

**Decision of the Minister of Finance No. 17 of the year 2019
implementing the Common Reporting Standard**

The Minister of Finance,

After considering,

The Income Tax Law promulgated by the Law No. 24 of the year 2018, in particular Article 34; and

The law No. 13 of 2016 on the Protection of Personal Data Privacy,

The Law No. 13 of 2012 issuing the Law on Qatar Central Bank and the Regulation of Financial Institutions,

The Law No. 8 of 2012 on Qatar Financial Markets Authority,

The Law No. 4 of 2010 promulgating the Law on Combating Money Laundering and Terrorism Financing,

The Law No. 7 of 2008 promulgating Qatar Financial Center Law,

The Decree No. 14 of the year 2019 on the ratification of the Convention on the Mutual Administrative Assistance in Tax Matters,

The Multilateral Competent Authority Agreement on the Automatic Exchange of Financial Account Information signed by the Competent Authority in 10/11/2017, and

The Automatic Exchange of Financial Account Information Standard issued by the Organization for Economic Cooperation and Development on July 15, 2014, as amended from time to time;

Has decided the following:

Article 1

Definitions

For the purposes of the application of the present Decision, the following terms shall have the meaning set next to each of them, unless the context otherwise requires:

The State	The State of Qatar
Competent Authority	The General Tax Authority.
The President	The President of the Competent Authority
Supervisory Financial Authorities	The authorities that are in charge of monitoring and supervising the financial institutions operating in the State of Qatar. They could be Qatar Central Bank, Qatar Financial Markets Authority or Qatar Financial Center Regulatory Authority, each within its competence.
Standard	The Common Reporting Standard provided for in Subsection B of Section II of the Automatic Exchange of Financial Account Information in Tax Matters Standard issued by the Organization for Economic Cooperation and Development on July 15 th , 2014, as amended from time to time, which sets the rules and procedures to be followed by the financial institutions to ensure the collection and the reporting of financial account information.
Commentaries	The commentaries described in Subsection B of Section III of the Automatic Exchange of Financial Account Information in Tax Matters Standard issued by the Organization for Economic Cooperation and Development on July 15 th , 2014, as amended from time to time, which commentaries are considered, for the purpose of the application of this Decision, an integral part of it.

**Preexisting
Financial Account**

- 1) A financial account maintained by a reporting financial institution as of June 30th, 2017;
- 2) Any financial account of an account holder, regardless of the date such financial account was opened, if:
 - a) the account holder also holds with the reporting financial institution (or with a related entity within the same jurisdiction as the reporting financial institution) a financial account that is a preexisting account under Paragraph 1;
 - b) the reporting financial institution (and, as applicable, the related entity within the same jurisdiction as the reporting financial institution) treats both of the aforementioned financial accounts, and any other financial accounts of the account holder that are treated as preexisting accounts under the provisions of Paragraph 2, as a single financial account for purposes of satisfying the standards of knowledge requirements set forth in Paragraph A of Section VII of the Standard, and for purposes of determining the balance or value of any of the financial accounts when applying any of the account thresholds;
 - c) with respect to a financial account that is subject to AML/KYC procedures, the reporting financial institution is permitted to satisfy such AML/KYC procedures for the financial account by relying upon the AML/KYC procedures performed for the preexisting account described in Paragraph 1; and
 - d) the opening of the financial account did not impose on the account holder the

	provision of any new, additional, or amended information about the customer, other than the information provided for the purposes of the standard.
Related Entity	<p>An entity is a related entity of another entity if:</p> <p>a) either entity controls the other entity;</p> <p>b) the two entities are under common control; or</p> <p>c) the two entities are Investment Entities described in clause “b” of Subparagraph 6 of Paragraph A of Section VIII of the Standard, are under common management, and such management fulfils the due diligence obligations of such Investment Entities.</p> <p>For this purpose, control includes direct or indirect ownership of more than 50% of the vote and value in an entity.</p>
Reporting Period	The calendar year.
A passive Non Financial Entity	<p>1) Non-Financial Entity that is not an Active Non-Financial Entity, in accordance with Subparagraph 9 of Paragraph “D” of Section VIII of the Standard; or</p> <p>2) an Investment Entity described in “b” of Subparagraph 6 of Paragraph A of Section VIII that is not a Participating Jurisdiction Financial Institution, i.e. an entity the gross income of which is primarily attributable to investing, reinvesting, or trading in financial assets, if the entity is managed by another entity that is a Depository Institution, a Custodial Institution, a Specified Insurance Company, or an Investment Entity described in “a” of Subparagraph 6 of Paragraph A of Section VIII of the Common Reporting Standard.</p>

