

The background features four hands of different skin tones reaching out from the corners towards the center. Overlaid on the hands are several thin, colorful loops in blue, yellow, and light blue, creating a sense of interconnectedness and flow.

KENDRIS

UBO register, AEOI/DAC6

New practical developments

20 October 2021



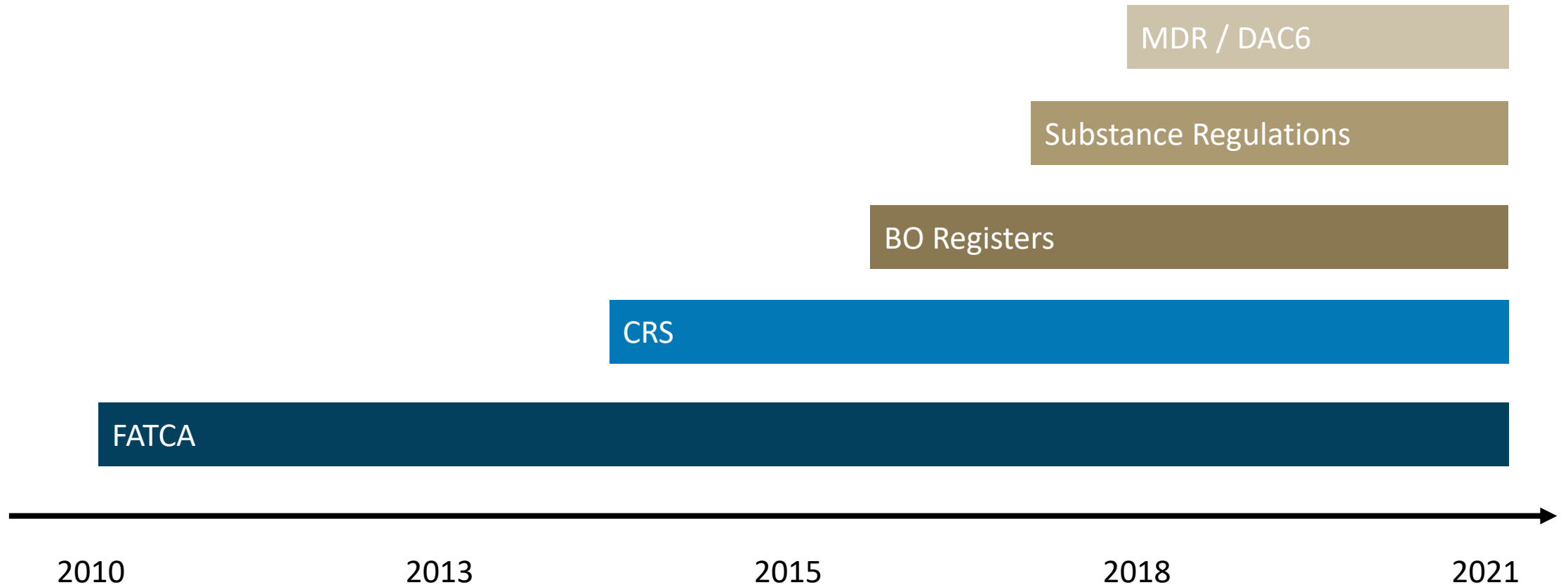
An aerial photograph showing a multi-lane highway running diagonally across the frame. To the left of the highway is a steep, rocky cliffside with some green vegetation. A road curves along the base of the cliff, with several cars visible. The overall scene is a mix of natural rock formations and man-made infrastructure.

