



GOVERNMENT OF ANTIGUA AND BARBUDA

Ministry of Finance

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INLAND REVENUE DEPARTMENT

CIRCULAR NO. 1 OF 2025

TO: ALL REPORTING FINANCIAL INSTITUTIONS (RFI)

DATE: NOVEMBER 1ST OCTOBER 2025

CIRCULAR CONTENT - AEOI-CRS

SUBJECT: EXCLUDED ACCOUNTS UNDER AEOI-CRS COMPLIANCE

Supersession and Purpose

This Circular supersedes all earlier versions of Circular No. 7 of 2024 and is issued to ensure full alignment with **Section VIII(C)(17)** of the **Common Reporting Standard (CRS)** as incorporated under the **Automatic Exchange of Financial Information Regulations, 2017**. This revision addresses feedback provided during the AEOI effectiveness assessment and clarifies that only accounts meeting the conditions set out in the CRS are eligible to be treated as Excluded Accounts.

1. Definition of Excluded Accounts (CRS-Based)

For the purposes of AEOI-CRS Compliance, an “Excluded Account” is a Financial Account that meets the definition and conditions set out under **Section VIII(C)(17) of the CRS**. An account shall only be considered excluded if it satisfies *all* applicable CRS criteria.

2. CRS Categories of Excluded Accounts

In accordance with CRS Section VIII(C)(17), the following categories of Financial Accounts may be treated as Excluded Accounts, **only where all conditions under the CRS are fully met:**

2(a). Retirement and Pension Accounts – Accounts meeting conditions as Low-Risk Retirement Accounts.

2(b). Non-Retirement Tax-Favoured Accounts – Accounts where contributions and withdrawals are regulated under law and meet CRS conditions.

2(c). Term-Life Insurance Contracts – Contracts with no cash value beyond death benefits, under CRS criteria.

2(d). Estate Accounts – Accounts held solely for the purpose of administering a deceased person's estate.

2(e). Escrow Accounts – Accounts established in connection with court orders, property sale or similar transactions, under CRS conditions.

2(f). Depository Accounts for Overpayments – Accounts established solely due to payment errors, refunded within the CRS-specified period.

2(g). Any other account meeting CRS criteria – As permitted by CRS Section VIII(C)(17)(g) where specifically approved in law or by the Competent Authority under CRS guidance.

Note: Only accounts that satisfy all relevant CRS conditions may be treated as Excluded. Generic descriptions such as “low-risk,” “special-purpose,” or “non-resident accounts” are insufficient without full CRS compliance.

Note: Please also consult the AEOI Regulations 2017 – Schedule 1, and seek clarification of the Competent Authority in any instance of doubt..

3. Due Diligence Procedures for Excluded Accounts

RFIs must ensure that:

- Documentation is retained evidencing the applicable CRS exclusion criteria.
- Each exclusion is justified with supporting records.
- Any change in account status triggers a re-assessment for CRS reporting obligations.
- RFIs maintain policies to periodically validate exclusion eligibility.

4. Reporting Responsibilities

Excluded Accounts are not reportable; however:

- Misclassification will be treated as a reporting failure.
- RFIs must maintain an internal register of all accounts treated as excluded and the basis for such exclusion.
- Accounts failing CRS eligibility criteria must be treated as reportable accounts.

5. Enforcement and Penalties

Failure to comply with CRS exclusion criteria, including improper or unjustified exclusion, may result in:

- Administrative penalties under Section 10 of the Automatic Exchange of Financial Information Act 2016;
- Heightened compliance monitoring;
- Corrective directives and possible sanctions.

6. RFI Compliance Expectations

RFIs must:

- Ensure staff are adequately trained on CRS-defined Excluded Accounts;
- Apply internal controls to verify eligibility;
- Integrate CRS requirements into onboarding, classification, and ongoing review processes;
- Report any uncertainty to the IRD for guidance before applying exclusion status.

7. Conclusion

Accurate classification of Excluded Accounts is essential to uphold the integrity of Antigua and Barbuda's AEOI/CRS framework. RFIs are required to adhere strictly to CRS requirements and may only designate accounts as excluded where fully compliant with Section VIII(C)(17).

For further information, please contact the AEOI/EOI Unit at the IRD at aeoi.information@ab.gov.ag. Please also refer to the relevant IRD's legal framework *the Automatic Exchange of Financial Information Act No. 11 of 2016 and the Automatic Exchange of Financial Information Act No. 18 of 2017* together with relevant amendments. The information has also been posted on the IRD website at <https://ird.gov.ag/index.php/fatca-and-crs>.