



Press release

Date: 01.03.2016

New FATCA exception clause for accounts held by lawyers or notaries

The competent authorities of Switzerland and the United States signed an agreement on 19 February 2016 in Bern and on 29 February 2016 in Washington with which an exception clause for accounts held by lawyers or notaries was included in the FATCA Agreement. The negotiated exception clause has the advantage that clients of lawyers or notaries no longer have to be identified, and thereby the professional confidentiality of lawyers or notaries can be maintained.

Due to this exception clause, accounts maintained for specific purposes by lawyers or notaries for their clients (i.e. accounts in connection with specific activities protected by law under the professional confidentiality) will be excluded from the scope of application of the Foreign Account Tax Compliance Act (FATCA). As a result of this exception, the financial institution maintaining the account will not have to identify the clients of lawyers or notaries, provided the lawyers or notaries confirm in writing to the financial institution that the accounts come under the scope of application of the exception clause. This will ensure that the professional confidentiality of lawyers and notaries will be maintained under Swiss law.

Annex II of the FATCA Agreement may be amended by agreement between the competent authorities of both countries, whereby additional entities, accounts or products can be added or removed.

The Swiss Bankers Association will take the necessary steps to amend the documentation processes so that banks can implement the negotiated exception clause for the accounts held by lawyers or notaries.

Independently of this, the negotiations on the new FATCA Agreement based on the Federal Council's mandate of 8 October 2014 are ongoing. Unlike the current FATCA Agreement, the new FATCA Agreement will make provision for the automatic exchange of information between tax authorities.

Press release

Further details:

Anne Césard, Communications, State Secretariat for
International Financial Matters SIF
Tel. +41 58 462 62 91, anne.cesard@sif.admin.ch

The following can be found as an enclosure to this press release at www.finance.admin.ch:

- "Accounts held by Lawyers or Notaries" Agreement (German and English)