Agenda

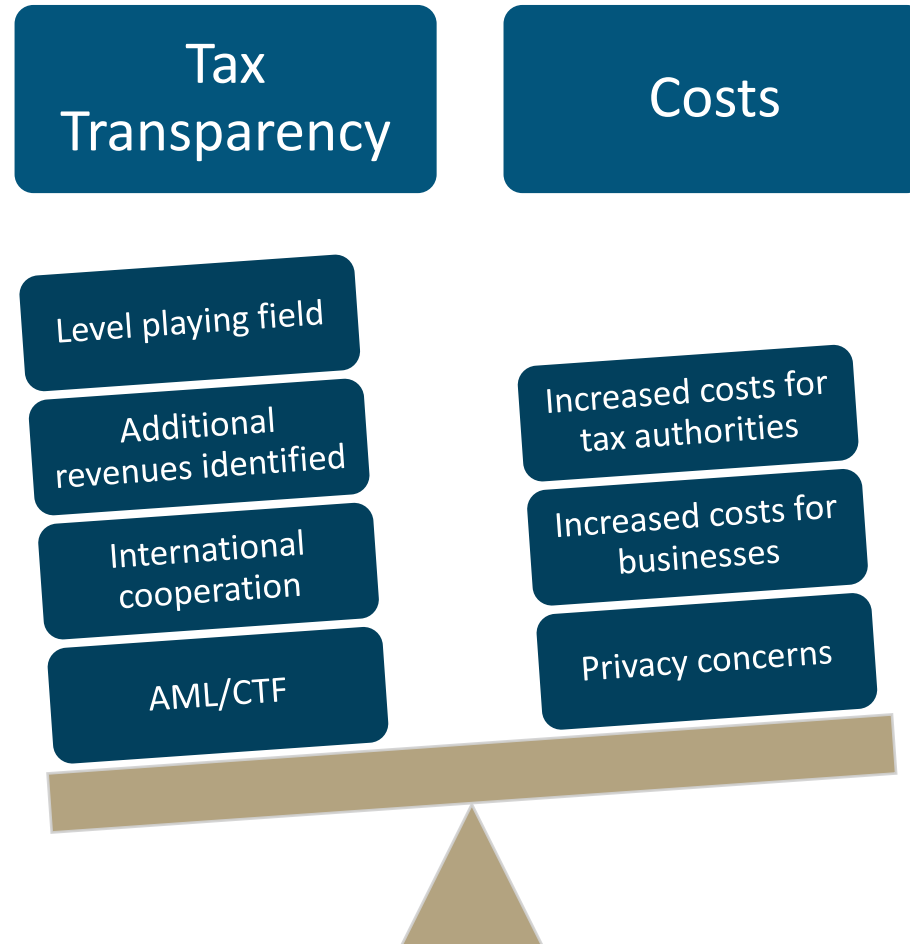
1. Recent developments in the regulatory world
2. Beneficial Ownership register update
3. DAC6 – practical case study

Recent developments in the regulatory world

Regulatory Reporting Regimes



Where do we stand?

