



**The Institute of
Chartered Accountants
of Trinidad and Tobago
(ICATT)**

**Recommended template for use by the External
Auditors in the execution of their obligation
under the regulator's Guidelines on the
Implementation of the Tax Information
Exchange Agreements (United States of America)
Act, 2017**

September 17, 2020

Foreword

The following template was prepared by the Institute of Chartered Accountants of Trinidad and Tobago, in consultation with the Central Bank of Trinidad and Tobago, in accordance with the Guidelines¹ on the Implementation of the Tax Information Exchange Agreements (United States of America) Act, 2017 (TIEAA). All external auditors must submit their reports using this template to the Board of Directors and to the relevant Supervisory Authority in the execution of the reporting obligation defined in the Guideline² on the Implementation of the Tax Information Exchange Agreements (United States of America) Act, 2017.

¹ Guidelines issued by the Central Bank of Trinidad and Tobago (Revised March 2020)

² Central Bank of Trinidad and Tobago's TIEAA guidelines (Section 12.3)

Co XX Limited

Assessment of Compliance with
the Guidelines on the
Implementation of the Tax
Information Exchange
Agreements (United States of
America) Act, 2017

For the three years ended
Dd Month Year



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Report on Compliance Procedures

In accordance with our approved engagement letter dated dd mth year, we assessed the policies, procedures and systems for compliance with the Central Bank of Trinidad and Tobago Guideline on the implementation of the Tax Information Exchange Agreements (United States of America) Act, 2017 for the three years ended dd mth year for Co XX Limited (CoX).

Our services were performed, and this report was developed in accordance with our engagement letter dated dd mth year and is subject to the terms and conditions included therein.

The procedures we performed did not constitute an examination or a review in accordance with generally accepted auditing standards or attestation standards. Accordingly, we provide no opinion, attestation or other forms of assurance with respect to our work or the information upon which our work was based. We did not audit or otherwise verify the information supplied to us in connection with this engagement, from whatever source except as may be specified in this report or in our engagement letter.

Our work was limited to the specific procedures and analyses described herein and was based only on the information made available through dd mth year. Accordingly, changes in circumstances after this date could affect the findings outlined in the report. The items tested were selected from transactions processed at the XXXXX (Head Office) and at the XXXXXX.

We held discussions with persons responsible for compliance matters as listed in the Scope and Approach Section and we consulted with the relevant tax information exchange agreements, regulations and guidelines as listed in our Background Section of this report. The number of items selected for testing is in accordance with (name of auditing firm)'s methodology for test of controls.

Our procedures included testing which was conducted on the selected items and therefore are subject to the limitation that all errors, irregularities and/or illegal acts which can have a direct and material impact on our findings may not be detected. Our assessment was not designed to identify or disclose fraud, defalcations and other irregularities. Where our testing involved documents with an authorising signature, no procedures were performed to verify the authenticity of those signatures.

This report and all the deliverables arising out of the procedures performed by name of auditing firm are intended solely for the Board of Directors of CoX for their internal use and benefit and are not intended to nor may they be relied upon by any other party ("Third Party"), to whom we owe no duty of care, except for the Central Bank of Trinidad and Tobago. A copy of this report is provided to the Central Bank of Trinidad and Tobago in accordance with Guideline 12.3 of the Central Bank of Trinidad and Tobago Guideline on the Implementation of the Tax Information Exchange Agreements (United States of America) Act, 2017.

Neither this deliverable nor its contents may be distributed to, discussed with, or otherwise disclosed to any Third Party other than the Central Bank of Trinidad and Tobago without the prior written consent of (name of the auditing firm). (Name of auditing firm) accepts no liability or responsibility to any Third Party who gains access to this deliverable.

[Signature]

[Firm Name][Date]

Background

To provide background into the reporting financial institution or management/ compliance function etc. Details should include:

1. Comments on the entity's written assessment to determine its classification
2. Nature of business of entities covered in this report
3. Document the name of the Responsible Officer (RO) and/or the Point of Contact (POC).
4. The date the Responsible Officer was appointed by Senior Management and the date(s) the Central Bank of Trinidad and Tobago (Supervisory Authority) was informed of the appointments.
5. Key responsibilities of the Responsible Officer/ Compliance Function
6. Key reports used by the Responsible Officer / Compliance Function
7. What were the legislation/ regulations used to draft the reporting financial institution's Foreign Account Tax Compliance Act (FATCA) Compliance Program
8. Overview of training programs held/attended during the year for all members of relevant staff (directors, all staff, RO and POC)
9. Overview of record-keeping procedures at the entity

