



FATCA has direct influence on working of Macedonian financial institutions

The *Foreign Account Tax Compliance Act* ("FATCA") was enacted in 2010 to encounter the non-compliance of U.S. taxpayers who hold foreign accounts and has become effective in 2014. In order to be compliant with FATCA, the Macedonian financial institutions ("FFIs") should register with the IRS and agree to report certain information about their U.S. accounts.

Additionally, FFIs which concluded an agreement with IRS may be required to withhold 30% on certain payment for foreign payees if such payees are not FATCA compliant.

If FFIs do not register and report for FATCA purposes with IRS, the same would be subject to 30% withholding tax on certain categories of U.S. source payments received.

Are you registered for FATCA purposes?

Have you performed due diligence of preexisting accounts?

Did you reported relevant information to the IRS?

Have your FATCA responsible officer certify the completion of due diligence of preexisting accounts and compliance of the FFI with multiple FATCA requirements?



SERVICES

PwC and its connected law firm Papazoski and Mishev offers different services that would help you to fulfil all FATCA related obligations, as follows:

1) FATCA Registration Support Services

Determination of the FATCA status of entities. Registration process to the IRS system. Advisory on annual certification requirements

2) FATCA Health Check

Review of the general FATCA compliance of the FFI by examining the current status of compliance policy, systems and departments' activities.

A report showing the evaluation of the health check is provided under such services.

3) System Check

AML/KYC documentation and KYC policy of the FFIs are reviewed and suggestions (if any) provided for the improvement for the compliance to the FATCA regulations.

4) Ad-Hoc Advisory Services

FATCA advisory services on an ad-hoc basis.

5) FFI Agreement Guidance

Preparation of a guidance that includes the requirements of the FFIs under the FFI Agreement.





6) Reporting Requirements Guidance

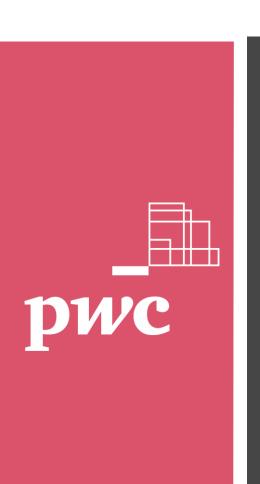
Preparation of a guidance that includes the requirements of the reporting as per the FFI Agreement.

7) Withholding Requirements Guidance

Preparation of a guidance that includes the requirements of the withholding as per the FFI Agreement.

8) Structuring FATCA compliance of FFIs

A FATCA compliance structure is built for the FFI as per the FATCA regulations. From the client onboarding process to the reporting, all FATCA related processes and departments of FFIs are reviewed, failures are detected and suggestions to be compliant with the FATCA regulations is provided under such services. A written guidance that covers the all details of the FATCA compliance of FFIs is provided under such service.



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