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ANNEXES 1 to 3

ANNEXES

to the

Proposal for a Council Directive

amending Directive 2011/16/EU on administrative cooperation in the field of taxation

{SEC(2022) 438 final} - {SWD(2022) 400 final} - {SWD(2022) 401 final} -
{SWD(2022) 402 final}

ANNEX I

Annex I is amended as follows:

(1) Section I is amended as follows:

(a) paragraph A is amended as follows:

‘(i) the introductory paragraph and subpoints 1 and 2 are replaced by the following:

A. Subject to paragraphs C to G, each Reporting Financial Institution shall report to the competent authority of its Member State.

(1) the following information with respect to each Reportable Account of such Reporting Financial Institution is reported:

(a) the name, address, Member State(s) of residence, TIN(s) and date and place of birth (in the case of an individual) of each Reportable Person that is an Account Holder of the account and whether the Account Holder has provided a valid self-certification;

(b) in the case of any Entity that is an Account Holder and that, after application of the due diligence procedures consistent with Sections V, VI and VII, is identified as having one or more Controlling Persons that is a Reportable Person, the name, address, Member State(s) of residence and TIN(s) of the Entity and the name, address, Member State(s) of residence, TIN(s) and date, and place of birth of each Reportable Person, as well as the role(s) by virtue of which each Reportable Person is a Controlling Person of the Entity and whether a valid self-certification has been provided for each Reportable Person;

(c) whether the account is a joint account, including the number of joint Account Holders.

(2) the account number (or functional equivalent in the absence of an account number), the type of account and whether the account is a Pre-existing Account or a New Account;’;

(ii) the following subparagraph 6a is inserted:

‘6a. in the case of any Equity Interest held in an Investment Entity that is a legal arrangement, the role(s) by virtue of which the Reportable Person is an Equity Interest holder; and.’

(b) paragraph C is amended as follows:

‘C. Notwithstanding subparagraph A(1), with respect to each Reportable Account that is a Pre-existing Account, the TIN(s) or date of birth is not required to be reported if such TIN(s) or date of birth is not in the records of the Reporting Financial Institution and is not otherwise required to be collected by such Reporting Financial Institution under domestic law or any Union legal instrument. However, a Reporting Financial Institution is required to use reasonable efforts to obtain the TIN(s) and date of birth with respect to Pre-existing Accounts by the end of the second calendar year following the year in which Pre-existing Accounts were identified as Reportable Accounts and

whenever it is required to update the information relating to the Pre-existing Account pursuant to domestic AML/KYC Procedures.’;

(c) the following paragraph F is added:

F. Notwithstanding paragraph A(5), point (b) and unless the Reporting Financial Institution elects otherwise with respect to any clearly identified group of accounts, the gross proceeds from the sale or redemption of a Financial Asset is not required to be reported to the extent such gross proceeds from the sale or redemption of such Financial Asset is reported by the Reporting Financial Institution according to Article 8ad.

(2) in Section VI, paragraph 2, point (b) is replaced by the following:

‘(b) Determining the Controlling Persons of an Account Holder. For the purposes of determining the Controlling Persons of an Account Holder, a Reporting Financial Institution may rely on information collected and maintained pursuant to AML/KYC Procedures, provided that such procedures are consistent with the Directive (EU) 2015/849. If the Reporting Financial Institution is not legally required to apply AML/KYC Procedures that are consistent with the Directive (EU) 2015/849, it shall apply substantially similar procedures for the purpose of determining the Controlling Persons.’

(3) in Section VII, the following paragraph is inserted:

‘AA. Temporary lack of Self-Certification. In exceptional circumstances where a self-certification cannot be obtained by a Reporting Financial Institution in respect of a New Account in time to meet its due diligence and reporting obligations with respect to the reporting period during which the account was opened, the Reporting Financial Institution shall apply the due diligence procedures for Pre-existing Accounts, until such self-certification is obtained and validated.’

(4) Section VIII is amended as follows:

(a) subparagraphs A(5), A(6) and A(7) are replaced by the following:

‘5. The term ‘Depository Institution’ means any Entity that:

- (a) accepts deposits in the ordinary course of a banking or similar business; or
- (b) holds E-money, E-money Tokens or Central Bank Digital Currencies for the benefit of customers.

6. The term ‘Investment Entity’ means any Entity:

- (a) which primarily conducts as a business one or more of the following activities or operations for or on behalf of a customer:
 - (i) trading in money market instruments (cheques, bills, certificates of deposit, derivatives, etc.); foreign exchange; exchange, interest rate and index instruments; transferable securities; or commodity futures trading;
 - (ii) individual and collective portfolio management; or
 - (iii) otherwise investing, administering, or managing Financial Assets, money, or Reportable Crypto-Assets on behalf of other persons; or

- (b) the gross income of which is primarily attributable to investing, reinvesting, or trading in Financial Assets or Reportable Crypto-Assets, if the Entity is managed by another Entity that is a Depository Institution, a Custodial Institution, a Specified Insurance Company, Specified Insurance Company or an Investment Entity described in subparagraph A(6), point (a).