Participating Jurisdiction	Jurisdiction with which an Agreement is in place pursuant to which it will provide the information specified in Section I of the Common Reporting Standard. The definition includes jurisdictions that have undertaken automatic exchange of information on financial accounts, in accordance with the Status of commitments of Automatic Exchange of Information on Financial Accounts published by the Organization for Economic Co-operation and Development (OECD) – Global Forum on Transparency and Exchange of Information for Tax Purposes.
Group Cash Value Insurance Contract	A Cash Value Insurance Contract that: 1) provides coverage on individuals who are affiliated through an employer, trade association, labour union, or other association or group; and 2) charges a premium for each member of the group (or member of a class within the group) that is determined without regard to the individual health characteristics other than age, gender, and smoking habits of the member (or class of members) of the group.
Group Annuity Contract	An annuity contract under which the obligees are individuals who are affiliated through an employer, trade association, labor union, or other association or group.
Standardized Industry Coding System	A coding system used to classify establishments by business type for purposes other than tax purposes.
Documentary Evidence	The evidence as defined in Subparagraph 6 of Paragraph E of Section VIII of the Standard.

Undocumented account	Preexisting account for which the Reporting Financial Institution is unable to obtain information from its holder.
-----------------------------	--

Article 2
Institutions and Financial Accounts Covered

- 1) The definitions and the reporting and due diligence requirements described in this Decision and in the Standard and its Commentaries shall apply to the any Financial Institution that is resident in the State, except any branch of that Financial Institution that is located outside the State. They shall also apply to any branch that is located in the State of a Financial Institution that is not resident in the State, as defined in Paragraph A of Section VIII of the Standard. Those rules shall not apply to the Non-Reporting Financial Institutions and to the Excluded Accounts, as defined in Paragraph B and in Subparagraph 17 of Paragraph C of Section VIII of the Standard, nor shall they apply to Financial Institutions and accounts provided for by a decision of the President.

- 2) For the purpose of implementing the following provisions of Paragraphs “B” and “C” of Section VIII of the Standard related to the definition of the terms “Non-Reporting Financial Institutions” and “Financial Accounts”, the dates set next to each of them shall be adopted:

Clause “b” of Subparagraph 8 of Paragraph “B” related to the Qualified Credit Card Issuer	July 1 st , 2017
Subparagraph 10 of Paragraph “C” related to New Accounts	July 1 st , 2017
Subparagraph 14 of Paragraph “C” related to Lower Value Accounts	June 30 th , 2017
Subparagraph 15 of Paragraph “C” related to High Value Accounts	June 30 th , 2017
Sub-Clause (ii) of Clause “F” of Subparagraph 17 of Paragraph “C” related to depository accounts	July 1 st , 2017

Article 3

Due Diligence Procedures

- 1) Financial Institutions shall take all necessary measures to determine the accounts, payments and persons that are subject to reporting, pursuant to the Standard and its Commentaries, including handling personal data in accordance with the law No. 13 of 2016 on the Protection of Personal Data Privacy.
- 2) An account is treated as a Reportable Account as of the date it is identified as such pursuant to the due diligence procedures described in Sections II through VII of the Standard.
- 3) The Supervisory Financial Authorities may allow Reporting Financial Institutions to use service providers to fulfill, on their behalf, due diligence obligations imposed on them. These obligations shall remain the responsibility of the Reporting Financial Institutions.
- 4) Reporting Financial Institutions may apply the due diligence procedures for new accounts to preexisting accounts, and may apply the due diligence procedures for High Value Accounts to Lower Value Accounts.
- 5) If the Reporting Financial Institution has in its records a current residence address for the individual Account Holder based on documentary evidence, the Reporting Financial Institution may treat the individual Account Holder as being a resident for tax purposes of the jurisdiction in which the address is located for the purposes of determining whether such individual Account Holder is a Reportable Person.
- 6) For the purposes of determining the Controlling Persons of an Account Holder, a Reporting Financial Institution may rely on information collected and maintained pursuant to AML/KYC procedures.
- 7) A Reporting Financial Institution may not rely on a self-certification or documentary evidence, if the Reporting Financial Institution knows or has reason to know that the