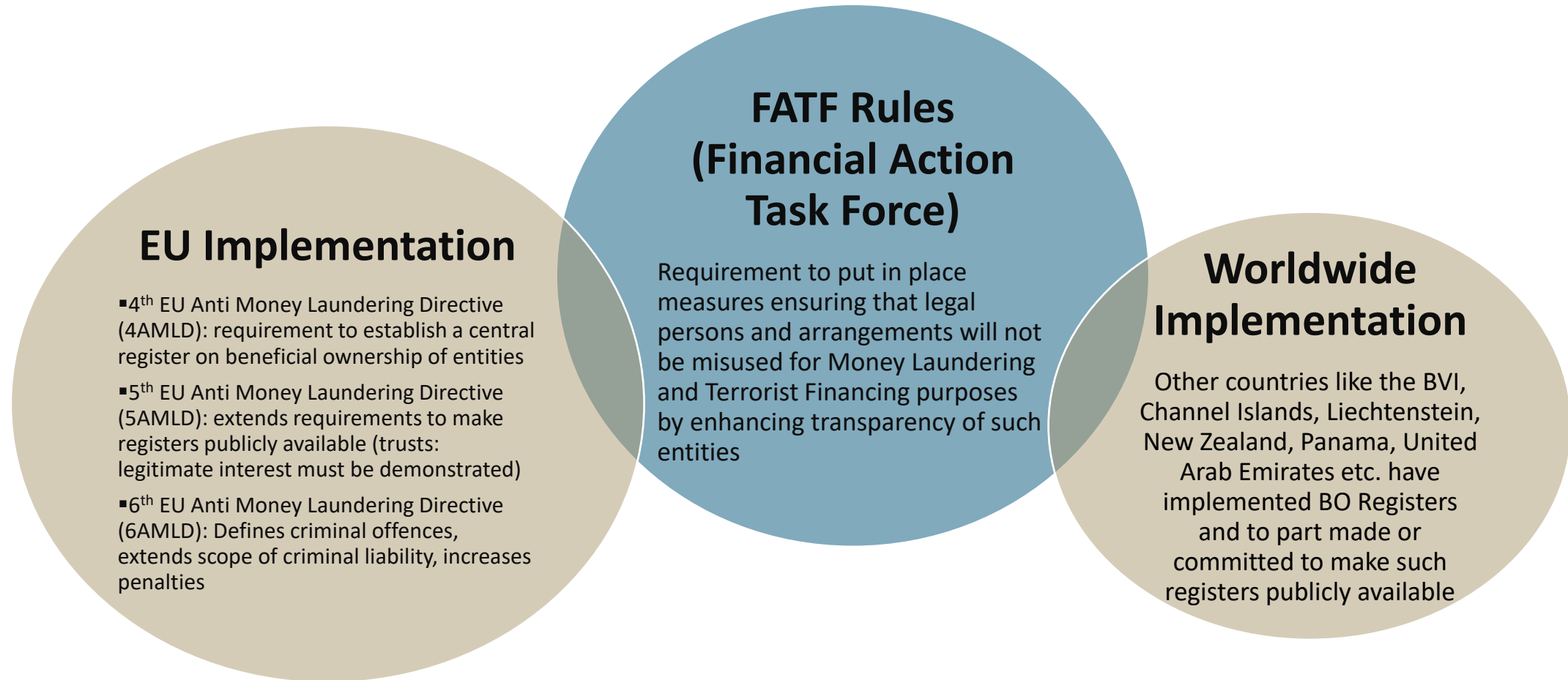




Beneficial Ownership Registers

Beneficial Ownership Registers

Background



Beneficial Ownership Registers

Main Challenges



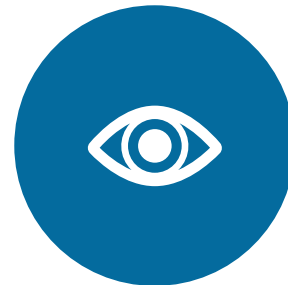
Privacy concerns
(publicly available
information)



Keeping track of registers
and rules in different
jurisdictions worldwide



Technical restraints in
reporting infrastructure



Ongoing monitoring

Beneficial Ownership Register in Cyprus

General requirements

Cyprus transposed AMLD4 and AMLD5 into local legislation through Prevention and suppression of Money Laundering Activities Laws of 2007- 2021

- **Who is in scope?**
Companies and any other legal entities incorporated in Cyprus are obliged to identify and record all relevant information of their beneficial owner/s electronically
- **Who is a Beneficial Owner?**
 - Corporate entities: (a) Natural person(s) who directly or indirectly own(s) or control(s) the entity (more than 25% shares or control by other means), (b) if no person identified through (a): Senior Managing Official(s) → Companies Central BO Register
 - Trusts and other legal arrangements: Settlor, Trustee, Protector, Beneficiaries, and any other natural person exercising ultimate control by means of direct or indirect ownership or by other means → Trusts Central BO Register
 - However, if a corporate entity is held by a Trust, only the Trust is considered as BO (no look-through approach applied) and to be disclosed in Companies Register

Beneficial Ownership Register in Cyprus

Companies Central BO Register

- **How to submit BO information?**
Currently through interim solution via Ariadni online portal
- **When are submissions to the Companies Central BO register due?**
 - Deadline has been extended to 12th March 2022 for all existing entities
 - Entities incorporated or registered after 16th March 2021 have 30 days from incorporation/ registration to file BO information
- **Who has access to the Companies Central BO register ?**
For the interim solution, access to the BO information will be granted to
 - Competent Supervisory Authorities, the FIU, the Customs Department, the Tax Department and the Police
 - No access for obliged entities (in the context of conducting due diligence and identification measures for the client) or for members of general public



