WATAF TRAINING ON INTERNATIONAL COOPERATION FOR TAXING HNI’S

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COMBINED ACTIONS

INTERNACIONAL COOPERATION + VOLUNTARY DISCLOSURE
2007 – “Tax Information Exchange Agreement” TIEA

- Bilateral Agreement

- allows the exchange of any taxpayers data between our tax administration and the IRS

- The agreement faced strong resistance for its approval

- 2013 Congress ratified the agreement
Treaties and Agreements

FATCA – *Foreign Account Tax Compliance Act*

- 2014 USA Brazil and USA signed an agreement
- 2015 Congress ratified the agreement with the legislative decree
- 2016 e-Financeira system to enable automatic multilateral exchange of financial information
Treaties and agreements

2018 CRS – Common Report Standard
- multilateral agreement for automatic exchange of information
- OECD
- Signed by 110 countries
Treaties and agreements

2019 - Multilateral information exchange (e-financeira)

- We received 860,000 bank accounts informations from 95 countries
- 60,000 bank accounts information from USA
- We sended bank account information to 63 countries
Programme Voluntary Disclosure

- 30% of the total amount of the assets
- financial assets must have lawful sources
- U$ 29 billion in assets
- U$ 9 billion on tax revenue
- no criminal prosecution on tax offences
2017 Project Hook

- FATCA/TIEA
- cross-check information: Voluntary Disclosure Programme with financial information automatically received from the IRS
- IRS information: 22,736 brazilian citizens and 2,544 companies had an income of more than $300 million dollars in 2014.
- identified 915 brazilian citizens who had more than 500 thousand dollars in a year on incomes.
- 638 did not declare those incomes
- removed from the list the ones who joined the voluntary disclosure programme
Project Hook

- TIEA-TAX INFORMATION EXCHANGE AGREEMENT: complete information about brazilian citizens left on our list

- Voluntary disclosure: U$3 million

- tax notice: U$4 million
THE END