



Minister of Finance's Decision No. (17) for 2019 on implementing the Common Reporting Standard (CRS) 17/2019

Number of Articles 10

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Articles

Minister of Finance;

Having considered [Law No. \(24\) of 2018 Promulgating the Income Tax Law](#), specifically article (34) thereof ;

[Law No. \(13\) of 2016](#) on Personal Data Privacy Protection

Law No.(13) of 2012 [on issuing the the Law on Qatar Central Bank and the Regulation of Financial Institutions](#)

Law [No. \(8\) of 2016](#) on Qatar Financial Markets Authority;

Law [No.\(4\) of 2010 Promulgating the Law of Combating Money Laundering and Terrorism Financing.](#)

Law No. (7) of 2005 on [Qatar Financial Center](#)

[Decree No. \(14\) of 2019](#) rectifying The Convention on Mutual Administrative Assistance in Tax Matters;

The Multilateral Competent Authority Agreement (MCAA) on the automatic exchange of information of Financial Accounts, signed by the competent authority on 10/11/2017;

The Automatic Exchange of Financial Information in Tax Matters issued by Organization for Economic Co-operation and Development on 15 July 2014, and the amendments thereof;

The Following has been decided:

Articles

Article (1)

Definitions:

In applying the provisions of this law, the following words and phrases shall have the meanings assigned thereto, unless the context otherwise requires:

The State	The State Of Qatar.
The Competent Authority	The General Tax Authority (GTA)
The President	The President of the Competent Authority
Financial Supervisory Authorities	Authorities that control and supervise the financial institutions operating in the country, namely Qatar Central Bank (QCB), Qatar Financial Markets Authority (QFMA) or Qatar Financial Center (QFC), in accordance with their respective fields of competence.
The Standard	The Common Reporting Standard contained in Section B of Section II of the OECD Standard for the Automated Exchange of Information on Financial Accounts in Tax Matters, issued on 15 July 2014, and the amendments thereof, setting out the rules and procedures that financial institutions must follow to ensure that information on financial accounts is collected and reported.
Comments	The comments on the Standard stated in section B of section III of the Standard shall be deemed, for the purposes of the application of this resolution, to be an integral part thereof.
Preexisting Financial Account	It is any of the following accounts: (i) the financial account maintained by the reporting financial institution as of 30 June 2017; (2) Any financial account of an account holder, regardless of the date on which it is opened, if: (a) the account holder also maintains with the reporting financial institution (or with an associated entity located in the State) a pre-existing account in accordance with the provisions of paragraph (1); and (B) the reporting financial institution (and the entity associated therewith in the State) considers both the aforementioned accounts, and any other accounts of the account holder, as pre-existing accounts pursuant to the provisions of paragraph (2), as one financial account for the purpose of complying with the standards of Knowledge requirements set forth in paragraph (A) of section (VII) of the Standard, as well as for purposes of determining the balance or value of any of the financial accounts upon applying any of the upper limits of the accounts; or (c) the reporting financial institution is permitted to fulfill those procedures by relying on those implemented on the pre-existing account described in paragraph (1), in relation to a financial account subject to anti-money laundering /know-your-customer procedures; and (d) The opening of the financial account does not require the account holder to provide any new, additional or modified information about the customer, other than for the purposes of the Standard.
Associated Entity	An entity is considered an “associated entity” of another entity if: (1) one entity controls the other; (2) both entities are under common control; or (3) both entities are investment entities set forth in sub-paragraph (6) (b) of paragraph (A) of section VIII of the Standard, under the same management, whereas such management have exercised due diligence regarding the investment entities. For this purpose, control includes direct and indirect ownership of more than 50% of an entity's voting rights and value.

The Reported period	The Calendar Year
Passive Non-Financial Entity (NFE)	(1) A non-financial entity that is not an Active NFE pursuant to subparagraph (9) of paragraph (d) of section (VIII); or (2) An investment entity described in subsection (b) of paragraph (6) of paragraph (A) of section VIII of the Standard, which is not a financial institution of a member State, and whose gross income is attributable primarily to investment, reinvestment or trading in financial assets, if managed by another entity that is a depository institution, a custodial institution, a specified insurance company or an investment entity described in subsection (a) of paragraph (6) of paragraph (A) of section VIII of the Standard.
Member States	States that have concluded an agreement that necessitates providing information on financial accounts. The definition includes states that have made a commitment to automatically exchange information on financial accounts, according to the table on the Status of Commitments to the Automatic Exchange of Information on Financial Accounts published by the Organization for Economic Co-operation and Development - Global Forum on Transparency and Exchange of Information for Tax Purposes.
Group Cash Value Insurance Contract	A Cash value insurance contract that: (1) provides coverage for individuals engaged through an employer, trade association, labor union, or any other association or group; and (2) dictates a bonus to be paid to each group member (or to each member of a category of the group), whereas the bonus shall be determined regardless of individual health characteristics aside from age, gender, individual smoking habits of the group (or the group category).
Group installment contract	An instalment contract in which the obligees are individuals engaged through an employer, trade association, labor union, or any other association or group.
Uniform industrial coding system	The coding system used to classify establishments by their type of activity for purposes other than tax purposes.
Documentary Evidence	Evidence defined in sub-paragraph (6) of paragraph (E) of section (VIII) of the Standard.
Unverified Account	A pre-existing account for which the Reporting Financial Institution is unable to obtain information from the owner.