The reporting financial institution used the following lists as part of its FATCA compliance program:

- Central Bank of Trinidad and Tobago Guideline on the Implementation of the Tax Information Exchange Agreements (United States of America) Act, 2017 (Revised March 2020)
- Tax Information Exchange Agreements (United States of America) Act, 2017 (TIEAA)

Management indicated that for the three years ended Date Month Year:

- XXX
- XXX
- XXX

Include comments on whether the reporting financial institution has been issued compliance directions or been the subject of any disciplinary, civil or criminal action by any Supervisory Authority or other Authority³ because of non-compliance with FATCA requirements.

The information set out above has been obtained by us from management and not independently tested unless otherwise stated elsewhere in this report.

³ This includes but is not limited to the Board of Inland Revenue, the Central Bank of Trinidad and Tobago and the Trinidad and Tobago Securities Exchange Commission.

Overview of Results

To provide an overview of the results of the procedures applied.

To assist with the remediation of control weaknesses/implementation of recommendations, where relevant, we have provided in electronic format, detailed appendices for follow-up/investigation.

The areas tested by [Name of Firm] are listed in the Scope and Approach Section and the corrective actions are set out in the Appendices of this report. This report has been discussed with management who (is/ is not) in agreement with [Name of Firm's] assessment.

Scope and Approach

Procedures were conducted to provide management with an assessment of whether policies and systems were in place to address the following for the three years ended Date Month Year.

Note that all amounts stated throughout this Scope and Approach section are quoted in United States Dollars (USD).

Area	Required Procedures	Legislative References	Exceptions (Y/N)?
Classification and registration	<p>Ascertain whether the Reporting Financial Institution has conducted an assessment in the format of Appendix 1 of TIEAA Guideline to determine its classification.</p> <p>Determine that this was documented and signed by the Chief Executive Officer (CEO) and submitted to the relevant Supervisory Authority.</p>	[1] CBTT TIEAA Guideline – Section 6	
	Confirm whether the classification determined by the entity is correct and that the classification is based on sound rationale as set out in the legislation.		
	Determine that the assessment was submitted to the Central Bank, in the first instance by November 30 th 2017.	[1] CBTT TIEAA Guideline – Section 6.2	
	In the event of a change in the classification of the Reporting Financial Institution, ascertain whether the assessment was submitted within 30 days of when the change occurred.	[1] CBTT TIEAA Guideline – Section 6.2	

Scope and Approach

Area	Required Procedures	Legislative References	Exceptions (Y/N)?
Responsible officer and/or Point of Contact	Identify whether a manager or official employed at a managerial level was designated as the Responsible Officer ⁴ .	[1] CBTT TIEAA Guideline – Section 11.1	
	Identify whether a Point of Contact ⁵ was designated for conducting activities with the Board of Inland Revenue (BIR) and to facilitate communication between the Reporting Financial Institution and the BIR.	[1] CBTT TIEAA Guideline – Section 11.1 (ii) and 11.5	
	Ensure that the relevant Supervisory Authorities have been notified of the name, designation and contact details of the Responsible Officer and Point of Contact.	[1] CBTT TIEAA Guideline – Section 11.1	
	<p>Ascertain whether the Responsible Officer/ Point of Contact and other employees have timely access to customer data, records and relevant information to enable them to:</p> <ul style="list-style-type: none"> ▪ Comply with the reporting requirements under the TIEAA; ▪ Report to its Board of Directors, the BIR and the SA as appropriate; and ▪ Address queries and/or instances of non-compliance. 	[1] CBTT TIEAA Guideline – Section 11.7	
Internal audit	Ascertain whether arrangements were in place to facilitate and execute internal audits, being conducted at least annually.	[1] CBTT TIEAA Guideline – Section 12.1	N

⁴ Where the Reporting Financial Institution is part of a financial group, the financial group may designate a manager or senior officer employed at a managerial level within the financial group as the Responsible Officer for one or more Reporting Financial Institutions within the Group.

⁵ The Responsible Officer and Point of Contact may be one and the same person.

