanced frames, grids and views
- Figure analysis/business intelligence (BI) and management reporting (KPIs)
- Archiving, backup, audits and logs management
- Scalability, multi-entity and multi-business areas, data segregation
- Fully customizable and multilingual client reports, client report designer
- All data from multiple systems and for multiple tax regimes can be centralized in a single data repository
- Analytical exception and ad-hoc reporting



Thanks to our extensive tax reporting knowledge and our long-term experience in dealing with tax authorities of many countries, we can handle future changes in tax-reporting requirements and are able to adapt our solutions accordingly.

FiTAX stays in line with regulatory changes

BearingPoint has adapted FiTAX to numerous changing tax reporting requirements since 2001 and will continue to do so in order to provide reporting solutions which comply with future tax requirements.

In addition, we at BearingPoint plan to include most of the reporting requirements that stem from Automatic Exchange of Information (AEOI) agreements of further countries that join the system. Thus, financial institutions can rely on BearingPoint to produce a solution that evolves over time and represents the dynamic of new tax regulations.

About BearingPoint

BearingPoint consultants understand that the world of business changes constantly and that the resulting complexities demand intelligent and adaptive solutions. Our clients, whether in commercial or financial industries or in government, experience real results when they work with us. We combine industry, operational and technology skills with relevant proprietary and other assets in order to tailor solutions for each client's individual challenges. This adaptive approach is at the heart of our culture and has led to long-standing relationships with many of the world's leading companies and organizations. Our global consulting network of 9,700 people serves clients in more than 70 countries and engages with them for measurable results and long-lasting success.

www.bearingpoint.com

EasyTax – BearingPoint's complementary tax software to FiTAX

EasyTax is BearingPoint's standard software solution for producing country specific tax reports enabling financial institutions to provide their clients with a service to ease their tax filing duties. More than 80 financial institutions worldwide already produce tax reports with EasyTax for their clients.

The software's logic is backed up by solid Big 4 tax concepts and capable of calculating off- and onshore tax reports, covering income, capital gains, wealth and withholding tax according to the clients' residence country laws.

Combined with FiTAX, financial institutions get a one stop shop solution, covering both client and regulatory tax reporting and therefore enabling a harmonized data management.

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