



## What is FATCA?

The Foreign Account Tax Compliance Act (**FATCA**) is United States (**US**) law aimed at identifying US citizens and tax residents who use offshore financial accounts to evade their US tax responsibilities.

FATCA requires New Zealand Financial Institutions, including MMP, to provide relevant information to the Inland Revenue Department (**IRD**) about customers who may be considered a 'US person'. The IRD will then pass this information on to the US Internal Revenue Service (**IRS**).

### **Am I affected by FACTA?**

FATCA affects 'US persons' who have financial accounts outside the United States.

US persons include:

- A citizen of the USA, including an individual born in the US but residing in another country (who has not given up their US citizenship);
- A person residing in the USA, including US Green Card holders;
- Certain persons who spend a significant number of days in the United States each year; and
- US corporations, estates and trusts and other entities controlled by US persons.

### **What does this mean for me?**

If you're a new client to MMP, we will need to ask you some additional questions to determine if you may be a US person.

For the majority of clients there won't be any impact. However if you are a US person or your account information changes, you may be contacted to provide further information which will then be reported to the IRD. The information reported to the IRD will depend on your FACTA classification.

### **What information will you report to the IRD?**

The only information we will report is:

- Your name;
- Address;
- US taxpayer identification number (or date of birth if no US tax number); and
- Investment details (e.g. account balances and interest payments if MMP is holding money on trust for you).