self-certification or documentary evidence is incorrect or unreliable.

- 8) A Reporting Financial Institution may presume that an individual beneficiary (other than the owner) of a Cash Value Insurance Contract or an Annuity Contract receiving a death benefit is not a Reportable Person, and may treat such Financial Account as other than a Reportable Account, unless the Reporting Financial Institution has actual knowledge, or reason to know, that the beneficiary is a Reportable Person.
- 9) A Reporting Financial Institution may treat a Financial Account that is a member's interest in a Group Cash Value Insurance Contract or Group Annuity Contract as a Financial Account that is not a Reportable Account, until the date on which an amount is payable to the employee/certificate holder or beneficiary, if the Financial Account that is a member's interest in a Group Cash Value Insurance Contract or Group Annuity Contract meets the following requirements:
 - a) the Group Cash Value Insurance Contract or Group Annuity Contract is issued to an employer, and covers 25 or more employees/certificate holders;
 - b) the employees/certificate holders are entitled to receive any contract value related to their interests, and to name beneficiaries for the benefit payable upon the employee's death; and
 - c) the aggregate amount payable to any employee/certificate holder or beneficiary does not exceed USD 1,000,000.
- 10) With respect to a Preexisting Entity Account, Reporting Financial Institutions may use as documentary evidence any classification in the Reporting Financial Institution's records with respect to the Account Holder that was determined based on a Standardized Industry Coding System, that was recorded by the Reporting Financial Institution consistent with its normal business practices for purposes of AML/KYC procedures or another regulatory purposes (other than for tax

purposes) and that was implemented by the Reporting Financial Institution prior to the date used to classify the Financial Account as a Preexisting Account, provided that the Reporting Financial Institution does not know or has reason to know that such classification is incorrect or unreliable.

- 11) The Reporting Financial Institutions may apply the thresholds set in the Standard in US Dollar, with equivalent amounts in Qatari Riyal.
- 12) The Financial Institution shall, in respect of any Investment Entity referred to in Clause “b” of Subparagraph 6 of Paragraph “A” of Section VIII of the Standard and that is not a Financial Institution of a Participating Jurisdiction:
 - a) determine the Controlling Persons of the entity that is the Account Holder. For that purpose, the Reporting Financial Institution may rely on information collected and maintained pursuant to AML/KYC procedures; and
 - b) determine whether or not the Controlling Persons in that entity is a Reportable Person.

In the case of a Preexisting Entity Account, a Reporting Financial Institution may rely on information collected and maintained pursuant to AML/KYC procedures in the case of a Preexisting Entity Account with an aggregate account balance or value that does not exceed USD 1,000,000; or a self-certification from the Account Holder or Controlling Persons of the jurisdiction(s) in which the Controlling Persons is/are resident for tax purposes.

In the case of a New Entity Account, a Reporting Financial Institution may rely on a self-certification from the Account Holder or the Controlling Person.

