



Government of the Republic of Trinidad and Tobago

MINISTRY OF FINANCE

CORPORATE COMMUNICATIONS UNIT

For immediate release

August 19th, 2016

PRESS RELEASE

**Signing of a Model IA Intergovernmental Agreement
Between the Government of the Republic of Trinidad and Tobago and the
Government of the United States of America**

On Friday August 19th, 2016, **the Honourable Minister of Finance, Colm Imbert**, on behalf of the Government of the Republic of Trinidad and Tobago, and **His Excellency Ambassador of the United States of America, John Estrada**, on behalf of the Government of the United States of America (USA), signed a Model IA Intergovernmental Agreement (IGA). The objective of this IGA is to improve international tax compliance through mutual assistance in tax matters based on an effective infrastructure for the automatic exchange of information. The IGA will also facilitate the implementation of the **Foreign Account Tax Compliance Act (FATCA) enacted in the United States of America in 2010**.

FATCA is part of the USA's Federal Law which targets USA persons living within and outside the USA to report on their Non-United States financial accounts.

The signing of the IGA is another milestone in the relationship between both countries on tax matters and brings to an end, approximately three years of negotiations occurring between the two countries on the Agreement. The signing is also timely as it was completed before September 30th, 2016, the deadline set for the exchanging of information between both countries.

The Rep. of Trinidad and Tobago and the United States of America will now move to bring the IGA into force. This would allow for the automatic exchange of information between both countries and also ensure that foreign financial institutions, including local banks and insurance companies, will not be subject to a thirty percent (30%) withholding.

.../2

To bring the IGA into force, the Minister of Finance will take to the Parliament, the necessary legislation, among other things, to provide for the automatic exchange of information by the Board of Inland Revenue to the United States Inland Revenue Service.

- END -