Scope and Approach

Area	Required Procedures	Legislative References	Exceptions (Y/N?)
Internal audit (continued)	Ascertain whether internal auditors followed up routinely to ensure that recommendations made by the External Auditors and the relevant Supervisory Authorities are acted upon in a timely manner ⁶ .	[1] CBTT TIEAA Guideline – Section 12.2	N
Compliance Framework	Identify whether the Reporting Financial Institution's Compliance Framework was approved by its Board of Directors (BOD).	[1] CBTT TIEAA Guideline Section 7.1	
	<p>Identify whether the Compliance Framework includes the appropriate policies, procedures systems and controls for the following:</p> <ul style="list-style-type: none"> <li data-bbox="512 903 1057 1051">i. Identification of U.S. Reportable Accounts using the due diligence obligations required under Schedule 4 of the TIEAA; <li data-bbox="512 1085 1057 1262">ii. Application of review procedures for pre-existing individual accounts which are considered lower value accounts and enhanced review procedures for high value accounts; <li data-bbox="512 1296 1057 1332">iii. Opening of new individual accounts; <li data-bbox="512 1366 1057 1423">iv. Processing of Sensitive Personal Information; <li data-bbox="512 1457 1057 1541">v. Disclosure of personal information to the United States Treasury; <li data-bbox="512 1575 1057 1712">vi. Compliance with reporting requirements to the Board of Inland Revenue (BIR) in accordance with the TIEAA; 	[1] CBTT TIEAA Guideline Section 7.2 [2] TIEAA – Schedule 4 [3] TIEAA – Schedule 2, Article 5	

⁶ This is applicable post External Auditor's reviews and is not applicable on the first report due on financial year ends of 2020.

Scope and Approach

Area	Required Procedures	Legislative References	Exceptions (Y/N)?
Compliance Framework (continued)	<p>vii. Transmission of information to the BIR in accordance with the reporting requirements and timelines required by the BIR and the TIEAA;</p>	<p>[1] CBTT TIEAA Guideline Section 7.2 [2] TIEAA – Schedule 4 [3] TIEAA – Schedule 2, Article 5</p>	
	<p>viii. Reporting to the BOD on submissions to the BIR as well as any queries and/ or instances of non-compliance;</p>		
	<p>ix. Corrective action regarding minor or administrative errors or areas of significant non-compliance as outlined in Schedule 2, Article 5 of the TIEAA;</p>		
	<p>x. Internal auditor testing for compliance with the Guidelines and TIEAA;</p>		
	<p>xi. Retention of records and other information in accordance with the Guidelines;</p>		
	<p>xii. Ensuring the appropriateness of the information technology systems and the integrity of the data to be submitted to the BIR; and</p>		
	<p>xiii. Appointment of a Responsible Officer and/or Point of Contact⁷ for ensuring compliance with the Guidelines and the TIEAA.</p>		

⁷ The Responsible Officer and Point of Contact may be one and the same person.

Scope and Approach

Area	Required Procedures	Legislative References	Exceptions (Y/N)?
Compliance Framework – Record keeping requirements	Ascertain whether the compliance program included policies for a retention period of six (6) years, of all books, documents and other records, including those stored by electronic means, which relate to the information required to be reported to the BIR for the purposes of TIEAA.	[1] CBTT TIEAA Guideline Section 13.1	
	Ascertain whether policies included the necessary safeguards for the confidentiality of customer information, protection of personal data and restricted disclosure to an authority that is legally entitled to the information, who shall use the information solely to fulfil its obligations under the TIEAA.	[1] CBTT TIEAA Guideline Section 15.1	
Compliance Framework – Use of third-party service providers	Where reliance is placed on a third-party service provider to perform due diligence procedures, ascertain whether procedures exist to obtain the consent of the customer to share his/ her information with the service provider.	[1] CBTT TIEAA Guideline Section 10.2	
Compliance Framework – Training	<p>Ascertain whether a training and awareness program was developed in respect of the reporting requirements of the TIEAA and which includes:</p> <ul style="list-style-type: none"> ▪ The Reporting Financial Institution's approach to training; ▪ The reporting requirements and responsibilities/ obligations of the employees and directors; ▪ The requirements concerning customer due diligence; ▪ A regular schedule of new and refresher programmes for the different types of training required for relevant staff; ▪ Access to reference manuals/ materials that outline responsibilities of staff and the Reporting Financial Institution's policies which complements formal training programs. 	[1] CBTT TIEAA Guideline Section 14.3	

