

eNews - February 6, 2014

STEP Canada Tax Technical Committee



On February 5, 2014, the Canadian government announced that it has signed an intergovernmental agreement ("IGA") with the US regarding the US Foreign Account Tax Compliance Act ("FATCA"). Under the terms of FATCA, Canadian financial institutions would be required to report directly to the US Internal Revenue Service information regarding accounts held by US taxpayers starting on July 1, 2014, the date on which the IGA is proposed to become effective. On that date, without the IGA, obligations to comply with FATCA would have been unilaterally and automatically imposed on Canadian financial institutions and their clients. Draft legislation to implement the agreement has been released for public comment by March 10, 2014.

Further details can be found on the following Department of Finance links:

Information Exchange Agreement Signed Between Canada and the United States

<http://www.fin.gc.ca/treaties-conventions/notices/fatca-eng.asp>

Signature d'un accord d'échange de renseignements entre le Canada et les

États-Unis <http://www.fin.gc.ca/treaties-conventions/notices/fatca-fra.asp>

About STEP Canada:

The Society of Trust and Estate Practitioners is the leading international organization for trust and estates professionals. Headquartered in London, England, it has more than 16,500 members worldwide in 66 countries.

STEP Canada, founded in 1998, has almost 2,000 members with branches in the following cities and regions: Atlantic, Montreal, Ottawa, Toronto, Winnipeg, Calgary, Edmonton, Vancouver and a Chapter in London & Southwestern Ontario.

STEP is a multi-disciplinary organization with the most experienced and senior practitioners in the field, including:

lawyers, accountants, financial planners, insurance advisors and trust professionals. They provide domestic and international advice on trust and estates, including planning, administration and related taxes.

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