Article (2)

Concerned financial institutions and accounts

1. The definitions and requirements related to reporting and due diligence stipulated in this resolution, the standard and the comments thereon shall apply to financial institutions residing in the State, with the exception of any branch located outside the State. They shall also apply to branches of non-resident financial institutions located in the States, as defined in paragraph (A) of section (VIII) of the Standard. These requirements shall apply neither to non-reporting financial institutions nor to excluded accounts, as defined in paragraph (B) and subparagraph (17) of paragraph (C) of section VIII of the Standard. They also shall not apply to financial institutions and accounts for which a decision is issued by the President.
2. For the purpose of applying the following provisions of the two paragraphs (B) And the(C) from section (VIII) of the Standard, relating to the definition of the two terms “Non-Reporting Financial Institutions” and “Financial Accounts”, the corresponding dates stated before each shall be adopted:

clause (b) of subparagraph (8) of paragraph (B) pertaining to eligible credit card issuing institutions	July 1st 2017
Subparagraph (10) of Paragraph (C) pertaining to new accounts	July 1st 2017
Subparagraph (14) of Paragraph (C) pertaining to low value accounts	June 30th 2017
Subparagraph (15) of paragraph (C) pertaining to high-value accounts	June 30th 2017
sub-clause (ii) of clause (f) of sub-paragraph (17) of clause (C) relating to deposit accounts	July 1st 2017

Article (3)

Due Diligence Procedures

1. Financial institutions shall perform all necessary procedures to identify accounts, payments and persons subject to reporting, including the processing of personal data, in accordance with the provisions of the Standard and Comments and taking into account the provisions of [Law No. \(13\) of 2016](#) on Personal Data Privacy Protection.
2. An account shall be deemed as a reportable account as of the date it is so designated, in accordance with the Due diligence procedures set out in sections II to VII of the Standard
3. Financial supervisory authorities may permit the reporting financial institutions to use service providers to fulfill, on their behalf, the due diligence obligations imposed thereon. Reporting financial institutions remain liable for fulfilling those obligations.
4. A Reporting Financial Institution may apply due diligence for new accounts to pre-existing accounts, and due diligence for high-value accounts to low-value accounts.
5. A reporting financial institution ,if it has in its records the current residence address of an individual low-value account holder, based on documentary evidence, may consider such holder as a resident in the country in which that address is located for tax purposes, in order to determine whether he or she is a reportable person.
6. For the purposes of identifying the controllers of the account holder, the financial institution may rely on the information collected and maintained in accordance with AML / KYC procedures.
7. The reporting financial institution may not rely on self-certificates or documentary evidence, if it believes or has reason to believe that the self-certification or documentary evidence is incorrect or unreliable.
8. The reporting financial institution may assume that a beneficiary (other than the owner) of a Cash value insurance contract or a yearly-installment contract who has collected death benefit to be a non-reportable person and to consider the account to be non-reportable, unless it knows ,or has reason to know, that the beneficiary is a reportable person.
9. A reporting financial institution may consider a financial account representing a member's share in a cash value group insurance contract or a group contract in instalments as a non-reportable financial account until the date on which the amount is due to the employee, certificate holder or beneficiary, if that account has met the following requirements:
 - a. the cash value group insurance contract or premium group contract is issued to the Employer and covers (25) twenty-five or more employees or certificate holders; or
 - b. that the employees or certificate holders are entitled to any contractual value relating to their shares and to designate the beneficiaries of the interest due upon the death of the employee; and
 - c. The total amount due to any employee, certificate holder or beneficiary shall not exceed (1,000,000\$) one million US dollars.
10. With respect to a pre-existing account of an entity, the reporting financial institution may use as documentary evidence any classification in its records with respect to the account holder that has been determined based on a unified industry coding system, and has been recorded by the financial institution in line with the normal business practices thereof for the purposes of AML / KYC procedures or for other regulatory purposes (other than tax purposes) implemented by the reporting financial institution prior to the date used to classify the financial account as pre-existing, provided that the reporting financial institution does not know, or has no reason to know, that such classification is incorrect or unreliable.

