

Frequently Asked Questions (FAQs)

No	Questions	Answer
1.	What is FATCA?	<p>The FATCA (Foreign Account Tax Compliance Act) is a law instituted in the United States ("U.S.") requiring financial institutions outside of the US to disclose tax and financial information of the US taxpayer. FATCA aims at reducing tax evasion by US persons. You may find further information on FATCA at https://www.irs.gov/businesses/corporations/foreign-account-tax-compliance-act-fatca</p> <p>The Malaysia-United States (US) Intergovernmental Agreement (IGA) was signed on 21 July 2021 to improve tax transparency and to implement the Foreign Account Tax Compliance Act (FATCA).</p>
2.	What is CRS?	<p>The Common Reporting Standard ("CRS") is an internationally agreed standard for information-gathering and reporting requirement for financial institutions. The main objective of CRS is to help tax authorities around the world to identify tax payers who have kept their money with financial institutions outside the jurisdiction of their tax residency and such information has not been disclosed to the tax authorities. You may find further information on CRS at http://www.oecd.org/tax/automatic-exchange/</p> <p>The CRS rules in Malaysia have been included in the Income Tax (Automatic Exchange of Financial Account Information) Rules 2016 which were gazetted on 23 December 2016 and effective from 1 January 2017. All financial institutions are expected to start implementing the CRS from 1 July 2017.</p>
3.	How does FATCA & CRS work?	<p>Both FATCA and CRS requires financial institutions to capture their customer's foreign tax residency and report the customers' financial accounts to the local tax authority i.e Inland Revenue Board of Malaysia ("IRBM"). The IRBM is expected to exchange this information with the U.S tax authority and relevant tax authority in a participating jurisdiction. Please note each financial institution approach in adopting the FATCA and CRS requirements may differ.</p>

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4.	What is required from me or my organisation?	You are required to complete the FATCA and CRS Self-Certification form. This form must be submitted together with the Controlling Person Self-Certification Form, depending on your FATCA and CRS status.
5.	What is a Self-Certification form?	<p>Self-certification is the process whereby a Financial Institution request their Account Holders to provide details about themselves in order to determine the country/countries in which they are tax resident.</p> <p>MUFG Bank (Bank) is required to collect these information from account holder under both FATCA and CRS requirements to allow the Bank to determine whether account holder details need to be reported under FATCA and/or CRS.</p>
6.	How do I determine my country(ies) of tax residency?	This will depend on which jurisdiction you have your tax obligation with. If you have specific questions regarding your tax residency, please consult with your tax or legal Advisor. MUFG Bank (Malaysia) Berhad does not provide any tax advice.
7.	What happens if my personal/ organisation details change?	It is your responsibility to ensure the personal data that we hold for you is correct and up to date. If any of your personal details required in the self-certification form is changed which affect your tax residency status or cause the information held to become incorrect, you must undertake to advise the Bank and to provide a suitable updated self-certification and declaration within 90 days of such a change.
8.	Are there any consequences for incorrect certification?	Yes. It is an offence under section 113A of the Malaysia Income Tax Act, 1967 if any person provides incorrect information in the Self-Certification Form. Such offence is punishable with a fine (between RM20,000 and RM100,000) or imprisonment (for a term not exceeding 6 months) or both.