An Entity is treated as primarily conducting as a business one or more of the activities described in subparagraph A(6), point (a), or an Entity's gross income is primarily attributable to investing, reinvesting, or trading in Financial Assets or Reportable Crypto-Assets for the purposes of subparagraph A(6), point (b), if the Entity's gross income attributable to the relevant activities equals or exceeds 50 % of the Entity's gross income during the shorter of: (i) the three-year period ending on 31 December of the year preceding the year in which the determination is made; or (ii) the period during which the Entity has been in existence. For the purposes of subparagraph A(6), point (a)(iii), the term “otherwise investing, administering, or managing Financial Assets, money, or Reportable Crypto-Assets on behalf of other persons” does not include the provision of services effectuating Exchange Transactions for or on behalf of customers. The term ‘Investment Entity’ does not include an Entity that is an Active NFE because that Entity meets any of the criteria in subparagraphs D(8), point (d) to (g).

This paragraph shall be interpreted in a manner consistent with similar language set forth in the definition of ‘financial institution’ in Directive (EU) 2015/849.

7. The term ‘Financial Asset’ includes a security (for example, a share of stock in a corporation; partnership or beneficial ownership interest in a widely held or publicly traded partnership or trust; note, bond, debenture, or other evidence of indebtedness), partnership interest, commodity, swap (for example, interest rate swaps, currency swaps, basis swaps, interest rate caps, interest rate floors, commodity swaps, equity swaps, equity index swaps, and similar agreements), Insurance Contract or Annuity Contract, or any interest (including a futures or forward contract or option) in a security, Reportable Crypto-Asset, partnership interest, commodity, swap, Insurance Contract, or Annuity Contract. The term ‘Financial Asset’ does not include a non-debt, direct interest in real property.’

- (b) in paragraphs A, the following subparagraphs are added:

‘9. The term ‘Electronic Money’ or E-money’ means Electronic Money or E-money as defined in Directive 2009/110/EC. For the purposes of this Directive, the terms ‘Electronic Money’ or ‘E-money’ does not include a product created for the sole purpose of facilitating the transfer of funds from a customer to another person pursuant to instructions of the customer. A product is not created for the sole purpose of facilitating the transfer of funds if, in the ordinary course of business of the transferring Entity, either the funds connected with such product are held longer than 60 days after receipt of instructions to facilitate the transfer, or, if no instructions are received, the

funds connected with such product are held longer than 60 days after receipt of the funds.

10. The term ‘Electronic Money Token’ or ‘E-money Token’ means Electronic Money Token or E-money Token as defined in Regulation XXX.

11. The term ‘Fiat Currency’ means the official currency of a jurisdiction, issued by a jurisdiction or by a jurisdiction’s designated Central Bank or monetary authority, as represented by physical banknotes or coins or by money in different digital forms, including bank reserves, commercial bank money, electronic money products and Central Bank Digital Currencies

12. The term ‘Central Bank Digital Currency’ means any digital Fiat Currency issued by a Central Bank or other monetary authority.

13. The term ‘Crypto-Asset’ means Crypto-Asset as defined in Regulation XXX.

14. The term ‘Reportable Crypto-Asset’ means any Crypto-Asset other than a Central Bank Digital Currency, Electronic Money, Electronic Money Token or any Crypto-Asset for which the Reporting Crypto-Asset Service Provider has adequately determined that it cannot be used for payment or investment purposes.

15. The term ‘Exchange Transaction’ means any:

- (a) exchange between Reportable Crypto-Assets and Fiat Currencies;
- (b) exchange between one or more forms of Reportable Crypto-Assets.

(c) subparagraph B(1), point (a) is replaced by the following:

1. The term ‘Non-Reporting Financial Institution’ means any Financial Institution that is:

- (a) a Governmental Entity, International Organisation or Central Bank, other than:
 - (i) with respect to a payment that is derived from an obligation held in connection with a commercial financial activity of a type engaged in by a Specified Insurance Company, Custodial Institution, or Depository Institution; or
 - (ii) with respect to the activity of maintaining Central Bank Digital Currencies for Account Holders which are not Financial Institutions, Governmental Entities, International Organisations or Central Banks.