11. Reporting financial institutions may apply the limits set out in the standard in US dollars, with the equivalent amounts in Qatari Riyals.
 12. The financial institution, with respect to any investment entity described in (b) of subparagraph (6) of paragraph (A) of section (VIII) of the standard, and is not a financial institution of a Member State, shall do the following:
 - a. Identify the controlling person in that entity who is the account holder. For that purpose, the financial institution can rely on the information it collects and maintains in accordance with AML/KYC procedures; and
 - b. Determine whether the controlling person in that entity who is the account holder is a reportable person.

If the entity's account is a pre-existing account, the reporting financial institution can rely on information collected and maintained in accordance with AML / KYC procedures, if the total account balance or value does not exceed (1,000,000\$) one million US dollars; or a self-certification from the account holder or the controlling person of the country in which the controlling person resides for tax purposes.

If the entity's account is a new account, the reporting financial institution can rely on a self-certification from the account holder or controlling person.
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Article (4)

Financial Accounts Reporting

1. Each reporting financial institution shall, with respect to each account it has to report, report the information set forth in paragraph (A) of section (I) of the Standard.
 2. Reported information must specify the currency in which each amount is stated.
 3. Notwithstanding paragraph 1 of this Article, a Tax Identification Number need not be reported:
 - a. if the reporting country has not issued a tax identification number to it; or
 - b. If the domestic law of the reporting country does not require it to collect the tax identification number issued thereby
 4. Each Reporting Financial Institution must report information regarding accounts that are deemed to be Reportable Accounts annually prior to July 31 of the calendar year following the year to which that information relates
 5. Financial supervisory authorities may permit the reporting financial institutions to use service providers to fulfill, on their behalf, the reporting obligations imposed thereon. The Reporting financial institution remain liable for fulfilling those obligations
 6. The reporting financial institution, even if its activity is not regulated in the State, shall submit a declaration of the information provided for in paragraph 1 of this Article to the competent authority
 7. Financial institutions that do not maintain accounts to be reported during the reported calendar year must provide a declaration
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Article (5)

Preventing practices intended to circumvent reporting and due diligence procedures

1. The Competent Authority shall perform the supervision necessary to ensure that the Financial Institutions, persons or mediators do not carry any practices that aim to circumvent the standard.
2. More specifically, the following events and cases constitute a circumvention of the reporting requirements and the due diligence provided for in the Standard:
 - The case in which a financial institution advises a client to maintain an account with an Associated Entity in a non-member state in order to evade reporting the account, while providing services to the client and maintaining a relation therewith as if the account was maintained with the aforementioned Financial Institution.

- The event in which a reporting financial institution, individual, entity or mediator with the end-of-year sums, such as account balance, to avoid reporting;
 - The case in which a reporting financial institution deposits balances of individuals or entities' reportable accounts at a non-reporting financial institution or in an excluded account for a short period of time at the end of the year to avoid reporting;
 - The case in which a reporting financial institution intentionally fails to create any e-records so that searching the e-records will lead to no results, or maintains such records separately to avoid account aggregation.
3. The Competent Authority has the right to request from any reporting financial institution to provide information or clarifications regarding the reported Unverified Accounts. The reporting financial institution shall reply to the aforementioned request with fifteen (15) days from the notification date thereof.
If the reporting financial institution reports a huge number of Unverified Accounts in any year, or if the number of Unverified Accounts increases from one year to another, the Competent Authority may completely audit the due diligence procedures implemented by the reporting financial institution.
 4. The Competent Authority shall periodically review the reporting financial institution's compliance with the terms hereof, the Standard and the Comments. The Competent Authority may conduct the said audit either as a regular lookup or as a separate process.
 5. The Competent Authority shall periodically review the status of the non-reporting financial institution and the excluded accounts to ensure that the tax threats such institutions or accounts possess are weak and that they cannot be used for the purpose of tax evasion. The Competent Authority may conduct the said audit either as a regular lookup, a separate process or whenever information regarding changing the institution's activity or the nature of the account arises.
 6. The reporting financial institution, in the event it finds a person or mediator has adopted practices that aim at circumvention of the reporting procedures and the due diligence, under the standard, to ignore the arrangements that pertain to such purpose when determining the necessity of reporting. For the purpose of applying this article, the Competent Authority shall, when dictated, coordinate with the Supervisory Financial Authorities, each as concerned.
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Article (6)

Maintaining records and evidences.

