

ANTIGUA AND BARBUDA



**FOREIGN ACCOUNT TAX COMPLIANCE ACT (UNITED STATES OF
AMERICA) (IMPLEMENTATION AND ENFORCEMENT OF INTER-
GOVERNMENTAL AGREEMENT) ACT, 2017**

No. 2 of 2017

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ANTIGUA AND BARBUDA

FOREIGN ACCOUNT TAX COMPLIANCE ACT (UNITED STATES OF AMERICA) (IMPLEMENTATION AND ENFORCEMENT OF INTER-GOVERNMENTAL AGREEMENT) ACT, 2017

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[L.S.]



I Assent,


Governor-General.

25/03/2017, 2017.

ANTIGUA & BARBUDA

FOREIGN ACCOUNT TAX COMPLIANCE ACT (UNITED STATES OF AMERICA) (IMPLEMENTATION AND ENFORCEMENT OF INTER-GOVERNMENTAL AGREEMENT) ACT, 2017

No. 2 of 2017

AN ACT to make provision for authorising the enforcement of the obligations of Antigua and Barbuda under an inter-governmental agreement for cooperation to facilitate the implementation of the Foreign Account Tax Compliance Act (United States of America).

ENACTED by the Parliament of Antigua and Barbuda as follows:

1. Short title and commencement

(1) This Act may be cited as the Foreign Account Tax Compliance Act (United States of America) (Implementation and Enforcement) Act, 2017.

(2) This Act comes into operation at 11:59pm on the 31st December, 2016

2. Interpretation

In this Act, unless the context otherwise requires:

“Agreement” means the Inter-governmental Agreement between the Government of Antigua and Barbuda and Government of The United States of America to improve international Tax compliance and to implement FATCA, as set out in the Schedule;

“Competent Authority” means the Commissioner of Inland Revenue;

“Contracting parties” means the parties to the Agreement as set out in the Schedule;

“Financial institution” means a reporting financial institution or a person who carries on business in Antigua and Barbuda as:

- (a) a custodial institution;
- (b) **“Court”** means the Eastern Caribbean Supreme Court;
- (c) **“FATCA”** means the Act commonly known as the Foreign Account Tax Compliance Act enactment in the United States called the Hiring Incentives to Restore Employment Act.
- (d) **“reportable account”** means reportable account as set out in the Schedule.

3. Articles of Agreement to have the force of law

The Articles of the Agreement shall have the force of law in Antigua and Barbuda.

4. Amendment of Agreement

Where an amendment to the Agreement is accepted by both the Government of Antigua and Barbuda and the Government of the United States of America, the Minister of Finance may amend the Schedule for the purpose of including the amendments.

5. Competent Authority to exercise powers and authorities

- (1) The Commissioner of Inland Revenue is hereby designated the Competent Authority.

(2) The Competent Authority shall exercise his or her functions acting alone, or through a person designated by the Competent Authority to Act on his behalf in an administrative capacity.

(3) The Competent Authority may exercise all powers vested in him hereunder—

- (a) to administer and process any request made under the Agreement;
- (b) for the rendering of reciprocal assistance to facilitate the administration of the Agreement.

(4) Without prejudice to the generality of subsection (1), the Competent Authority may request a financial institution to furnish to him at a time and in manner as the Competent Authority may determine information and data as he may require for the proper discharge of his functions and responsibilities under the Agreement.

(5) Notwithstanding, any other law relating to confidentiality or secrecy of the Laws of Antigua and Barbuda, a financial institution may communicate or allow to be communicated any information required to be disclosed to or by the Competent Authority under the Agreement except the same is prohibited by an order of a court of competent jurisdiction in Antigua and Barbuda.

(6) A financial institution which refuses to or fails, without lawful excuse, to provide any information requested under this section commits an offence and is liable on summary conviction to fine of Twenty-seven Thousand Dollars.

(7) A financial institution is liable to penalty of Twenty-seven Thousand Dollars if, without lawful excuse, it fails to provide accurate information, as requested under subsection (4).)

6. Compliance officer to identify reportable accounts

(1) In relation to all financial institutions, the financial institution shall appoint a Compliance Officer who shall be responsible for maintaining arrangements that are designed to identify reportable accounts

(2) The financial institution shall be taken to have complied with this obligation only if the arrangements meet the due diligence requirements set out in the Schedule of the Agreement.

7. Confidentiality

(1) Subject to this section, the Competent Authority and any person employed in carrying out the provisions of or having any official duty under the Agreement shall regard and deal with as confidential-

- (a) all documents and information relation to any person, and
- (b) all confidential information

With respect to the administration of the Agreement, which may come into his possession or to his knowledge in the course of the performance of his duties

(2) The obligation as to confidentially imposed by this section continues to apply to a person despite him having ceased to be appointed under or employed in carrying out the provisions of the Agreement.

(3) A person who discloses or divulges any information or produces any document in contravention of this section commits an offence and is liable on summary conviction to fine of Thirteen Thousand Five Hundred Dollars or One year imprisonment.

(4) Nothing in this section applies to the disclosure of any confidential information to a person to whom disclosure is necessary for the purposes of the Agreement.

8. Restrictions on use of information provided

The Competent Authority shall not consent to the use or transmission by the Government of the United States of America of information provided under this Act or Agreement for purposes, investigations or proceedings other than those stated in the Agreement, unless the transmission or use is authorised by the Court.