(d) subparagraph C(2) is replaced by the following:

‘2. The term ‘Depository Account’ includes any commercial, checking, savings, time, or thrift account, or an account that is evidenced by a certificate of deposit, thrift certificate, investment certificate, certificate of indebtedness, or other similar instrument maintained by a Depository Institution, A Depository Account also includes:

- (a) an amount held by an insurance company pursuant to a guaranteed investment contract or similar agreement to pay or credit interest therein;

- (b) an account or notional account that represents all E-money or E-money Tokens held for the benefit of a customer; and
 - (c) an account that holds one or more Central Bank Digital Currencies for the benefit of a customer.
- (e) subparagraph C(9) and (10) are replaced by the following:

‘9. The term ‘Pre-existing Account’ means:

- (a) a Financial Account maintained by a Reporting Financial Institution as of 31 December 2015 or, if the account is treated as a Financial Account solely by virtue of the amendments to the Directive 2011/16/EU, as of 1 January 2024;
- (b) any Financial Account of an Account Holder, regardless of the date such Financial Account was opened, if:
 - (i) the Account Holder also holds with the Reporting Financial Institution (or with a Related Entity within the same Member State as the Reporting Financial Institution) a Financial Account that is a Pre-existing Account under subparagraph C(9), point (a);
 - (ii) the Reporting Financial Institution (and, as applicable, the Related Entity within the same Member State as the Reporting Financial Institution) treats both of the aforementioned Financial Accounts, and any other Financial Accounts of the Account Holder that are treated as Pre-existing Accounts under point (b), as a single Financial Account for purposes of satisfying the standards of knowledge requirements set forth in paragraph A of Section VII, and for purposes of determining the balance or value of any of the Financial Accounts when applying any of the account thresholds;
 - (iii) with respect to a Financial Account that is subject to AML/KYC Procedures, the Reporting Financial Institution is permitted to satisfy such AML/KYC Procedures for the Financial Account by relying upon the AML/KYC Procedures performed for the Pre-existing Account described in subparagraph C(9), point (a); and
 - (iv) the opening of the Financial Account does not require the provision of new, additional or amended customer information by the Account Holder other than for the purposes of this Directive.

10. The term ‘New Account’ means a Financial Account maintained by a Reporting Financial Institution opened on or after 1 January 2016 or, if the account is treated as a Financial Account solely by virtue of the amendments to the Directive 2011/16/EU, on or after 1 January 2024.’

- (f) in subparagraph (17), point (e) the following point is added:

‘(v) a foundation or capital increase of a company provided that the account satisfies the following requirements:

- the account is used exclusively to deposit capital that is to be used for the purpose of the foundation or capital increase of a company, as prescribed by law;
- any amounts held in the account are blocked until the Reporting Financial Institution obtains an independent confirmation regarding the foundation or capital increase;
- the account is closed or transformed into an account in the name of the company after the foundation or capital increase;
- any repayments resulting from a failed foundation or capital increase, net of service provider and similar fees, are made solely to the persons who contributed the amounts; and
- the account has not been established more than 12 months ago’.

(g) in paragraph C(17), the following point (ee) is inserted:

‘(ee) A Depository Account that represents all Electronic Money and Electronic Money Tokens held for the benefit of a customer, if the rolling average 90 days end-of-day aggregate account balance or value during any period of 90 consecutive days did not exceed USD 10 000 at any day during the calendar year or other appropriate reporting period.’

(h) paragraph D(2) is replaced by the following:

‘2. The term ‘Reportable Person’ means a Member State Person other than (i) an Entity the stock of which is regularly traded on one or more established securities markets; (ii) any Entity that is a Related Entity of an Entity described in clause (i); (iii) a Governmental Entity; (iv) an International Organisation; (v) a Central Bank; or (vi) a Financial Institution’.

(i) in paragraph E, the following paragraph 7 is added:

‘7. The term ‘Identification Service’ means an electronic process made available free of charge by a Member State to a Reporting Financial Institution for the purposes of ascertaining the identity and tax residence of an Account Holder or Controlling Person.’

(5) in Section IX the following subparagraph is added:

‘Records referred to in point (2) of this subparagraph shall remain available not longer than necessary but in any event not shorter than 5 years to achieve the purposes of this Directive;’

(6) the following Section XI is added:

‘Section XI

Transitional Measures

Under subparagraph A(1), point (b) and A (6a) of Section I, with respect to each Reportable Account that is maintained by a Reporting Financial Institution as of 1 January 2024 and for reporting periods ending by the second calendar year following such date, information with respect to the role(s) by virtue of which each Reportable Person is a Controlling Person or Equity Interest holder of the Entity is only required to be reported if such information is available in the electronically searchable data maintained by the Reporting Financial Institution.’