DAC6 – practical case study

DAC6 reporting

How it works

Since 1 January 2021, a Cross-border Arrangement involving one or more EU Member States and meeting one or more of the DAC6 Hallmarks (and potentially a tax benefit's test) **qualifies as a Reportable Cross-Border Arrangement (RCBA)**

For every RCBA, EU-connected parties that qualify as **“Intermediaries” with respect to the RCBA, or the EU taxpayers affected by it** (if no EU Intermediary can do so), must report it

Reports must be submitted in the required **XML format** to the local tax authorities **via the local reporting portal** within 30 days of the RCBA being made available for implementation or the Relevant Service being provided by the reporting Intermediary (subject to delays for RCBA's initiated between 1 July and 31 December 2020, or even later, in most EU Member State)

Retrospective reporting is due for RCBA's initiated between 25 June 2018 and 30 June 2020 are due in bulk on or before 28 February 2021 (in most EU Member States)

DAC6 case study

Cyprus intermediary looking to file a report for a Reportable Cross-Border Arrangement (RCBA)

Operational execution

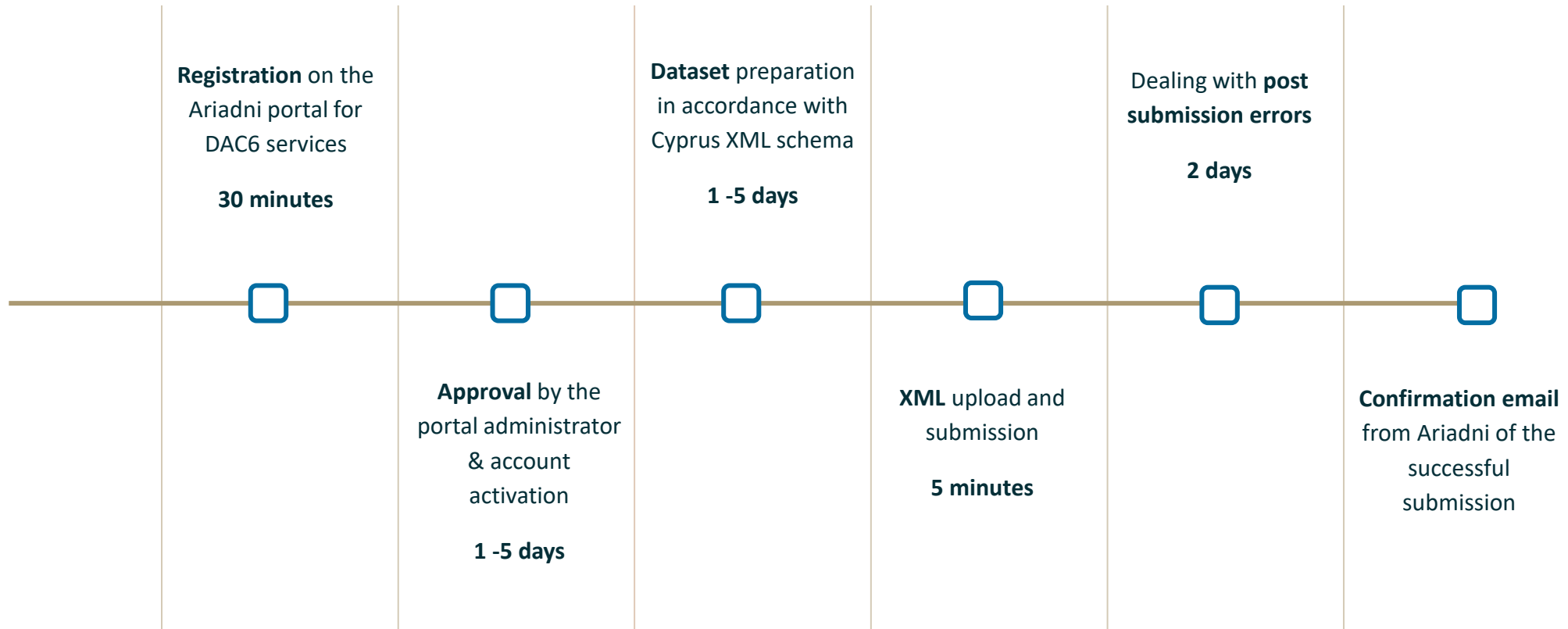
- How long will it take?
- Where do I need to register?
- What information do I need to collect for the report?
- How do I prepare and file an **XML**?

