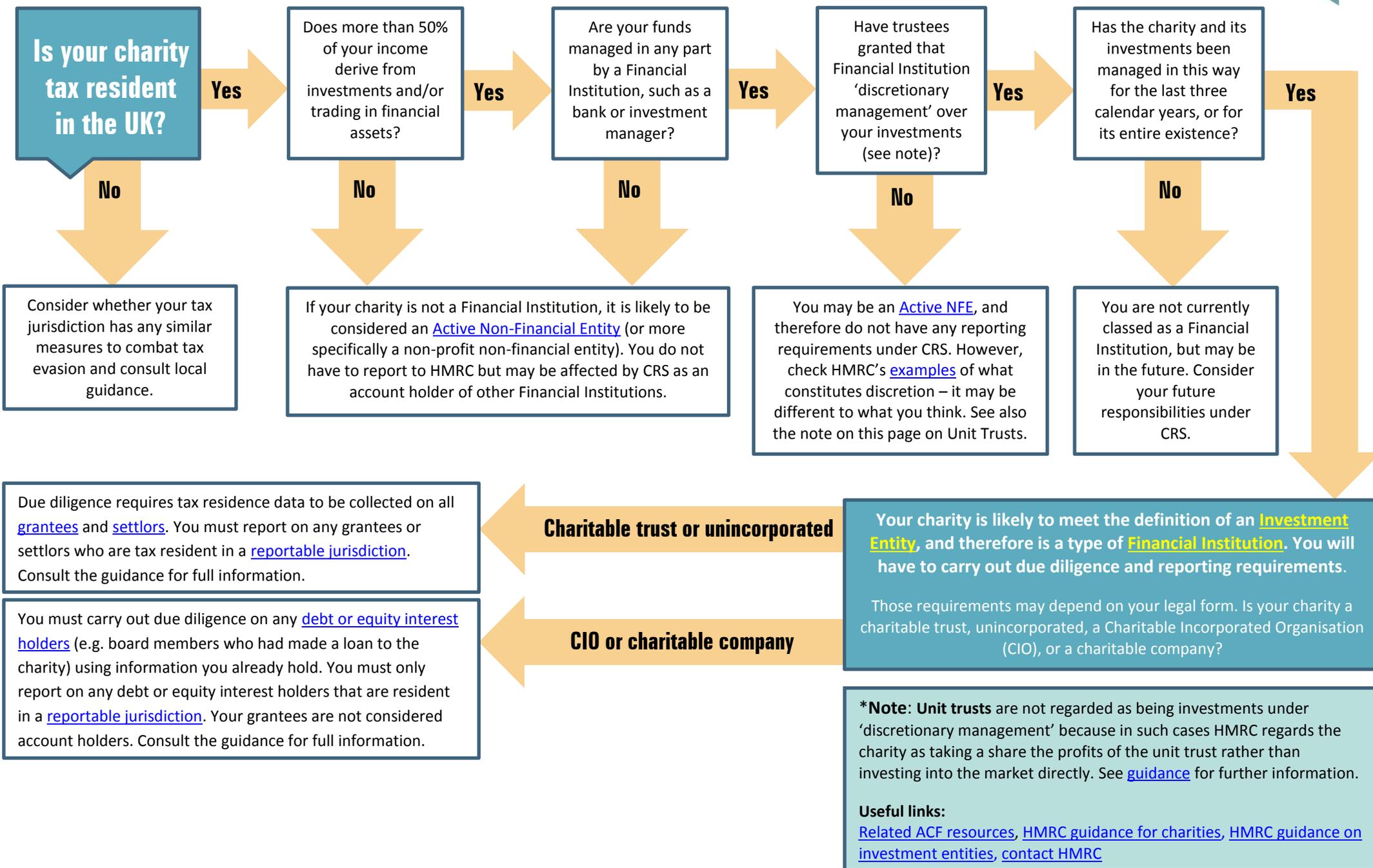




COMMON REPORTING STANDARD: ARE YOU AFFECTED?



Is your charity tax resident in the UK?

Yes

Does more than 50% of your income derive from investments and/or trading in financial assets?

Yes

Are your funds managed in any part by a Financial Institution, such as a bank or investment manager?

Yes

Have trustees granted that Financial Institution 'discretionary management' over your investments (see note)?

Yes

Has the charity and its investments been managed in this way for the last three calendar years, or for its entire existence?

Yes

No

No

No

No

No

Consider whether your tax jurisdiction has any similar measures to combat tax evasion and consult local guidance.

If your charity is not a Financial Institution, it is likely to be considered an [Active Non-Financial Entity](#) (or more specifically a non-profit non-financial entity). You do not have to report to HMRC but may be affected by CRS as an account holder of other Financial Institutions.

You may be an [Active NFE](#), and therefore do not have any reporting requirements under CRS. However, check HMRC's [examples](#) of what constitutes discretion – it may be different to what you think. See also the note on this page on Unit Trusts.

You are not currently classed as a Financial Institution, but may be in the future. Consider your future responsibilities under CRS.

Due diligence requires tax residence data to be collected on all [grantees](#) and [settlors](#). You must report on any grantees or settlors who are tax resident in a [reportable jurisdiction](#). Consult the guidance for full information.

You must carry out due diligence on any [debt or equity interest holders](#) (e.g. board members who had made a loan to the charity) using information you already hold. You must only report on any debt or equity interest holders that are resident in a [reportable jurisdiction](#). Your grantees are not considered account holders. Consult the guidance for full information.

Charitable trust or unincorporated

CIO or charitable company

Your charity is likely to meet the definition of an [Investment Entity](#), and therefore is a type of [Financial Institution](#). You will have to carry out due diligence and reporting requirements. Those requirements may depend on your legal form. Is your charity a charitable trust, unincorporated, a Charitable Incorporated Organisation (CIO), or a charitable company?

***Note:** Unit trusts are not regarded as being investments under 'discretionary management' because in such cases HMRC regards the charity as taking a share the profits of the unit trust rather than investing into the market directly. See [guidance](#) for further information.

Useful links:
[Related ACF resources](#), [HMRC guidance for charities](#), [HMRC guidance on investment entities](#), [contact HMRC](#)

Disclaimer

Please note that although ACF has tried to ensure all the information is correct, we do not guarantee the accuracy of these pages and any person using information contained in them does so entirely at their own risk. See our website for more information. If you have any doubts about your duties under CRS, please refer to the [guidance](#), seek professional advice, or [contact HMRC](#).