ANNEX II

Annex V is amended as follows:

- (1) in Section I C. the following subparagraph is added.
‘10. ‘Identification Service’ means an electronic process made available free of charge by a Member State to a Reporting Platform Operator for the purposes of ascertaining the identity and tax residence of a Seller.’
- (2) in Section II subparagraph B(3) is replaced by the following:
‘3. Notwithstanding subparagraphs B(1) and (2), the Reporting Platform Operator shall not be required to collect information referred to in subparagraph B(1), points (b) to (e) and subparagraph B(2), point (b) to (f) where it relies on direct confirmation of the identity and residence of the Seller through an Identification Service made available by a Member State or the Union to ascertain the identity and tax residence of the Seller. In case the Reporting Platform Operator relied on an Identification Service to ascertain the identity and tax residence of a Reportable Seller, the name, Identification Service identifier, and the Member State of issuance will be required;’
- (3) in Section IV the introductory wording of subparagraph F(5) is replaced by the following:
‘5. The Member State of single registration shall remove a Reporting Platform Operator from the central register in the following cases:

ANNEX III

‘ANNEX VI

DUE DILIGENCE PROCEDURES, REPORTING REQUIREMENTS AND OTHER RULES FOR REPORTING CRYPTO-ASSET SERVICE PROVIDERS

This Annex lays down the due diligence procedures, reporting requirements and other rules that shall be applied by the Reporting Crypto-Asset Service Providers in order to enable Member States to communicate, by automatic exchange, the information referred to in Article 8ad of this Directive.

This Annex also lays down the rules and administrative procedures that Member States shall have in place to ensure effective implementation of, and compliance with, the due diligence procedures and reporting requirements set out in it.

SECTION I

OBLIGATIONS OF REPORTING CRYPTO-ASSET SERVICE PROVIDERS

A. A Reporting Crypto-Asset Service Provider as defined in Section IV subparagraph B(3) is subject to the due diligence and reporting requirements in Sections II and III in a Member State, if it is:

1. an Entity authorised under Regulation XX;

2. an Entity or individual resident for tax purposes in a Member State;
3. an Entity that (a) is incorporated or organised under the laws of a Member State and (b) either has legal personality in a Member State or has an obligation to file tax returns or tax information returns to the tax authorities in a Member State with respect to the income of the Entity;
4. an Entity managed from a Member State; or
5. an Entity or individual that has a regular place of business in a Member State and is not a Qualified Non-Union Reporting Crypto-Asset Service Provider; or
6. an Entity or individual resident for tax purposes in a non-Union jurisdiction.

B. A Reporting Crypto-Asset Service Provider is subject to the due diligence and reporting requirements in Sections II and III in a Member State in accordance with subparagraph A with respect to Reportable Transactions effectuated through a Branch based in a Member State.

C. A Reporting Crypto-Asset Service Provider that is an Entity is not required to complete the due diligence and reporting requirements in Sections II and III in a Member State it is subject to pursuant to subparagraphs A(3), (4) or (5), if such requirements are completed by such Reporting Crypto-Asset Service Provider in any other Member State by virtue of it being resident for tax purposes in such Member State.

D. A Reporting Crypto-Asset Service Provider that is an Entity is not required to complete the due diligence and reporting requirements in Sections II and III in a Member State it is subject to pursuant to subparagraph A(4) or (5), if such requirements are completed by such Reporting Crypto-Asset Service Provider in any other Member State by virtue of it being an Entity that (a) is incorporated or organised under the laws of such Member State and (b) either has legal personality in the other Member State or has an obligation to file tax returns or tax information returns to the tax authorities in the other Member State with respect to the income of the Entity.

E. A Reporting Crypto-Asset Service Provider that is an Entity is not required to complete the due diligence and reporting requirements in Sections II and III in a Member State it is subject to pursuant to subparagraph A(5), if such requirements are completed by such Reporting Crypto-Asset Service Provider in any other Member State by virtue of it being managed from such Member State.

F. A Reporting Crypto-Asset Service Provider that is an Entity is not required to complete the due diligence and reporting requirements in Sections II and III in a Member State it is subject to pursuant to subparagraph A(6), if such requirements are completed by such Reporting Crypto-Asset Service Provider in any other Qualified Non-Union Jurisdiction by virtue of it being managed from such Qualified Non-Union jurisdiction.

G. A Reporting Crypto-Asset Service Provider that is an individual is not required to complete the due diligence and reporting requirements in Sections II and III in a Member State it is subject to pursuant to subparagraph A(5), if such requirements are completed by such Reporting Crypto-Asset Service Provider in any other Member State by virtue of it being resident for tax purposes in such Member State.

