

COVID-19: Draft law on deferral of DAC 6, CRS and FATCA deadlines

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On 6 July, the Luxembourg government filed a draft law No. 7625 (the “**Bill**”) aiming at implementing the Council Directive (EU) 2020/876 of 24 June 2020 giving EU Member States the option to defer the deadlines for automatic exchanges of information under Directive 2014/107/EU (so called “**DAC2**”/CRS) and for filing and exchanging information on reportable cross-border arrangements under Directive 2018/822/EU (so called “**DAC6**”). The Bill also proposes to extend reporting deadlines under the Foreign Account and Tax Compliance Act (so called “**FATCA**”).

- **New DAC6 deadlines:**

1. - Information relating to “historical” reportable cross-border arrangements (i.e. cross-border arrangements the first step of which was implemented between 25 June 2018 and 30 June 2020) must be filed before 28 February 2021 (instead of 31 August 2020);
2. - The date for the beginning of the period of 30 days for filing information on reportable cross-border arrangements made available for implementation, ready for implementation, or where the first step in their implementation occurred between 1 July 2020 and 31 December 2020, will be 1 January 2021 (instead of 1 July 2020);
3. - The first quarterly reporting of marketable arrangements must be performed by 30 April 2021 at the latest;
4. - Intermediaries subject to professional secrecy must make their notification in respect of reportable cross-border arrangements made available for implementation, ready for implementation, or where the first step in their implementation occurred between 1 July 2020 and 31 December 2020, within 10 days as from 1 January 2021.
5. - The first automatic exchange of information shall be performed by the Luxembourg tax

authorities by 30 April 2021 at the latest (instead of 31 October 2020).

- **New FATCA/CRS deadlines**

The Bill proposes to amend the FATCA Law of 24 July 2015 and the CRS Law of 18 December 2015 so as to extend the deadlines for Luxembourg financial institutions to provide the Luxembourg tax authorities with information on “reportable financial accounts” in relation to the tax year 2019 to 30 September 2020 (instead of 30 June 2020).

For any further information please contact us or visit our website at www.elvingerhoss.lu.

The information contained herein is not intended to be a comprehensive study or to provide legal advice and should not be treated as a substitute for specific legal advice concerning particular situations.

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