9. Costs

The Competent Authorities of the Contracting Parties to the Agreement may agree on the incidence of costs arising out of a request for the exchange of information

10. Immunity from suit

(1) The Competent Authority or a person acting under his authority who discloses confidential information in compliance with section 5 does not commit an offence under any other confidentiality or secrecy of the laws of Antigua and Barbuda by reason of such the disclosure.

(2) A disclosure referred to in subsection (1) is not a breach of a confidential relationship between the person who discloses the information and any other person, and no civil claim or action whatsoever lies against the person making the disclosure by reason of the disclosure

11. Regulations

(1) The Minister of Finance may make Regulations to give effect to the provisions of this Act and the Agreement.

(2) The Foreign Account Tax Compliance Act (United States of America) (Implementation and Enforcement of Inter-governmental Agreement) (Antigua and Barbuda) Regulations 2017 are deemed to have been passed pursuant to this section.

SCHEDULE

(Section 2)

Agreement between the Government of the United States of America and the Government of Antigua and Barbuda to Improve International Tax Compliance and to Implement FATCA signed at U S Embassy Bridgetown, Barbados on the 22nd day of September, 2016 and at the Office of the Attorney General St. John's, Antigua on the 27th day of September, 2016.

Agreement between the Government of Antigua and Barbuda and the Government of the United States of America to Improve International Tax Compliance and to Implement FATCA

Whereas, the Government of Antigua and Barbuda and the Government of the United States of America (each, a "Party," and together, the "Parties") desire to conclude an agreement to improve international tax compliance;

Whereas, the United States of America enacted provisions commonly known as the Foreign Account Tax Compliance Act ("FATCA"), which introduce a reporting regime for financial institutions with respect to certain accounts;

Whereas, the Government of Antigua and Barbuda is supportive of the underlying policy goal of FATCA to improve tax compliance;

Whereas, FATCA has raised a number of issues, including that Antigua and Barbuda financial institutions may not be able to comply with certain aspects of FATCA due to domestic legal impediments;

Whereas, an intergovernmental approach to FATCA implementation would address legal impediments and reduce burdens for Antigua and Barbuda financial institutions;

Whereas, the Parties desire to conclude an agreement to improve international tax compliance and provide for the implementation of FATCA based on domestic reporting and automatic exchange, subject to the confidentiality and other protections provided for herein, including the provisions limiting the use of the information exchanged;

Now, therefore, the Parties have agreed as follows:

**Article 1
Definitions**

1. For purposes of this agreement and any annexes thereto (the "Agreement"), the following terms shall have the meanings set forth below:

- a) The term "United States" means the United States of America, including the States thereof, but does not include the U.S. Territories. Any reference to a "State" of the United States includes the District of Columbia.
- b) The term "U.S. Territory" means American Samoa, the Commonwealth of the Northern Mariana Islands, Guam, the Commonwealth of Puerto Rico, or the U.S. Virgin Islands.
- c) The term "IRS" means the U.S. Internal Revenue Service.
- d) The term "Antigua and Barbuda" means Antigua and Barbuda.

- e) The term “**Partner Jurisdiction**” means a jurisdiction that has in effect an agreement with the United States to facilitate the implementation of FATCA. The IRS shall publish a list identifying all Partner Jurisdictions.
- f) The term “**Competent Authority**” means:
 - (1) in the case of the United States, the Secretary of the Treasury or his delegate; and
 - (2) in the case of Antigua and Barbuda, the Inland Revenue Department.
- g) The term “**Financial Institution**” means a Custodial Institution, a Depository Institution, an Investment Entity, or a Specified Insurance Company.
- h) The term “**Custodial Institution**” means any Entity that holds, as a substantial portion of its business, financial assets for the account of others. An entity holds financial assets for the account of others as a substantial portion of its business if the entity’s gross income attributable to the holding of financial assets and related financial services equals or exceeds 20 percent of the entity’s gross income during the shorter of: (i) the three-year period that ends on December 31 (or the final day of a non-calendar year accounting period) prior to the year in which the determination is being made; or (ii) the period during which the entity has been in existence.
- i) The term “**Depository Institution**” means any Entity that accepts deposits in the ordinary course of a banking or similar business.
- j) The term “**Investment Entity**” means any Entity that conducts as a business (or is managed by an entity that conducts as a business) one or more of the following activities or operations for or on behalf of a customer:
 - (1) trading in money market instruments (cheques, bills, certificates of deposit, derivatives, etc.); foreign exchange; exchange, interest rate and index instruments; transferable securities; or commodity futures trading;
 - (2) individual and collective portfolio management; or
 - (3) otherwise investing, administering, or managing funds or money on behalf of other persons.

This subparagraph 1(j) shall be interpreted in a manner consistent with similar language set forth in the definition of “financial institution” in the Financial Action Task Force Recommendations.

- k) The term “**Specified Insurance Company**” means any Entity that is an insurance company (or the holding company of an insurance company) that issues, or is obligated to make payments with respect to, a Cash Value Insurance Contract or an Annuity Contract.