Scope and Approach

Area	Required Procedures	Legislative References	Exceptions (Y/N)?
Detection – Record keeping requirements	Ascertain whether the records were in a format to permit swift and timely reconstruction of transactions upon receipt of information requests from the BIR.	[1] CBTT TIEAA Section 13.2	
	Ascertain whether a record or register of all queries and/or instances of non-compliance have been maintained as well as the corrective actions to address them.	[1] CBTT TIEAA Section 13.3	
Detection – Use of third-party service providers	Ascertain whether the Reporting Financial Institution informed the relevant Supervisory Authority of its decision to use a third-party service provider within 30 days of entering into the agreement with the third-party service provider and provided information on the measures taken to ensure confidentiality of information.	[1] CBTT TIEAA Guideline Section 10.3	
	<p>Ascertain where a third-party service provider is used, that it is evident that the Reporting Financial Institution:</p> <ul style="list-style-type: none"> ▪ always has access to and the ability to produce the records and documentary evidence used to identify and report on US Reportable Accounts; ▪ is responsible for any failure of the third-party service provider to carry out its obligations; ▪ is responsible for the confidentiality of any information transmitted to the third-party provider. 	[1] CBTT TIEAA Guideline Section 10.4	

Scope and Approach

Area	Required Procedures	Legislative References	Exceptions (Y/N)?
Detection – Training	<p>Ascertain whether records of employee training were maintained, inclusive of the content of training programmes, the names of employees who have received training, the date of the training, and the results of any testing carried out to ensure understanding of the training material.</p>	[1] CBTT TIEAA Guideline Section 14.3	
	<p>Establish for a sample of the relevant XX employees i.e. employees involved with screening customers or obtaining customer data, the Responsible Officer, the Point of Contact, Compliance, audit staff and all Directors whether they participated in TIEAA training programs during the year by reviewing the training records.</p>		
Detection – U.S. Reportable Accounts	<p>Reporting Financial Institutions establish and maintain arrangements designed to identify U.S. Reportable Accounts; and Financial Accounts held by Non-participating Financial Institutions.</p>	[1] CBTT TIEAA Guideline Section 8	N/A
Detection – Pre-existing individual accounts – Lower Value Accounts	<ul style="list-style-type: none"> ▪ For a sample of XX pre-existing individual accounts with a balance or value as of the Determination Date⁸, that exceeds US\$50,000 (US\$250,000 for a cash value insurance contract or Annuity contract), but does not exceed US\$1,000,000 (Lower value accounts), establish that the Reporting Trinidad and Tobago Financial Institution reviewed electronically searchable data maintained by the Reporting Financial Institution for U.S. indicia⁹, and where U.S. indicia was discovered, treated the account as a U.S. Reportable Account¹⁰. 	[1] CBTT TIEAA Guideline Section 8 [2] TIEAA Schedule 4. II. B.	

⁸ Determination date – definition as specified in Tax Information Exchange Agreements (United States of America) Act, Schedule 4. Annex 1. VI. 6.

⁹ Refer to the Tax Information Exchange Agreements (United States of America) Act, Schedule 4. Annex 1. II. B. 1. (a) to (g) for a list of U.S. Indicia

¹⁰ Review of pre-existing individual accounts that are lower value accounts for U.S. indicia must be completed within two years from the Determination Date

Scope and Approach

Area	Required Procedures	Legislative References	Exceptions (Y/N)?
Detection – Pre-existing individual accounts – High Value Accounts	<ul style="list-style-type: none"> ▪ For a sample of XX pre-existing individual accounts with a balance or value that exceeds US\$1,000,000 as of the Determination Date or December 31 2015 or Any Subsequent Year (“High Value Accounts”), establish that the Reporting Trinidad and Tobago Financial Institution employed enhanced review procedures and reviewed electronically searchable data maintained by the Financial Institution for U.S. indicia¹¹, and where electronic databases do not capture all of this information, perform paper record searches¹². 	[1] CBTT TIEAA Guideline Section 8 [2] TIEAA Schedule 4. II. D.	
Detection – New Individual Accounts	<ul style="list-style-type: none"> ▪ Establish for a sample of XX new individual accounts¹³, that the Reporting Financial Institution established and maintained arrangements designed to identify US Reportable Accounts among Financial accounts held by individuals after the Determination Date. This includes: <ul style="list-style-type: none"> ▪ Self-certification ▪ U.S. TIN (e.g. Internal Revenue Service (IRS) Form W-9) 	[1] CBTT TIEAA Guideline Section 8 [2] TIEAA Schedule 4. Annex 1. III. B. 1.	