H. A Reporting Crypto-Asset Service Provider that is an individual is not required to complete the due diligence and reporting requirements in Sections II and III in a Member State it is subject to pursuant to subparagraph A(6), if such requirements are completed by such Reporting Crypto-Asset Service Provider in any other Qualified Non-Union jurisdiction by virtue of it being resident for tax purposes in such Qualified Non-Union jurisdiction.

I. A Reporting Crypto-Asset Service Provider is not required to complete the due diligence and reporting requirements in Sections II and III in a Member State with respect to Reportable Transactions it effectuates through a Branch in any other Member State, if such requirements are completed by such Branch in such Member State.

J. Reporting Crypto-Asset Service Provider is not required to complete the due diligence and reporting requirements in Section II and III in a Member State it is subject to pursuant to subparagraph A(2), (3), (4) (5) or (6), if it has lodged a notification with a Member State in a format specified by a Member State confirming that such requirements are completed by such Reporting Crypto-Asset Service Provider under the rules of any other Member State pursuant to criteria that are substantially similar to subparagraphs A(2), (3), (4),(5) or (6), respectively.

K. Reporting Crypto-Asset Service Provider is not required to complete the due diligence and reporting requirements in Section II and III in a Member State it is subject to pursuant to subparagraph A(1) if it has lodged a notification with a Member State in a format specified by a Member State confirming that such requirements are completed by such Reporting Crypto-Asset Service Provider under the rules of an Effective Qualifying Competent Authority Agreement pursuant to an correspondence decision according to Article 8ad(11).

SECTION II

REPORTING REQUIREMENTS

A. A Reporting Crypto-Asset Service Provider within the meaning of paragraph A of Section I shall report to the competent authority of the Member State of its authorisation, tax residence or registration the information set out in paragraph B of this Section no later than 31 January of the year following the relevant calendar year or other appropriate reporting period of the Reportable Transaction.

B. For each relevant calendar year or other appropriate reporting period, and subject to the obligations of Reporting Crypto-Asset Service Providers in Section I and the due diligence procedures in Section III, a Reporting Crypto-Asset Service Provider shall report the following information with respect to its Crypto-Asset Users that are Reportable Users or that have Controlling Persons that are Reportable Persons:

1. the name, address, Member State(s) of residence, TIN(s) and, in case of an individual, date and place of birth of each Reportable User and, in the case of any Entity that, after application of the due diligence procedures laid down in Section III, is identified as having one or more Controlling Persons that is a Reportable Person, the name, address, Member State(s) of residence and TIN(s) of the Entity and the name, address, Member State(s) of residence, TIN(s) and date and place of birth of each Reportable Person, as well as the role(s) by virtue of which each Reportable Person is a Controlling Person of the Entity;
2. the name, address, TIN and, if available, the individual identification number and the Global Legal Entity Identifier, of the Reporting Crypto-Asset Service Provider;
3. for each Reportable Crypto-Asset with respect to which it is has effectuated Reportable Transactions during the relevant calendar year or other appropriate reporting period, where relevant:
 - (a) the full name of the type of Reportable Crypto-Asset;

- (b) the aggregate gross amount paid, the aggregate number of units and the number of Reportable Transactions in respect of acquisitions against Fiat Currency;
- (c) the aggregate gross amount received, the aggregate number of units and the number of Reportable Transactions in respect of disposals against Fiat Currency;
- (d) the aggregate fair market value, the aggregate number of units and the number of Reportable Transactions in respect of acquisitions against other Reportable Crypto-Assets;
- (e) the aggregate fair market value, the aggregate number of units and the number of Reportable Transactions in respect of disposals against other Reportable Crypto-Assets;
- (f) the aggregate fair market value, the aggregate number of units and the number of Reportable Retail Payment Transactions;
- (g) the aggregate fair market value, the aggregate number of units and the number of Reportable Transactions, and subdivided by transfer type where known by the Reporting Crypto-Asset Service Provider, in respect of Transfers to the Reportable User not covered by subparagraphs A(3), points (b) and (d);
- (h) the aggregate fair market value, the aggregate number of units and the number of Reportable Transactions, and subdivided by transfer type where known by the Reporting Crypto-Asset Service Provider, in respect of Transfers by the Reportable User not covered by subparagraphs A(3), points (c), (e) and (f); and
- (i) the aggregate fair market value, as well as the aggregate number of units of Transfers effectuated by the Reporting Crypto-Asset Service Provider to distributed ledger addresses not known to be associated with a virtual asset service provider or financial institution.

For the purposes of subparagraphs B(3), points (b) and (c), the amount paid or received shall be reported in the Fiat Currency in which it was paid or received. In case the amounts were paid or received in multiple Fiat Currencies, the amounts shall be reported in a single currency, converted at the time of each Reportable Transaction in a manner that is consistently applied by the Reporting Crypto-Asset Service Provider.