- l) The term “**Antigua and Barbuda Financial Institution**” means (i) any Financial Institution organized under the laws of Antigua and Barbuda, but excluding any branch of such Financial Institution that is located outside Antigua and Barbuda, and (ii) any branch of a Financial Institution not organized under the laws of Antigua and Barbuda, if such branch is located in Antigua and Barbuda.
- m) The term “**Partner Jurisdiction Financial Institution**” means (i) any Financial Institution established in a Partner Jurisdiction, but excluding any branch of such Financial Institution that is located outside the Partner Jurisdiction, and (ii) any branch of a Financial Institution not established in the Partner Jurisdiction, if such branch is located in the Partner Jurisdiction.
- n) The term “**Reporting Antigua and Barbuda Financial Institution**” means any Antigua and Barbuda Financial Institution that is not a Non-Reporting Antigua and Barbuda Financial Institution.
- o) The term “**Non-Reporting Antigua and Barbuda Financial Institution**” means any Antigua and Barbuda Financial Institution, or other Entity resident in Antigua and Barbuda, that is described in Annex II as a Non-Reporting Antigua and Barbuda Financial Institution or that otherwise qualifies as a deemed-compliant FFI or an exempt beneficial owner under relevant U.S. Treasury Regulations in effect on the date of signature of this Agreement.
- p) The term “**Nonparticipating Financial Institution**” means a nonparticipating FFI, as that term is defined in relevant U.S. Treasury Regulations, but does not include an Antigua and Barbuda Financial Institution or other Partner Jurisdiction Financial Institution other than a Financial Institution treated as a Nonparticipating Financial Institution pursuant to subparagraph 3(b) of Article 5 of this Agreement or the corresponding provision in an agreement between the United States and a Partner Jurisdiction.
- q) The term “**Financial Account**” means an account maintained by a Financial Institution, and includes:
 - (1) in the case of an Entity that is a Financial Institution solely because it is an Investment Entity, any equity or debt interest (other than interests that are regularly traded on an established securities market) in the Financial Institution;
 - (2) in the case of a Financial Institution not described in subparagraph 1(q)(1) of this Article, any equity or debt interest in the Financial Institution (other than interests that are regularly traded on an established securities market), if (i) the value of the debt or equity interest is determined, directly or indirectly, primarily by reference to assets that give rise to U.S. Source Withholdable Payments, and (ii) the class of interests was established with a purpose of avoiding reporting in accordance with this Agreement; and
 - (3) any Cash Value Insurance Contract and any Annuity Contract issued or

maintained by a Financial Institution, other than a noninvestment-linked, nontransferable immediate life annuity that is issued to an individual and monetizes a pension or disability benefit provided under an account that is excluded from the definition of Financial Account in Annex II.

Notwithstanding the foregoing, the term "Financial Account" does not include any account that is excluded from the definition of Financial Account in Annex II. For purposes of this Agreement, interests are "regularly traded" if there is a meaningful volume of trading with respect to the interests on an ongoing basis, and an "established securities market" means an exchange that is officially recognized and supervised by a governmental authority in which the market is located and that has a meaningful annual value of shares traded on the exchange. For purposes of this subparagraph 1(q), an interest in a Financial Institution is not "regularly traded" and shall be treated as a Financial Account if the holder of the interest (other than a Financial Institution acting as an intermediary) is registered on the books of such Financial Institution. The preceding sentence will not apply to interests first registered on the books of such Financial Institution prior to July 1, 2014, and with respect to interests first registered on the books of such Financial Institution on or after July 1, 2014, a Financial Institution is not required to apply the preceding sentence prior to January 1, 2016.

- r) The term "**Depository Account**" includes any commercial, checking, savings, time, or thrift account, or an account that is evidenced by a certificate of deposit, thrift certificate, investment certificate, certificate of indebtedness, or other similar instrument maintained by a Financial Institution in the ordinary course of a banking or similar business. A Depository Account also includes an amount held by an insurance company pursuant to a guaranteed investment contract or similar agreement to pay or credit interest thereon.
- s) The term "**Custodial Account**" means an account (other than an Insurance Contract or Annuity Contract) for the benefit of another person that holds any financial instrument or contract held for investment (including, but not limited to, a share or stock in a corporation, a note, bond, debenture, or other evidence of indebtedness, a currency or commodity transaction, a credit default swap, a swap based upon a nonfinancial index, a notional principal contract, an Insurance Contract or Annuity Contract, and any option or other derivative instrument).
- t) The term "**Equity Interest**" means, in the case of a partnership that is a Financial Institution, either a capital or profits interest in the partnership. In the case of a trust that is a Financial Institution, an Equity Interest is considered to be held by any person treated as a settlor or beneficiary of all or a portion of the trust, or any other natural person exercising ultimate effective control over the trust. A Specified U.S. Person shall be treated as being a beneficiary of a foreign trust if such Specified U.S. Person has the right to receive directly or indirectly (for example, through a nominee) a mandatory distribution or may receive, directly or indirectly, a discretionary distribution from the trust.