¹¹ Refer to the Tax Information Exchange Agreements (United States of America) Act, Schedule 4. Annex 1. II. B. 1. (a) to (g) for a list of U.S. Indicia

¹² Refer to the Tax Information Exchange Agreements (United States of America) Act, Schedule 4. Annex 1. II. D. 2. For enhanced review procedures and E. for additional procedures where applicable.

¹³ This excludes Depository accounts and Cash Value Insurance Contract with balances/ cash values of less than US\$50,000 at the end of any calendar year or other appropriate reporting period.

Scope and Approach

Area	Required Procedures	Legislative References	Exceptions (Y/N)?
Detection – Pre-existing Entity Accounts	<ul style="list-style-type: none"> ▪ Establish for a sample of XX pre-existing entity accounts¹⁴, that the Reporting Financial Institution established and maintained arrangements designed to identify: <ul style="list-style-type: none"> ▪ U.S. Reportable Accounts; and ▪ Financial Accounts held by Non-participating Financial Institutions. <p>In accordance with the review procedures as detailed in TIEAA Schedule 4. IV. D. to determine whether the account is held by one or more Specified U.S. Persons, by Passive NFFEs¹⁵ with one or more Controlling Persons who are U.S. citizens or residents, or Nonparticipating Financial Institutions.</p>	[1] CBTT TIEAA Guideline Section 8 [2] TIEAA Schedule 4. IV. D.	
Detection – New Entity Accounts	<ul style="list-style-type: none"> ▪ Establish for a sample of XX new entity accounts¹⁶, that the Reporting Financial Institution established and maintained arrangements designed to identify U.S. Reportable Accounts and accounts held by Nonparticipating Financial Institutions among Financial Accounts held by Entities and opened after the Determination Date. 	[1] CBTT TIEAA Guideline Section 8 [2] TIEAA Schedule 4. V	

¹⁴ A pre-existing entity account does not need to be reported where the account balance or value does not exceed US\$250,000 as of the Determination Date, until the account balance or value exceeds US\$1,000,000.

¹⁵ Non-U.S. Entity that is not a Foreign Financial Institution

¹⁶ Refer to TIEAA (USA) Schedule 4. V for exemptions

Scope and Approach

Area	Required Procedures	Legislative References	Exceptions (Y/N)?
Detection – Reporting requirements	<p>Ascertain that the Reporting Financial Institution for every reporting calendar year, reported to the BIR on the following within nine (9) months after the end of the calendar year to which the information relates:</p> <ul style="list-style-type: none"> ▪ Sensitive Personal Information on an Account Holder in respect of a U.S. Reportable Account ▪ The names of Non-participating Financial Institutions to which any payments have been made and the total amounts of those payments 	[1] CBTT TIEAA Guideline Section 9.1	
	<p>If a Reporting Financial Institution did not identify a U.S. Reportable Account for the calendar year, ensure that a nil report was filed to the BIR, within nine (9) months after the end of the calendar year.</p>	[1] CBTT TIEAA Guideline Section 9.2	
	<p>For a sample of Account Holders in respect of a US Reportable Account, ascertain that the Reporting Financial Institution notified the Account Holder that Sensitive Personal Information relating to that person¹⁷, which was required to be reported, was reported to the BIR by 31 January in the following calendar year.</p>	[1] CBTT TIEAA Guideline Section 9.3	
	<p>Determine if there was a change in a Reporting Financial Institution's registration status with the Internal Revenue Service (IRS), including if it ceased to be registered, that it notified the BIR and the Supervisory Authorities¹⁸ within 30 days of such change.</p>	[1] CBTT TIEAA Guideline Section 9.4	

¹⁷ Sensitive personal information of the Account Holder will be reported in respect of every calendar year the Account Holder has a reportable account, however without any further notice to the account holder. Refer to Legal Notice No. 40 of 2020 The Tax Information Exchange Agreements (United States of America) Order, 2020

¹⁸ Central Bank of Trinidad and Tobago

Appendix: Summary of Recommendations

	Ref	Previously Reported
Compliance Framework		
Recommendation #1	1	
Detection		
Recommendation #2	2	

Appendix: Recommendations

Compliance Framework

1. Recommendation #1 -

Observation

Implication

Recommendation

Management Comments

Responsibility/ Implementation Date

Appendix: Recommendations

Detection – Accounts

2. Recommendation #2 -

Observation

Implication

Recommendation

Management Comments

Responsibility/ Implementation Date