For the purposes of subparagraphs B(3), points (d) to (i), the fair market value shall be determined and reported in a single currency, valued at the time of each Reportable Transaction in a manner that is consistently applied by the Reporting Crypto-Asset Service Provider.

The information reported shall identify the Fiat Currency in which each amount is reported.

C. The information listed in paragraph 3 shall be reported by 31 January of the calendar year following the year to which the information relates. The first information shall be reported for the relevant calendar year or other appropriate reporting period as from 1 January 2026.

D. Notwithstanding subparagraph (C) of this Section, a Reporting Crypto-Asset Service Provider within the meaning of Section I, subparagraph A(6), shall not be required to provide the information set out in paragraph B of this Section with respect to Qualified Reportable Transactions, covered by an Effective Qualifying Competent Authority Agreement, which already provides for the automatic exchange of correspondent information with a Member State on Reportable Users resident in that Member State.

SECTION III

DUE DILIGENCE PROCEDURES

A Crypto-Asset User is treated as a Reportable User beginning from the date when it is identified as such pursuant to the due diligence procedures described in this Section.

A. Due Diligence Procedures for Individual Crypto-Asset Users

The following procedures apply for purposes of determining whether the Individual Crypto-Asset User is a Reportable User.

1. When establishing the relationship with the Individual Crypto-Asset User, or with respect to Pre-existing Individual Crypto-Asset Users by 12 months after the entry of force of this Directive, the Reporting Crypto-Asset Service Provider shall obtain a self-certification that allows the Reporting Crypto-Asset Service Provider to determine the Individual Crypto-Asset User's residence(s) for tax purposes and confirm the reasonableness of such self-certification based on the information obtained by the Reporting Crypto-Asset Service Provider, including any documentation collected pursuant to Customer Due Diligence Procedures.
2. If at any point there is a change of circumstances with respect to an Individual Crypto-Asset User that causes the Reporting Crypto-Asset Service Provider to know, or have reason to know, that the original self-certification is incorrect or unreliable, the Reporting Crypto-Asset Service Provider cannot rely on the original self-certification and shall obtain a valid self-certification, or a reasonable explanation and, where appropriate, documentation supporting the validity of the original self-certification.

B. Due Diligence Procedures for Entity Crypto-Asset Users

The following procedures apply for purposes of determining whether the Entity Crypto-Asset User is a Reportable User or an Entity, other than an Excluded Person or an Active Entity, with one or more Controlling Persons who are Reportable Person.

1. Determine whether the Entity Crypto-Asset User is a Reportable Person.
 - (a) When establishing the relationship with the Entity Crypto-Asset User, or with respect to Pre-existing Entity Crypto-Assets Users by 12 months after the entry of force of this Directive, the Reporting Crypto-Asset Service Provider shall obtain a self-certification that allows the Reporting Crypto-Asset Service Provider to determine the Entity Crypto-Asset User's residence(s) for tax purposes and confirm the reasonableness of such self-certification based on the information obtained by the Reporting Crypto-Asset Service Provider, including any documentation collected pursuant to Customer Due Diligence Procedures. If the Entity Crypto-Asset User certifies that it has no residence for tax purposes, the Reporting Crypto-Asset Service Provider may rely on the place of effective management or the address of the principal office to determine the residence of the Entity Crypto-Asset User.
 - (b) If the self-certification indicates that the Entity Crypto-Asset User is resident in a Member State, the Reporting Crypto-Asset Service Provider shall treat the Entity Crypto-Asset User as a Reportable User, unless it reasonably determines based on the self-certification or on information in its possession or that is publicly available, that the Entity Crypto-Asset User is an Excluded Person.

2. Determine whether the Entity has one or more Controlling Persons who are Reportable Persons. With respect to an Entity Crypto-Asset User, other than an Excluded Person, the Reporting Crypto-Asset Service Provider shall determine whether it has one or more Controlling Persons who are Reportable Persons, unless it determines that the Entity Crypto-Asset User is an Active Entity, based on a self-certification from the Entity Crypto-Asset User.
 - (a) Determining the Controlling Persons of the Entity Crypto-Asset User. For the purposes of determining the Controlling Persons of the Entity Crypto-Asset User, a Reporting Crypto-Asset Service Provider may rely on information collected and maintained pursuant to Customer Due Diligence Procedures, provided that such procedures are consistent with Directive (EU) 2015/849. If the Reporting Crypto-Asset Service Provider is not legally required to apply Customer Due Diligence Procedures that are consistent with Directive (EU) 2015/849, it shall apply substantially similar procedures for the purpose of determining the Controlling Persons.
 - (b) Determining whether a Controlling Person of an Entity Crypto-Asset User is a Reportable Person. For the purposes of determining whether a Controlling Person is a Reportable Person, a Reporting Crypto-Asset Service Provider shall rely on a self-certification from the Entity Crypto-Asset User or such Controlling Person that allows the Reporting Crypto-Asset Service Provider to determine the Controlling Person's residence(s) for tax purposes and confirm the reasonableness of such self-certification based on the information obtained by the Reporting Crypto-Asset Service Provider, including any documentation collected pursuant to Customer Due Diligence Procedures.
3. If at any point there is a change of circumstances with respect to an Entity Crypto-Asset User or its Controlling Persons that causes the Reporting Crypto-Asset Service Provider to know, or have reason to know, that the original self-certification is incorrect or unreliable, the Reporting Crypto-Asset Service Provider cannot rely on the original self-certification and shall obtain a valid self-certification, or a reasonable explanation and, where appropriate, documentation supporting the validity of the original self-certification.