DAC6 expert analysis

- Do I need to disclose other intermediaries?
- Which Hallmarks apply to the RCBA?
- How to value the RCBA's tax benefit?
- Which national provisions apply to my arrangement?

DAC6 in Cyprus – reporting journey

Between 2 days and 2 weeks



Ariadni – Government Gateway Portal

Choose DAC6 in e-Services catalogue

New to e-Services

- create Ariadni profile
- **Hint:** ensure that the company's name on Ariadni matches **the name in the Registrar of Companies**
- get your profile authenticated by visiting an authorised Government Authentication Center
- present **registration documents** (such as Company registration certificate, ID of the representative etc.)

Existing e-Services profile

Government Gateway Portal (Ariadni)

Friday, 10 September 2021

WELCOME TO THE GOVERNMENT GATEWAY PORTAL (ARIADNI)

The Government Gateway Portal (Ariadni) enables you to use electronic services (e-Services) that are made available by the Government of Cyprus over the internet. Individuals and Organisations need to register in order to login to Ariadni.

For problems or help with signing up (creating a profile) or connecting to the Ariadne system, please contact us at ariadnisupport@dits.dmrtd.gov.cy. Related information / instructions appear in "Learn More" in the main menu.

For issues or problems relating to filling in and submitting an online application (e-Service), please contact the phone numbers or e-mail addresses listed next to the name of each e-service in the e-Services catalogue.

e-Service Catalogue

All by Category Citizen Organisation Agent

Trademarks

FATCA/CRS/DAC2

DAC4/CbCR

DAC6

Intermediary/Taxpayer Registration	Intermediary/Taxpayer Registration	Supported by all Browsers -Government Office verification Contact Details/support: email to dac6@tax.mof.gov.cy	
Representative Registration	Representative Registration	Supported by all Browsers -Government Office verification Contact Details/support: email to dac6@tax.mof.gov.cy	
Submit XML Files	Submit XML Files	Supported by all Browsers -Government Office verification Contact Details/support: email to dac6@tax.mof.gov.cy	

Sign in (CYLogin)

Registration
Create a profile for e-service

Profile Authentication through e-banking

Government Procedures Guidelines

LATEST NEWS

Prohibition of using a common Email Address

Temporary arrangements for Ariadni profile identification, due to COVID-19

More...

XML example

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</DAC6_Arrangement>
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Reporting checklist: mandatory fields

Combined DAC6 and IT expertise

Identification information

of all parties to the RCBA

- names
- registered, residential addresses
- role of each party in the arrangement
- jurisdiction of tax residence
- TIN numbers for all parties included in the disclosure: intermediary, taxpayer, associated enterprise, other affected persons

Arrangement information

- name of RCBA (if any)
- valuation
- tax benefit, if applicable
- applicable Hallmark(s)
- description
- date of the first step / implementation - determines submission deadline
- relevant national provisions

Submit the report with one click...



Government
Gateway Portal (Ariadni)

English | Ελληνικά

[e-Service Catalog](#) | [Web Portal](#) | [Manage My Profile](#) | [Learn More](#)

Friday, September 10, 2021

[Logout](#)



Submit XML Files

Registration No

Company Name

Ltd

File *

[Click here to upload files](#)

Entity(fill ONLY if you are a representative)