- u) The term “Insurance Contract” means a contract (other than an Annuity Contract) under which the issuer agrees to pay an amount upon the occurrence of a specified contingency involving mortality, morbidity, accident, liability, or property risk.
- v) The term “Annuity Contract” means a contract under which the issuer agrees to make payments for a period of time determined in whole or in part by reference to the life expectancy of one or more individuals. The term also includes a contract that is considered to be an Annuity Contract in accordance with the law, regulation, or practice of the jurisdiction in which the contract was issued, and under which the issuer agrees to make payments for a term of years.
- w) The term “Cash Value Insurance Contract” means an Insurance Contract (other than an indemnity reinsurance contract between two insurance companies) that has a Cash Value greater than \$50,000.
- x) The term “Cash Value” means the greater of (i) the amount that the policyholder is entitled to receive upon surrender or termination of the contract (determined without reduction for any surrender charge or policy loan), and (ii) the amount the policyholder can borrow under or with regard to the contract. Notwithstanding the foregoing, the term “Cash Value” does not include an amount payable under an Insurance Contract as:
 - (1) a personal injury or sickness benefit or other benefit providing indemnification of an economic loss incurred upon the occurrence of the event insured against;
 - (2) a refund to the policyholder of a previously paid premium under an Insurance Contract (other than under a life insurance contract) due to policy cancellation or termination, decrease in risk exposure during the effective period of the Insurance Contract, or arising from a redetermination of the premium due to correction of posting or other similar error; or
 - (3) a policyholder dividend based upon the underwriting experience of the contract or group involved.
- y) The term “U.S. Reportable Account” means a Financial Account maintained by a Reporting Antigua and Barbuda Financial Institution and held by one or more Specified U.S. Persons or by a Non-U.S. Entity with one or more Controlling Persons that is a Specified U.S. Person. Notwithstanding the foregoing, an account shall not be treated as a U.S. Reportable Account if such account is not identified as a U.S. Reportable Account after application of the due diligence procedures in Annex I.
- z) The term “Account Holder” means the person listed or identified as the holder of a Financial Account by the Financial Institution that maintains the account. A person, other than a Financial Institution, holding a Financial

Account for the benefit or account of another person as agent, custodian, nominee, signatory, investment advisor, or intermediary, is not treated as holding the account for purposes of this Agreement, and such other person is treated as holding the account. For purposes of the immediately preceding sentence, the term "Financial Institution" does not include a Financial Institution organized or incorporated in a U.S. Territory. In the case of a Cash Value Insurance Contract or an Annuity Contract, the Account Holder is any person entitled to access the Cash Value or change the beneficiary of the contract. If no person can access the Cash Value or change the beneficiary, the Account Holder is any person named as the owner in the contract and any person with a vested entitlement to payment under the terms of the contract. Upon the maturity of a Cash Value Insurance Contract or an Annuity Contract, each person entitled to receive a payment under the contract is treated as an Account Holder.

- aa) The term "U.S. Person" means a U.S. citizen or resident individual, a partnership or corporation organized in the United States or under the laws of the United States or any State thereof, a trust if (i) a court within the United States would have authority under applicable law to render orders or judgments concerning substantially all issues regarding administration of the trust, and (ii) one or more U.S. persons have the authority to control all substantial decisions of the trust, or an estate of a decedent that is a citizen or resident of the United States. This subparagraph 1(aa) shall be interpreted in accordance with the U.S. Internal Revenue Code.
- bb) The term "Specified U.S. Person" means a U.S. Person, other than: (i) a corporation the stock of which is regularly traded on one or more established securities markets; (ii) any corporation that is a member of the same expanded affiliated group, as defined in section 1471(e)(2) of the U.S. Internal Revenue Code, as a corporation described in clause (i); (iii) the United States or any wholly owned agency or instrumentality thereof; (iv) any State of the United States, any U.S. Territory, any political subdivision of any of the foregoing, or any wholly owned agency or instrumentality of any one or more of the foregoing; (v) any organization exempt from taxation under section 501(a) of the U.S. Internal Revenue Code or an individual retirement plan as defined in section 7701(a)(37) of the U.S. Internal Revenue Code; (vi) any bank as defined in section 581 of the U.S. Internal Revenue Code; (vii) any real estate investment trust as defined in section 856 of the U.S. Internal Revenue Code; (viii) any regulated investment company as defined in section 851 of the U.S. Internal Revenue Code or any entity registered with the U.S. Securities and Exchange Commission under the Investment Company Act of 1940 (15 U.S.C. 80a-64); (ix) any common trust fund as defined in section 584(a) of the U.S. Internal Revenue Code; (x) any trust that is exempt from tax under section 664(c) of the U.S. Internal Revenue Code or that is described in section 4947(a)(1) of the U.S. Internal Revenue Code; (xi) a dealer in securities, commodities, or derivative financial instruments (including notional principal contracts, futures, forwards, and options) that is registered as such under the laws of the United States or any State; (xii) a broker as defined in section 6045(c) of the U.S. Internal Revenue Code; or (xiii) any tax-exempt trust

under a plan that is described in section 403(b) or section 457(g) of the U.S. Internal Revenue Code.