C. Requirements for validity of self-certifications

1. A self-certification provided by an Individual Crypto-Asset User or Controlling Person is valid only if it is signed or otherwise positively affirmed by the Individual Crypto-Asset User or Controlling Person, it is dated at the latest at the date of receipt and it contains the following information with respect to the Individual Crypto-Asset User or Controlling Person:
 - (a) first and last name;
 - (b) residence address;
 - (c) Member State(s) of residence for tax purposes;
 - (d) with respect to each Reportable Person, the TIN with respect to each Member State;
 - (e) date of birth.
2. A self-certification provided by an Entity Crypto-Asset User is valid only if it is signed or otherwise positively affirmed by the Entity Crypto-Asset User, it is dated at

the latest at the date of receipt and it contains the following information with respect to the Entity Crypto-Asset User:

- (a) legal name;
 - (b) address;
 - (c) Member State(s) of residence for tax purposes;
 - (d) with respect to each Reportable Person, the TIN with respect to each Member State;
 - (e) in the case of an Entity Crypto-Asset User other than Active Entity or an Excluded Person, the information described in subparagraph C(1) with respect to each Controlling Person of the Entity Crypto-Asset User, as well as the role(s) by virtue of which each Reportable User is a Controlling Person of the Entity, if not already determined on the basis of Customer Due Diligence Procedures;
 - (f) if applicable, information as to the criteria it meets to be treated as an Active Entity or Excluded Person.
3. Notwithstanding subparagraphs C(1) and (2), the Reporting Crypto-Asset Service Provider shall not be required to collect information referred to in subparagraph C(1), points (b) to (e), and paragraph C(2), points (b) to (f), where it relies on self-certification of the Crypto-Asset User through an Identification Service made available by a Member State or the Union to ascertain the identity and tax residence of the Crypto-Asset User, in case the Reporting Platform Operator relied on an Identification Service to ascertain the identity and tax residence of a Reportable Crypto-Asset User, the name, Identification Service identifier, and the Member State of issuance will be required.

D. General due diligence requirements

1. A Reporting Crypto-Asset Service Provider that is also a Financial Institution for the purposes of this Directive may rely on the due diligence procedures completed pursuant to Sections IV and VI of Annex I of this Directive for the purpose of the due diligence procedures pursuant to this Section. A Reporting Crypto-Asset Service Provider may also rely on a self-certification already collected for other tax purposes, provided such self-certification meets the requirements of paragraph C of this Section.
2. A Reporting Crypto-Asset Service Provider may rely on a third party to fulfil the due diligence obligations set out in this Section III, but such obligations remain the responsibility of the Reporting Crypto-Asset Service Provider.

SECTION IV

DEFINED TERMS

The following terms have the meaning set forth below:

A. Reportable Crypto-Asset

1. 'Crypto-Asset' means Crypto-Asset as defined in Regulation XXX.

2. 'Central Bank Digital Currency' means any digital Fiat Currency issued by a Central Bank or other monetary authority.
3. 'Central Bank' means an institution that is by law or government the principal authority, other than the government of the jurisdiction itself, issuing instruments intended to circulate as currency. Such an institution may include an instrumentality that is separate from the government of the jurisdiction, whether or not owned in whole or in part by the jurisdiction.
4. 'Reportable Crypto-Asset' means any Crypto-Asset other than a Central Bank Digital Currency, Electronic Money, Electronic Money Token, or any Crypto-Asset for which the Reporting Crypto-Asset Service Provider has adequately determined that it cannot be used for payment or investment purposes.
5. 'Electronic Money' or 'E-money' means Electronic Money or E-money as is defined in Directive 2009/110/EC. For the purposes of this Directive, the term 'Electronic money' or 'E-money' does not include a product created for the sole purpose of facilitating the transfer of funds from a customer to another person pursuant to instructions of the customer. A product is not created for the sole purpose of facilitating the transfer of funds if, in the ordinary course of business of the transferring Entity, either the funds connected with such product are held longer than 60 days after receipt of instructions to facilitate the transfer, or, if no instructions are received, the funds connected with such product are held longer than 60 days after receipt of the funds.
6. 'Electronic Money Token' or 'E-money Token' means Electronic Money Token or E-money Token as defined in Regulation XXX.
7. 'Distributed Ledger Technology (DLT)' means Distributed Ledger Technology or DLT as defined in Regulation XXX.