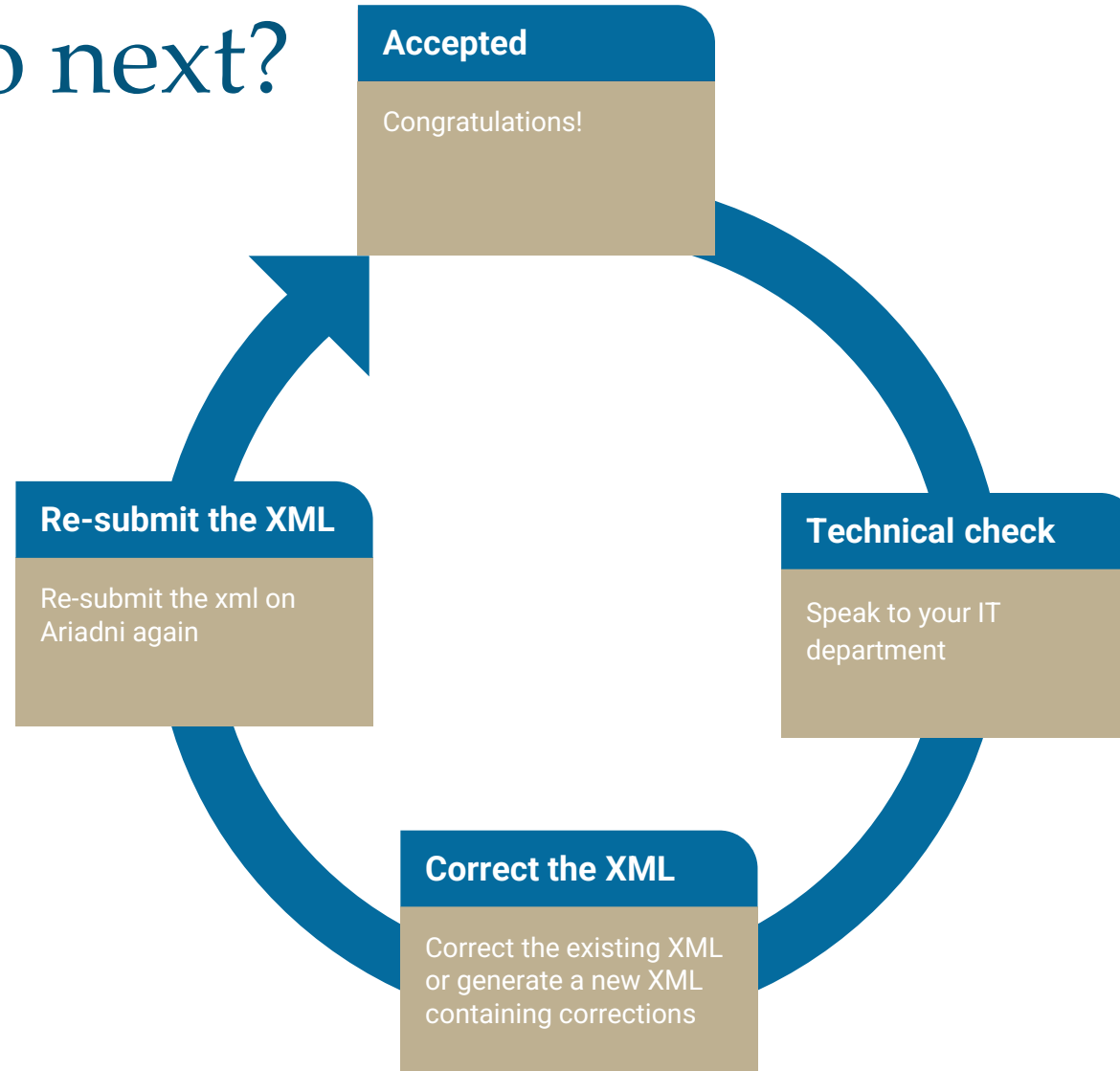
-- Select --

Submit



DAC6 – Η υποβολή σας απορρίφθηκε /
Your submission has been rejected

What to do next?