- cc) The term "Entity" means a legal person or a legal arrangement such as a trust.
- dd) The term "Non-U.S. Entity" means an Entity that is not a U.S. Person.
- ee) The term "U.S. Source Withholdable Payment" means any payment of interest (including any original issue discount), dividends, rents, salaries, wages, premiums, annuities, compensations, remunerations, emoluments, and other fixed or determinable annual or periodical gains, profits, and income, if such payment is from sources within the United States. Notwithstanding the foregoing, a U.S. Source Withholdable Payment does not include any payment that is not treated as a withholdable payment in relevant U.S. Treasury Regulations.
- ff) An Entity is a "Related Entity" of another Entity if either Entity controls the other Entity, or the two Entities are under common control. For this purpose control includes direct or indirect ownership of more than 50 percent of the vote or value in an Entity. Notwithstanding the foregoing, Antigua and Barbuda may treat an Entity as not a Related Entity of another Entity if the two Entities are not members of the same expanded affiliated group as defined in section 1471(e)(2) of the U.S. Internal Revenue Code.
- gg) The term "U.S. TIN" means a U.S. federal taxpayer identifying number.
- hh) The term "Controlling Persons" means the natural persons who exercise control over an Entity. In the case of a trust, such term means the settlor, the trustees, the protector (if any), the beneficiaries or class of beneficiaries, and any other natural person exercising ultimate effective control over the trust, and in the case of a legal arrangement other than a trust, such term means persons in equivalent or similar positions. The term "Controlling Persons" shall be interpreted in a manner consistent with the Financial Action Task Force Recommendations.

2. Any term not otherwise defined in this Agreement shall, unless the context otherwise requires or the Competent Authorities agree to a common meaning (as permitted by domestic law), have the meaning that it has at that time under the law of the Party applying this Agreement, any meaning under the applicable tax laws of that Party prevailing over a meaning given to the term under other laws of that Party.

Article 2

Obligations to Obtain and Exchange Information with Respect to U.S. Reportable Accounts

1. Subject to the provisions of Article 3 of this Agreement, Antigua and Barbuda shall obtain the information specified in paragraph 2 of this Article with respect to all U.S. Reportable Accounts and shall annually exchange this information with the United States on an automatic basis.

2. The information to be obtained and exchanged with respect to each U.S. Reportable Account of each Reporting Antigua and Barbuda Financial Institution is:

- a) the name, address, and U.S. TIN of each Specified U.S. Person that is an Account Holder of such account and, in the case of a Non-U.S. Entity that, after application of the due diligence procedures set forth in Annex I, is identified as having one or more Controlling Persons that is a Specified U.S. Person, the name, address, and U.S. TIN (if any) of such entity and each such Specified U.S. Person;
- b) the account number (or functional equivalent in the absence of an account number);
- c) the name and identifying number of the Reporting Antigua and Barbuda Financial Institution;
- d) the account balance or value (including, in the case of a Cash Value Insurance Contract or Annuity Contract, the Cash Value or surrender value) as of the end of the relevant calendar year or other appropriate reporting period or, if the account was closed during such year, immediately before closure;
- e) in the case of any Custodial Account:
 - (1) the total gross amount of interest, the total gross amount of dividends, and the total gross amount of other income generated with respect to the assets held in the account, in each case paid or credited to the account (or with respect to the account) during the calendar year or other appropriate reporting period; and
 - (2) the total gross proceeds from the sale or redemption of property paid or credited to the account during the calendar year or other appropriate reporting period with respect to which the Reporting Antigua and Barbuda Financial Institution acted as a custodian, broker, nominee, or otherwise as an agent for the Account Holder;
- f) in the case of any Depository Account, the total gross amount of interest paid or credited to the account during the calendar year or other appropriate reporting period; and
- g) in the case of any account not described in subparagraph 2(e) or 2(f) of this Article, the total gross amount paid or credited to the Account Holder with respect to the account during the calendar year or other appropriate reporting period with respect to which the Reporting Antigua and Barbuda Financial Institution is the obligor or debtor, including the aggregate amount of any redemption payments made to the Account Holder during the calendar year or other appropriate reporting period.

Article 3
Time and Manner of Exchange of Information

1. For purposes of the exchange obligation in Article 2 of this Agreement, the amount and characterization of payments made with respect to a U.S. Reportable Account may be determined in accordance with the principles of the tax laws of Antigua and Barbuda.
2. For purposes of the exchange obligation in Article 2 of this Agreement, the information exchanged shall identify the currency in which each relevant amount is denominated.
3. With respect to paragraph 2 of Article 2 of this Agreement, information is to be obtained and exchanged with respect to 2014 and all subsequent years, except that:
 - a) the information to be obtained and exchanged with respect to 2014 is only the information described in subparagraphs 2(a) through 2(d) of Article 2 of this Agreement;
 - b) the information to be obtained and exchanged with respect to 2015 is the information described in subparagraphs 2(a) through 2(g) of Article 2 of this Agreement, except for gross proceeds described in subparagraph 2(c)(2) of Article 2 of this Agreement; and
 - c) the information to be obtained and exchanged with respect to 2016 and subsequent years is the information described in subparagraphs 2(a) through 2(g) of Article 2 of this Agreement;
4. Notwithstanding paragraph 3 of this Article, with respect to each U.S. Reportable Account maintained by a Reporting Antigua and Barbuda Financial Institution as of June 30, 2014, and subject to paragraph 2 of Article 6 of this Agreement, Antigua and Barbuda is not required to obtain and include in the exchanged information the U.S. TIN of any relevant person if such U.S. TIN is not in the records of the Reporting Antigua and Barbuda Financial Institution. In such a case, Antigua and Barbuda shall obtain and include in the exchanged information the date of birth of the relevant person, if the Reporting Antigua and Barbuda Financial Institution has such date of birth in its records.
5. Subject to paragraphs 3 and 4 of this Article, the information described in Article 2 of this Agreement shall be exchanged by the later of nine months after the end of the calendar year to which the information relates or the next September 30th after the agreement enters into force.
6. The Competent Authorities of Antigua and Barbuda and the United States shall enter into an agreement or arrangement under the mutual agreement procedure provided for in Article 8 of this Agreement, which shall:
 - a) establish the procedures for the automatic exchange obligations described in Article 2 of this Agreement;
 - b) prescribe rules and procedures as may be necessary to implement Article 5 of this Agreement; and

- c) establish as necessary procedures for the exchange of the information reported under subparagraph 1(b) of Article 4 of this Agreement.

