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(IDES) for enrollment. Financial institutions and host country tax authorities will use IDES to securely send their information reports on financial accounts held by U.S. persons

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The Internal Revenue Service has opened the International Data Exchange Service (IDES) for enrollment. Financial institutions and host country tax authorities will use IDES to securely send their information reports on financial accounts held by U.S. persons to the IRS under the Foreign Account Tax Compliance Act (FATCA) or pursuant to the terms of an intergovernmental agreement (IGA), as applicable.

More than 145,000 financial institutions have registered through the IRS FATCA Registration System. The U.S. has more than 110 IGAs, either signed or agreed in substance. Financial institutions and host country tax authorities will use IDES to provide the IRS information reports on financial accounts held by U.S. persons.

“The opening of the International Data Exchange Service is a milestone in the implementation of FATCA,” said IRS Commissioner John Koskinen. “With it, comes the start of a secure system of automated, standardized information exchanges among government tax authorities. This will enhance our ability to detect hidden accounts and help ensure fairness in the tax system.”

Where a jurisdiction has a reciprocal IGA and the jurisdiction has the necessary safeguards and infrastructure in place, the IRS will also use IDES to provide similar information to the host country tax authority on accounts in U.S. financial institutions held by the jurisdiction's residents.

Using IDES, a web application, the sender encrypts the data and IDES encrypts the transmission pathway to protect data transfers. Encryption at both the file and

transmission level safeguards sensitive tax information.

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For host country tax authorities in Model 1 IGA jurisdictions, the IRS will directly notify them to let them know when it is time to enroll. Financial institutions will initiate enrollment online on their own; in order to enroll, the financial institution will need to have registered as a participating financial institution through the IRS FATCA Registration System and have a global intermediary identification number (GIIN) that appears on the IRS FATCA FFI list. The online address for IDES enrollment can be found [here](#).

IDES runs on all major browsers, including Chrome, Internet Explorer, Safari, and Firefox and will support application-to-application exchanges through the SFTP transmission protocol enabling a wide variety of users to interact with IDES without building additional infrastructure to support transmission.

IRS • Taxes

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