Article 4

Reporting Financial Accounts

- 1) Each Reporting Financial Institution shall report, with respect to each Reportable Account of such Reporting Financial Institution, the information described in Paragraph “A” of Section I of the Standard.
- 2) The information reported must identify the currency in which each amount is denominated.
- 3) Notwithstanding the provisions of paragraph 1 of the present Article, the tax identification number is not required to be reported if:
 - a) a tax identification number is not issued by the relevant Reportable Jurisdiction; or
 - b) the domestic law of the relevant Reportable Jurisdiction does not require the collection of the tax identification number issued by such Reportable Jurisdiction.
- 4) Each Reporting Financial Institution shall report information related to accounts that are treated as Reportable Accounts annually, before July 31 of the calendar year following the year to which the information relates.
- 5) The Supervisory Financial Authorities may allow Reporting Financial Institutions to use service providers to fulfill, on their behalf, the reporting obligations imposed on them. These obligations shall remain the responsibility of the Reporting Financial Institutions.
- 6) The Reporting Financial Institution, even if its activity is not regulated in the State, shall submit a report on the information described in Paragraph 1 of this article to the Competent Authority.
- 7) The Financial Institutions that do not maintain Reportable Accounts during the reporting calendar year, shall submit a nil return.

Article 5
Prevention from the Adoption of Practices Intended to Circumvent the Reporting and Due Diligence Procedures

- 1) The Competent Authority shall undertake the necessary monitoring to prevent any Financial Institutions, persons or intermediaries from adopting practices intended to circumvent the Standard.
- 2) The following cases, in particular, shall be considered practices intended to circumvent the reporting and due diligence requirements of the Standard:
 - the case in which a Reporting Financial Institution advises a customer to maintain an account with a Related Entity in a Non-Participating Jurisdiction that enables the Reporting Financial Institution to avoid reporting while offering to provide services and retain customer relations as if the account was maintained by the Reporting Financial Institution itself;
 - the case in which a Financial Institution, an individual, an entity or an intermediary manipulates year-end amounts, such as account balances, to avoid reporting;
 - the case in which a Reporting Financial Institution parks balances from Reportable Accounts of individuals or entities with Non-Reporting Financial Institutions or in Excluded Accounts for a short period at the end of the year to avoid reporting;
 - the case in which a Reporting Financial Institution deliberately does not create any electronic records, such that an electronic record search would not yield any results, or maintains computerized systems artificially dissociated, to avoid the account aggregation rules.
- 3) The Competent Authority may request any Reporting Financial Institution to provide information or clarifications on the Undocumented Accounts reported on. The Reporting

Financial Institution shall respond to that request no later than 15 days from the date of notification thereof.

If the Reporting Financial Institution reports a large number of Undocumented Accounts in any given year, or if the number of Undocumented Accounts increases from year to year, the Competent Authority is entitled to undertake a full review of the due diligence procedures performed by the Reporting Financial Institution.

- 4) The Competent Authority shall periodically verify the compliance of Reporting Financial Institutions with the provisions of this Decision, as well as the Standard and its Commentaries. The Competent Authority may do so as part of a regular tax examination or as a separate investigation or review process.
- 5) The Competent Authority shall periodically review the status of Non-Reporting Financial Institutions and Excluded Accounts to ensure that the tax risks posed by such institutions or accounts remain low and that they are not used for tax evasion. The Competent Authority may do so as part of a regular tax examination, as a separate investigation or review process, or whenever it has information about a change in the activity of the institution or the nature of the account.
- 6) Reporting Financial Institutions shall, if they find out that a person or intermediary has adopted practices aimed at circumventing reporting and due diligence procedures under the Standard, disregard the arrangements made for that purpose when determining the reporting obligation.

For the purposes of applying the provisions of this Article, the Competent Authority shall, where appropriate, coordinate with the Supervisory Financial Authorities, each within its competence.

Article 6

Keeping Records and Evidence

- 1) Any Reporting Financial Institution is required to keep records of the steps undertaken and any evidence relied upon for the

performance of the due diligence procedures set out in the Standard, as described in Subparagraph 6 of Paragraph “E” of Section VIII of the Standard.

- 2) Any Reporting Financial Institution shall demonstrate that it has made reasonable efforts to obtain the taxpayer identification number with respect of Preexisting Accounts, and that it has a procedural manual describing appropriate reasonable efforts and policies and procedures followed.
- 3) Any Reporting Financial Institution shall open a new account only upon receipt of a valid self-certificate from the Account Holder or his representative.
- 4) The Competent Authority shall have the right to obtain from any Financial Institution the records of the steps taken and any documentary evidence approved for the performance of the due diligence procedures provided for in the Standard.
- 5) The records and documentary evidence provided for in the preceding paragraph shall be made available for a period of not less than 5 years after the end of the period within which the Reporting Financial Institution must report the reportable information required under the Standard.
- 6) The Competent Authority shall have the right to obtain the documents that are necessary to apply this Decision from the Account Holder or any third party.
- 7) The provisions of Paragraphs 4, 5 and 6 of this Article shall apply to obtain information to respond to a request for information from another jurisdiction under an exchange of information agreement.