7. All information exchanged shall be subject to the confidentiality and other protections provided for in Article 9 of this Agreement, including the provisions limiting the use of the information exchanged.

Article 4

Application of FATCA to Antigua and Barbuda Financial Institutions

1. **Treatment of Reporting Antigua and Barbuda Financial Institutions.** Each Reporting Antigua and Barbuda Financial Institution shall be treated as complying with, and not subject to withholding under, section 1471 of the U.S. Internal Revenue Code if Antigua and Barbuda complies with its obligations under Articles 2 and 3 of this Agreement with respect to such Reporting Antigua and Barbuda Financial Institution, and the Reporting Antigua and Barbuda Financial Institution:

- a) identifies U.S. Reportable Accounts and reports annually to the Antigua and Barbuda Competent Authority the information required to be reported in paragraph 2 of Article 2 of this Agreement in the time and manner described in Article 3 of this Agreement;
- b) for each of 2015 and 2016, reports annually to the Antigua and Barbuda Competent Authority the name of each Nonparticipating Financial Institution to which it has made payments and the aggregate amount of such payments;
- c) complies with the applicable registration requirements on the IRS FATCA registration website;
- d) to the extent that a Reporting Antigua and Barbuda Financial Institution is (i) acting as a qualified intermediary (for purposes of section 1441 of the U.S. Internal Revenue Code) that has elected to assume primary withholding responsibility under chapter 3 of subtitle A of the U.S. Internal Revenue Code, (ii) a foreign partnership that has elected to act as a withholding foreign partnership (for purposes of both sections 1441 and 1471 of the U.S. Internal Revenue Code), or (iii) a foreign trust that has elected to act as a withholding foreign trust (for purposes of both sections 1441 and 1471 of the U.S. Internal Revenue Code), withholds 30 percent of any U.S. Source Withholdable Payment to any Nonparticipating Financial Institution; and
- e) in the case of a Reporting Antigua and Barbuda Financial Institution that is not described in subparagraph 1(d) of this Article and that makes a payment of, or acts as an intermediary with respect to, a U.S. Source Withholdable Payment to any Nonparticipating Financial Institution, the Reporting Antigua and Barbuda Financial Institution provides to any immediate payor of such U.S. Source Withholdable Payment the information required for withholding and reporting to occur with respect to such payment.

Notwithstanding the foregoing, a Reporting Antigua and Barbuda Financial Institution with respect to which the conditions of this paragraph 1 are not satisfied shall not be subject to withholding under section 1471 of the U.S. Internal Revenue Code unless such Reporting Antigua and Barbuda Financial Institution is treated by the IRS as a Nonparticipating Financial Institution pursuant to subparagraph 3(b) of Article 5 of this Agreement.

2. **Suspension of Rules Relating to Recalcitrant Accounts.** The United States shall not require a Reporting Antigua and Barbuda Financial Institution to withhold tax under section 1471 or 1472 of the U.S. Internal Revenue Code with respect to an account held by a recalcitrant account holder (as defined in section 1471(d)(6) of the U.S. Internal Revenue Code), or to close such account, if the U.S. Competent Authority receives the information set forth in paragraph 2 of Article 2 of this Agreement, subject to the provisions of Article 3 of this Agreement, with respect to such account.

3. **Specific Treatment of Antigua and Barbuda Retirement Plans.** The United States shall treat as deemed-compliant FFIs or exempt beneficial owners, as appropriate, for purposes of sections 1471 and 1472 of the U.S. Internal Revenue Code, Antigua and Barbuda retirement plans described in Annex II. For this purpose, an Antigua and Barbuda retirement plan includes an Entity established or located in, and regulated by, Antigua and Barbuda, or a predetermined contractual or legal arrangement, operated to provide pension or retirement benefits or earn income for providing such benefits under the laws of Antigua and Barbuda and regulated with respect to contributions, distributions, reporting, sponsorship, and taxation.

4. **Identification and Treatment of Other Deemed-Compliant FFIs and Exempt Beneficial Owners.** The United States shall treat each Non-Reporting Antigua and Barbuda Financial Institution as a deemed-compliant FFI or as an exempt beneficial owner, as appropriate, for purposes of section 1471 of the U.S. Internal Revenue Code.