1. Any reporting financial institution shall maintain records of the steps taken and any documentary evidence relied upon to perform the due diligence procedures set forth in this Standard, as defined in section VIII, paragraph E (6).
2. Any reporting financial institution must demonstrate that it has made reasonable efforts to obtain a Taxpayer Identification Number in respect of pre-existing accounts and must have a procedural manual describing appropriate reasonable efforts, policies and procedures in place.
3. Any reporting financial institution should not open a new account unless it receives a valid self-certification from the account holder or their representative.
4. The competent authority shall have the right to obtain from any reporting financial institution the records of the steps taken and any documentary evidence approved for the performance of the due diligence procedures stipulated in the standard.
5. The records and documentary evidence set forth in the preceding paragraph shall be available for a period of no less than (5) five years after the end of the period during which the Reporting Financial Institution must report the information required under the Standard.

6. The Competent Authority shall have the right to obtain the documents necessary for the implementation of this decision from the account holder or from any third party.
 7. The provisions of paragraphs (4),(5) and(6) of this Article shall apply in response to a request from other States for information under an agreement involving the exchange of information.
For the purpose of applying this article, the Competent Authority shall, when dictated, coordinate with the Supervisory Financial Authorities, each as concerned.
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Article (7)

Notwithstanding the maximum penalty stipulated in paragraph (8) of [Article \(24\)](#) of the aforementioned Income Tax Law, the President shall issue a list of the penalties that shall be imposed in the event of violation of any of the obligations stipulated in this resolution.

Article (8)

General Provisions

The President shall issue a resolution regarding each of the following:

1. The list of reporting states referred to in the Standard in subparagraph (4) of paragraph (D) of section (VIII) thereof;
 2. The list of Member States mentioned in the Standard in subparagraph (5) of paragraph (D) of section (VIII) thereof;
 3. List of non-reporting financial institutions not falling under paragraph (B) from section (VIII) of the standard;
 4. List of excluded accounts not falling under paragraph (C) of section (VIII) of the standard.
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Article (9)

Transitional Provisions

1. As an exception to the provisions of Paragraph (1) of [Article \(5\)](#) Of this Resolution, and with respect to the year 2017, the total revenues provided for in Clause (b) of subparagraph (5) of paragraph (A) from section (I) of the Standard need not be reported.
2. If the pre-existing Individual Account was not a High Value Account on June 30, 2017, but became a High Value Account on the last day of any subsequent calendar year, the Reporting Financial Institution must complete the enhanced audit procedures described in paragraph (C) from section (III) of the Standard in respect of that account no later than the end of the calendar year following the year in which the account became a high-value account. A reporting financial institution shall, if that account is determined, on the basis of that audit to be a reportable account, report the required information regarding that account in respect of the year in which the account is determined to be a reportable account and subsequent years, on an annual basis, unless the account holder becomes a non-reportable person.
3. A pre-existing low-value individual audit must be completed before June 30, 2019, and reported before July 31, 2019.

4. Unless the reporting financial institution decides otherwise, and whether in respect of all pre-existing accounts of entities, or in respect of any clearly identified group of such accounts, no pre-existing account of an entity whose total balance or value does not exceed \$250,000 as at 30 June 2017 shall be audited, identified or reported as a reportable account, unless its total balance or value exceeds \$250,000 on the last day of any subsequent calendar year.
 5. An audit of pre-existing accounts is for entities whose total balance or value exceeds \$250,000 on June 30, 2017, or whose total balance or value exceeds that amount on the last day of any subsequent calendar year, in accordance with paragraph (D) from section (V) from the Common Reporting Standard.
 6. Auditing the pre-existing accounts of entities whose total balance or value exceeds \$250,000 must be completed on June 30, 2017 before June 30, 2019, and reported before July 31, 2019.
 7. Auditing the pre-existing accounts of entities whose total balance or value does not exceed \$250,000 must be completed on June 30, 2017, but exceeded \$250,000 on the last day of any subsequent calendar year, before June 30 of the calendar year following the year in which the stated limit was exceeded, and reported before July 31 of the same year.
 8. With regard to information on accounts related to the year 2017, unless the financial institution has fulfilled its reporting and due diligence obligations in accordance with the provisions in force prior to the entry into force of this resolution, it shall be obliged to report and exercise due diligence regarding such information, in accordance with the provisions of this resolution.
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Article (10)

Enforceability

All competent authorities, each within its jurisdiction, shall implement this decision. It shall come into force from the date of its issuance thereof. Published in the Official Gazette.

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