Credia Pantelakis

FATCA – FREEQUENTLY ASKED QUESTIONS

What is FATCA?

Foreign Account Tax Compliance Act or as broadly known "FATCA" are the regulations designed by the USA tax authorities (Internal Revenue Service "IRS"), aiming to tackle the tax evasion of the US persons investing in accounts outside the U.S

When will FATCA come into effect?

From 1st July 2014

To whom does FATCA apply?

To all natural, legal persons or entities that would be classified as US Persons – US Owned Foreign Entities according to FATCA.

Who belongs to these categories?

A US PERSON is considered among other things a) any natural person resident in the United States, or considered a U.S. resident for tax purposes, or is a Green Card holder b) any legal person or entity having its registered office or establishment in the USA, acts in accordance with the U.S. Law, has a US postal address or has some business activities in the USA.

US Owned Foreign Entity is any Legal entity that has a) substantial shareholders or b) controlling persons that have been characterized as US persons.

In what way does it affect us?

The regulation that comes into effect, requires Foreign Financial Institutions (FFIs) to report information on accounts and investment activities that belong to clients classified as US persons having accounts that exceed a aggregated balance of $ 50,000 (US dollars).The same obligation will apply for any account that remain uncategorised according to FATCA, that the account holder fails to comply with requests by the FFI for the documentation or information that is required to determine the status of the account.

Entities and investors who do not comply with the requirement of providing a documented tax classification will suffer a penalty in the form of a 30% withholding taxation in the income deriving from USA investments.

CrediaPantelakis Securities S.A. and its registration to FATCA.

Following the agreement in substance between Greece and USA on 30 November 2014 in which Greece was included in the relative Internal Revenue Service (IRS) list of countries, our company is registered with the IRS as Registered Deemed-Compliant Financial Institution (including a Reporting Financial Institution under a Model 1 IGA).

In the following link http://www.irs.gov/Businesses/Corporations/FATCA-Foreign-Financial-Institution-List-Search-and-Download-Tool you can find the list of registered FFIs that has been published by the IRS. This list will be renewed on a monthly basis.

Are there any actions that I should do?

Credia Pantelakis, following the IRS time schedule, will categorise clients according to FATCA. Our Client Service Team or your Relationship Manager will contact you, only in case we miss any necessary information or documentation, thus preventing us from being able to correctly categorise and document following FATCA regulations.