For the purposes of implementing the provisions of this Article, the Competent Authority shall, where appropriate, coordinate with the Supervisory Financial Authorities, each within its competence.

Article 7

Subject to the maximum limit of the penalty provided for in paragraph 8 of Article 24 of the Income Tax Law, the President shall publish a list of the penalties to be applied in the case of breach of any of the obligations set out in this Decision.

Article 8

General provisions

The President shall issue a decision on each of the following matters:

- 1) the list of Reportable Jurisdictions referred to in Subparagraph 4 of Paragraph “D” of Section VIII of the Standard;
- 2) the list of Participating Jurisdictions referred to in Subparagraph 5 of Paragraph “D” of Section VIII of the Standard;
- 3) the list of Non-Reporting Financial Institutions not covered by paragraph “B” of Section VIII of the Standard;
4. the list of Excluded Accounts not covered by Paragraph “C” of Section VIII of the Standard.

Article 9

Transitional Provisions

- 1) Notwithstanding Paragraph 1 of Article 5 of the present Decision, the gross proceeds described in Clause “b” of Subparagraph 5 of Paragraph A of Section I of the Standard shall not be reported on with respect to the year 2017.
- 2) If a Preexisting Individual Account is not a High Value Account as of June 30th, 2017, but becomes a High Value Account as of the last day of a subsequent calendar year, the Reporting Financial Institution must complete the enhanced review procedures described in Paragraph “C” of Section III of the Standard with respect to such account within the calendar year following the year in which the account becomes a High Value

Account. If based on this review, such account is identified as a Reportable Account, the Reporting Financial Institution must report the required information about such account with respect to the year in which it is identified as a Reportable Account and subsequent years on an annual basis, unless the Account Holder ceases to be a Reportable Person.

- 3) Review of lower value Preexisting Individual Accounts must be completed by June 30, 2019, and must be reported before July 31, 2019.
- 4) Unless the Reporting Financial Institution elects otherwise, either with respect to all Preexisting Entity Accounts or, separately, with respect to any clearly identified group of such accounts, a Preexisting Entity Account with an aggregate account balance or value that does not exceed USD 250,000 as of June 30th, 2017, is not required to be reviewed, identified, or reported as a Reportable Account until the aggregate account balance or value exceeds USD 250,000 as of the last day of any subsequent calendar year.
- 5) A Preexisting Entity Account that has an aggregate account balance or value that exceeds USD 250,000 as of June 30th, 2017, and a Preexisting Entity Account that does not exceed USD 250,000 as of June 30th, 2017, but the aggregate account balance or value of which exceeds USD 250,000 as of the last day of any subsequent calendar year, must be reviewed in accordance with the procedures set forth in Paragraph D of Section V of the Standard.
- 6) Review of Preexisting Entity Accounts with an aggregate account balance or value that exceeds USD 250,000 as of June 30, 2017, must be completed by June 30, 2019.
- 7) Review of Preexisting Entity Accounts with an aggregate account balance or value that does not exceed USD 250,000 as of June 30th, 2017, but exceeds USD 250,000 as of 31 December of a subsequent year, must be completed before 30th of June of the second year following the year in which the aggregate account

balance or value exceeds the aforementioned threshold, and reported before the 31st of July of the same year.

- 8) With respect to Financial Account information for the year 2017, unless the Financial Institution has complied with the reporting and due diligence requirements as provided for by the provisions in effect prior to the entry into effect of this Decision, the financial institution is required to report them in accordance with the provisions of this Decision.

Article 10
Entry into force

All competent authorities, each within its competence, shall implement this Decision. It shall be effective from the date of its issuance and shall be published in the Official Gazette.

Ali Sherif Al Emadi

Minister of Finances