

Domiciled abroad for tax purposes

In order to prevent international tax evasion, banks and other financial institutions must identify all customers who are domiciled abroad for tax purposes. This applies to both natural and legal persons.

Under the Swedish Tax Procedures Act and agreements between Sweden and other countries, the bank must submit information about its customers' financial assets and incomes to the Swedish Tax Agency. In turn, the Swedish Tax Agency forwards this information to the tax authority in the country where the customer is domiciled for tax purposes.

Common Reporting Standard

In order to ensure that this information is submitted in a consistent manner, there is a global standard for the automatic exchange of information about financial accounts, known as the Common Reporting Standard, or CRS for short.

This means that the banks must identify financial accounts held by customers domiciled for tax purposes outside Sweden and the USA. CRS has been implemented in Swedish law and came into effect on 1 January 2016.

Reporting to the Swedish Tax Agency

The bank reports the following information about each account to the Swedish Tax Agency:

- Balance or value of deposit accounts, custodial accounts, insurance accounts and investment accounts.
- Information about interest income, dividends and other returns in the gross amount, such as from the sale of shares, mutual fund holdings and other securities and redemptions.

Taxpayer identification number

A customer who is domiciled abroad for tax purposes must provide their foreign taxpayer identification number to the bank. This taxpayer identification number shall comprise a unique combination of letters and/or numbers that countries issue to natural and legal persons in order to identify them as taxpayers.

There are only a few exceptional cases where some countries do not issue such a number.



Report every year

As from tax year 2017, the banks will submit information for all customers who are domiciled abroad for tax purposes or who do not respond to the bank's enquiries about domicile for tax purposes.

All persons that the bank reports to the Swedish Tax Agency under CRS will receive details of the information that has been reported.

Persons liable to pay tax in the USA – FATCA

Persons who are liable to pay tax in the USA are administered and reported under separate regulations – FATCA (Foreign Account Tax Compliance Act). Such persons are generally not encompassed by CRS. See the fact sheet about FATCA on the Swedish Bankers' Association's website www.swedishbankers.se.

More information

If you are unsure about your domicile for tax purposes, please contact the Swedish Tax Agency or the tax authority in the concerned country.



Svenska Bankföreningen
Swedish Bankers' Association

www.swedishbankers.se