5. **Special Rules Regarding Related Entities and Branches That Are Nonparticipating Financial Institutions.** If an Antigua and Barbuda Financial Institution, that otherwise meets the requirements described in paragraph 1 of this Article or is described in paragraph 3 or 4 of this Article, has a Related Entity or branch that operates in a jurisdiction that prevents such Related Entity or branch from fulfilling the requirements of a participating FFI or deemed-compliant FFI for purposes of section 1471 of the U.S. Internal Revenue Code or has a Related Entity or branch that is treated as a Nonparticipating Financial Institution solely due to the expiration of the transitional rule for limited FFIs and limited branches under relevant U.S. Treasury Regulations, such Antigua and Barbuda Financial Institution shall continue to be in compliance with the terms of this Agreement and shall continue to be treated as a deemed-compliant FFI or exempt beneficial owner, as appropriate, for purposes of section 1471 of the U.S. Internal Revenue Code, provided that:

- a) the Antigua and Barbuda Financial Institution treats each such Related Entity or branch as a separate Nonparticipating Financial Institution for purposes of all the reporting and withholding requirements of this Agreement and each such Related Entity or branch identifies itself to withholding agents as a Nonparticipating Financial Institution;
- b) each such Related Entity or branch identifies its U.S. accounts and reports the information with respect to those accounts as required under section 1471 of

the U.S. Internal Revenue Code to the extent permitted under the relevant laws pertaining to the Related Entity or branch; and

- c) such Related Entity or branch does not specifically solicit U.S. accounts held by persons that are not resident in the jurisdiction where such Related Entity or branch is located or accounts held by Nonparticipating Financial Institutions that are not established in the jurisdiction where such Related Entity or branch is located, and such Related Entity or branch is not used by the Antigua and Barbuda Financial Institution or any other Related Entity to circumvent the obligations under this Agreement or under section 1471 of the U.S. Internal Revenue Code, as appropriate.

6. **Coordination of Timing.** Notwithstanding paragraphs 3 and 5 of Article 3 of this Agreement:

- a) Antigua and Barbuda shall not be obligated to obtain and exchange information with respect to a calendar year that is prior to the calendar year with respect to which similar information is required to be reported to the IRS by participating FFIs pursuant to relevant U.S. Treasury Regulations; and
- b) Antigua and Barbuda shall not be obligated to begin exchanging information prior to the date by which participating FFIs are required to report similar information to the IRS under relevant U.S. Treasury Regulations.

7. **Coordination of Definitions with U.S. Treasury Regulations.** Notwithstanding Article 1 of this Agreement and the definitions provided in the Annexes to this Agreement, in implementing this Agreement, Antigua and Barbuda may use, and may permit Antigua and Barbuda Financial Institutions to use, a definition in relevant U.S. Treasury Regulations in lieu of a corresponding definition in this Agreement, provided that such application would not frustrate the purposes of this Agreement.

Article 5

Collaboration on Compliance and Enforcement

1. **General Inquiries.** Subject to any further terms set forth in a competent authority agreement concluded pursuant to paragraph 6 of Article 3 of this Agreement, the U.S. Competent Authority may make follow-up requests to the Antigua and Barbuda Competent Authority, pursuant to which the Antigua and Barbuda Competent Authority shall obtain and provide additional information with respect to a U.S. Reportable Account, including the account statements prepared in the ordinary course of a Reporting Antigua and Barbuda Financial Institution's business that summarize the activity (including withdrawals, transfers, and closures) of the U.S. Reportable Account.

2. **Minor and Administrative Errors.** The U.S. Competent Authority shall notify the Antigua and Barbuda Competent Authority when the U.S. Competent Authority has reason to believe that administrative errors or other minor errors may have led to incorrect or incomplete information reporting or resulted in other infringements of this Agreement. The Antigua and Barbuda Competent Authority shall apply its domestic law (including applicable penalties) to obtain corrected and/or complete information or to resolve other infringements of this Agreement.

3. Significant Non-Compliance.

- a) The U.S. Competent Authority shall notify the Antigua and Barbuda Competent Authority when the U.S. Competent Authority has determined that there is significant non-compliance with the obligations under this Agreement with respect to a Reporting Antigua and Barbuda Financial Institution. The Antigua and Barbuda Competent Authority shall apply its domestic law (including applicable penalties) to address the significant non-compliance described in the notice.
- b) If such enforcement actions do not resolve the non-compliance within a period of 18 months after notification of significant non-compliance is first provided by the U.S. Competent Authority, the United States shall treat the Reporting Antigua and Barbuda Financial Institution as a Nonparticipating Financial Institution pursuant to this subparagraph 3(b).

4. Reliance on Third Party Service Providers. Antigua and Barbuda may allow Reporting Antigua and Barbuda Financial Institutions to use third party service providers to fulfill the obligations imposed on such Reporting Antigua and Barbuda Financial Institutions by Antigua and Barbuda, as contemplated in this Agreement, but these obligations shall remain the responsibility of the Reporting Antigua and Barbuda Financial Institutions.

5. Prevention of Avoidance. Antigua and Barbuda shall implement as necessary requirements to prevent Financial Institutions from adopting practices intended to circumvent the reporting required under this Agreement.

Article 6

Mutual Commitment to Continue to Enhance the Effectiveness of Information Exchange and Transparency

1. Treatment of Passthru Payments and Gross Proceeds. The Parties are committed to work together, along with Partner Jurisdictions, to develop a practical and effective alternative approach to achieve the policy objectives of foreign passthru payment and gross proceeds withholding that minimizes burden.
2. Documentation of Accounts Maintained as of June 30, 2014. With respect to U.S. Reportable Accounts maintained by a Reporting Antigua and Barbuda Financial Institution as of June 30, 2014, Antigua and Barbuda commits to establish, by January 1, 2017, for reporting with respect to 2017 and subsequent years, rules requiring Reporting Antigua and Barbuda Financial Institutions to obtain the U.S. TIN of each Specified U.S. Person as required pursuant to subparagraph 2(a) of Article 2 of this Agreement.