Key takeaways

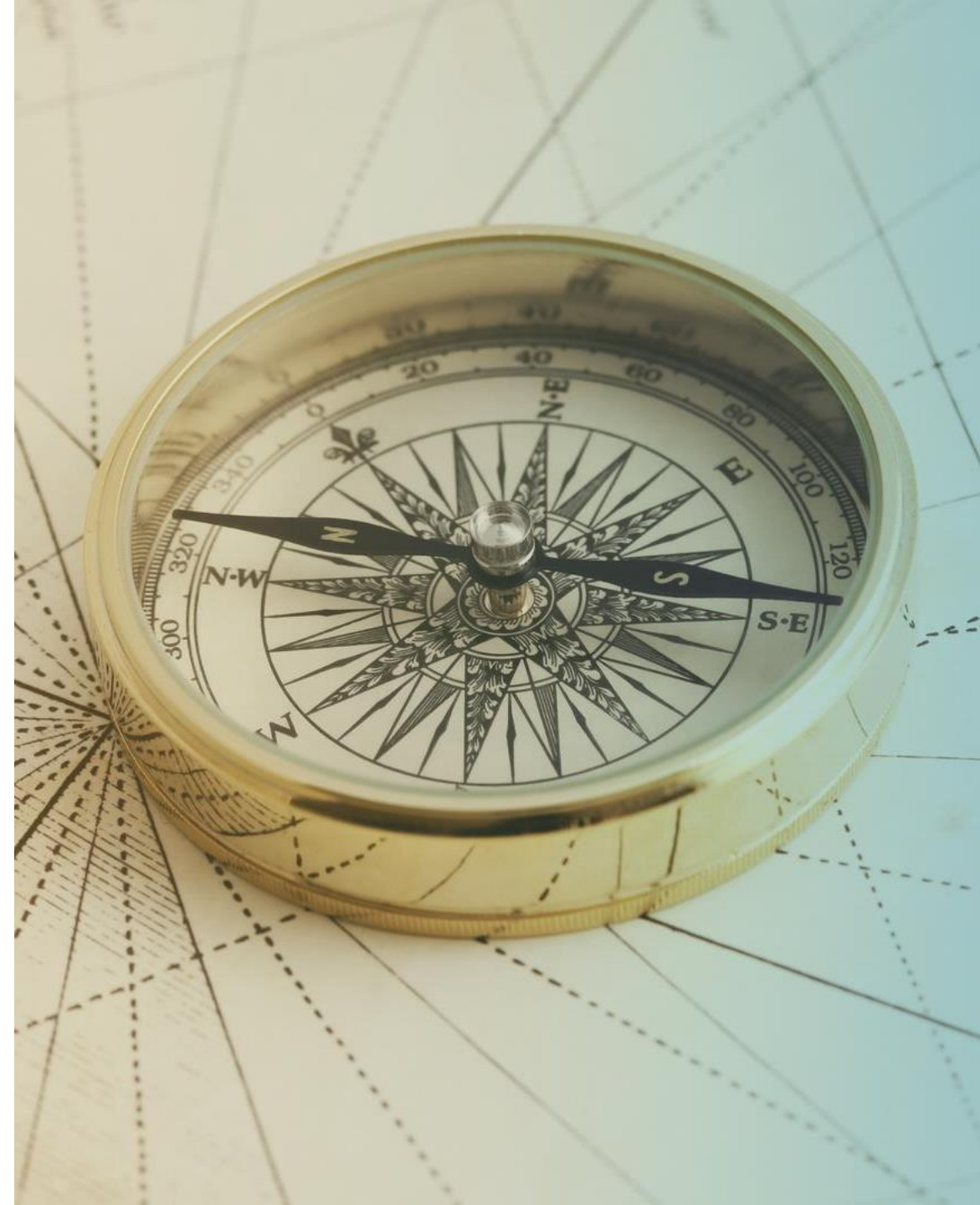
Reporting deadline extension to 30 November 2021

Timing is of essence

- Register on the reporting portal early
- Take notes of various deadlines
- Do not be late – think of penalties

Professional help averts common errors

- Analyze potentially reportable cross-border arrangements
- Ensure reportable information is in XML format
- Check regularly the tax government website for updates





KENDRIS

PERSONAL | INDEPENDENT | DIGITAL

Thank you

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