

India likely to sign IGA for Foreign Account Tax Compliance Act (FATCA) in early July, says JS, Ministry of Finance

New Delhi, 26 June 2015: While speaking at the roundtable discussion on 'Implementation of FATCA norms in India' organized by FICCI in New Delhi on June 25, 2015, **Mr. Akhilesh Ranjan, Joint Secretary (Foreign Tax and Tax Research Division)**, Ministry of Finance informed that "Indian government is likely to sign the Intergovernmental Agreement (IGA) for Foreign Account Tax Compliance Act (FATCA) in early July 2015"

Mr. Ranjan assured that the government is committed to the cause of confidentiality of data and is taking several measures in that direction. A security committee has been set up within CBDT headed by Chief Information Security Officer for security of documents and information; internal systems are being devised so that the distribution of information is channelized and there is no general distribution of information.

FATCA compliance will necessarily have to cover all new accounts opened by Indian Financial Institutions (FIs) from July 1, 2014 onwards. Further, FIs would be obliged to share data with the government in respect of all new accounts opened from July 1 till December 31, 2014, to enable the government to share this data with US by September 30, 2015. The Regulators might also publish detailed guidance for implementation of FATCA.

Speaking on the occasion earlier, **Mr Sunil Sanghai, Chairman, FICCI's Capital Markets Committee** and Managing Director, Head of Global Banking - India, HSBC, highlighted that FIs are anxious to know the timeline, operating guidelines and the framework for FATCA implementation in India.

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