Article 7

Consistency in the Application of FATCA to Partner Jurisdictions

1. Antigua and Barbuda shall be granted the benefit of any more favorable terms under Article 4 or Annex I of this Agreement relating to the application of FATCA to Antigua and Barbuda Financial Institutions afforded to another Partner Jurisdiction under a signed bilateral agreement pursuant to which the other Partner Jurisdiction commits to undertake the

same obligations as Antigua and Barbuda described in Articles 2 and 3 of this Agreement, and subject to the same terms and conditions as described therein and in Articles 5, 6, 7, 10 and 11 of this Agreement.

2. The United States shall notify Antigua and Barbuda of any such more favorable terms, and such more favorable terms shall apply automatically under this Agreement as if such terms were specified in this Agreement and effective as of the date of signing of the agreement incorporating the more favorable terms, unless Antigua and Barbuda declines in writing the application thereof.

Article 8 **Mutual Agreement Procedure**

1. Where difficulties or doubts arise between the Parties regarding the implementation, application, or interpretation of this Agreement, the Competent Authorities shall endeavor to resolve the matter by mutual agreement.
2. The Competent Authorities may adopt and implement procedures to facilitate the implementation of this Agreement.
3. The Competent Authorities may communicate with each other directly for purposes of reaching a mutual agreement under this Article.

Article 9 **Confidentiality**

1. The Antigua and Barbuda Competent Authority shall treat any information received from the United States pursuant to Article 5 of this Agreement as confidential and shall only disclose such information as may be necessary to carry out its obligations under this Agreement. Such information may be disclosed in connection with court proceedings related to the performance of the obligations of Antigua and Barbuda under this Agreement.
2. Information provided to the U.S. Competent Authority pursuant Articles 2 and 5 of this Agreement shall be treated as confidential and may be disclosed only to persons or authorities (including courts and administrative bodies) of the Government of the United States concerned with the assessment, collection, or administration of, the enforcement or prosecution in respect of, or the determination of appeals in relation to, U.S. federal taxes, or the oversight of such functions. Such persons or authorities shall use such information only for such purposes. Such persons may disclose the information in public court proceedings or in judicial decisions. The information may not be disclosed to any other person, entity, authority, or jurisdiction. Notwithstanding the foregoing, where Antigua and Barbuda provides prior, written consent, the information may be used for purposes permitted under the provisions of a mutual legal assistance treaty in force between the Parties that allows for the exchange of tax information.

Article 10 **Consultations and Amendments**

1. In case any difficulties in the implementation of this Agreement arise, either Party may, independently of the mutual agreement procedure described in paragraph 1 of Article 8

of this Agreement, request consultations to develop appropriate measures to ensure the fulfillment of this Agreement.

2. This Agreement may be amended by written mutual agreement of the Parties. Unless otherwise agreed upon, such an amendment shall enter into force through the same procedures as set forth in paragraph 1 of Article 12 of this Agreement.

Article 11 Annexes

The Annexes form an integral part of this Agreement.

Article 12 Term of Agreement

1. This Agreement shall enter into force on the date of Antigua and Barbuda's written notification to the United States that Antigua and Barbuda has completed its necessary internal procedures for entry into force of this Agreement.
2. Either Party may terminate this Agreement by giving notice of termination in writing to the other Party. Such termination shall become effective on the first day of the month following the expiration of a period of 12 months after the date of the notice of termination.
3. The Parties shall, prior to December 31, 2018, consult in good faith to amend this Agreement as necessary to reflect progress on the commitments set forth in Article 6 of this Agreement.
4. If this Agreement is terminated, both Parties shall remain bound by the provisions of Article 9 of this Agreement with respect to any information obtained under this Agreement.

In witness whereof, the undersigned, being duly authorized thereto by their respective Governments, have signed this Agreement.

Done at St. John's, Antigua, the 24th day of September, 2016, and at US Embassy Bridgetown, Barbados, the 22nd day of September, 2016, in duplicate, in the English language.

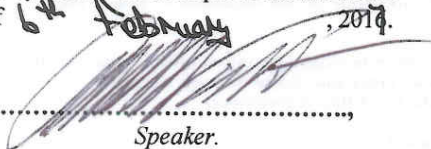
FOR THE GOVERNMENT OF
ANTIGUA AND BARBUDA:

[Signature]
Attorney General's Chambers
Princedon F. Jones
Antigua
24th September, 2016

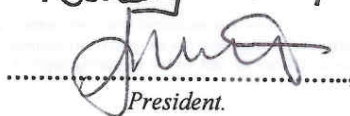
FOR THE GOVERNMENT OF THE
UNITED STATES OF AMERICA:

[Signature]
Gina S. Seguelo

Passed by the House of Representatives on the day of 6th February, 2017.


.....
Speaker.

Passed by the Senate on the 17th February, 2017.


.....
President.


.....
Clerk to the House of Representatives.


.....
Clerk to the Senate.