B. Reporting Crypto-Asset Service Provider

1. 'Crypto-Asset Service Provider' means Crypto-Asset Service Provider as defined in Regulation XXX.
2. 'Crypto-Asset Operator' means a provider of Crypto-Asset Services other than a Crypto-Asset Service Provider.
3. 'Reporting Crypto-Asset Service Provider' means any Crypto-Asset Service Provider and any Crypto-Asset Operator that conducts one or more Crypto-Asset Services permitting Reportable Users to complete an Exchange Transaction and is not a Qualified Non-Union Reporting Crypto-Asset Service Provider.
4. 'Crypto-Asset Services' means Crypto-Asset Services as defined in Regulation XXX including staking and lending.

C. Reportable Transaction

1. 'Reportable Transaction' means any
 - (a) Exchange Transaction; and
 - (b) Transfer of Reportable Crypto-Assets.
2. 'Exchange Transaction' means any:
 - (a) Exchange between Reportable Crypto-Assets and Fiat Currencies; and
 - (b) Exchange between one or more Reportable Crypto-Assets.

3. 'Qualified Reportable Transaction' means all Reportable Transactions covered by the automatic exchange pursuant to an Effective Qualifying Competent Authority Agreement.
4. 'Reportable Retail Payment Transaction' means a Transfer of Reportable Crypto-Assets in consideration of goods or services for a value exceeding EUR 50 000.
5. 'Transfer' means a transaction that moves a Reportable Crypto-Asset from or to the Crypto-Asset address or account of one Crypto-Asset User, other than one maintained by the Reporting Crypto-Asset Service Provider on behalf of the same Crypto-Asset User, where, based on the knowledge available to the Reporting Crypto-Asset Service Provider at the time of transaction, the Reporting Crypto-Asset Service Provider cannot determine that the transaction is an Exchange Transaction.
6. 'Fiat Currency' means the official currency of a jurisdiction, issued by a jurisdiction or by a jurisdiction's designated Central Bank or monetary authority, as represented by physical banknotes or coins or by money in different digital forms, including bank reserves or Central Bank Digital Currencies. The term also includes commercial bank money and electronic money products (including Electronic Money and E-money Token).

D. Reportable User

1. 'Reportable User' means a Crypto-Asset User that is a Reportable Person resident in a Member State.
2. 'Crypto-Asset User' means an individual or Entity that is a customer of a Reporting Crypto-Asset Service Provider for purposes of carrying out Reportable Transactions. An individual or Entity, other than a Financial Institution or a Reporting Crypto-Asset Service Provider, acting as a Crypto-Asset User for the benefit or account of another individual or Entity as agent, custodian, nominee, signatory, investment advisor, or intermediary, is not treated as a Crypto-Asset User, and such other individual or Entity is treated as the Crypto-Asset User. Where a Reporting Crypto-Asset Service Provider provides a service effectuating Reportable Retail Payment Transactions for or on behalf of a merchant, the Reporting Crypto-Asset Service Provider shall also treat the customer that is the counterparty to the merchant for such Reportable Retail Payment Transactions as the Crypto-Asset Users with respect to such Reportable Retail Payment Transaction, provided that the Reporting Crypto-Asset Service Provider is required to verify the identity of such customer by virtue of the Reportable Retail Payment Transaction pursuant to domestic anti-money laundering rules.
3. 'Individual Crypto-Asset User' means a Crypto-Asset User that is an individual.
4. 'Pre-existing Individual Crypto-Asset User' means an Individual Crypto-Asset User that has established a relationship with the Reporting Crypto-Asset Service Provider as of 31 December 2025
5. 'Entity Crypto-Asset User' means a Crypto-Asset User that is an Entity.
6. 'Pre-existing Entity Crypto-Asset User' means an Entity Crypto-Asset User that has established a relationship with the Reporting Crypto-Asset Service Provider as of 31 December 2025.
7. 'Reportable Person' means a Member State Person other than an Excluded Person.

8. 'Member State Person' with regard to each Member State means an Entity or individual that is resident in any other Member State under the tax laws of that other Member State, or an estate of a decedent that was a resident of any other Member State. For this purpose, an Entity such as a partnership, limited liability partnership or similar legal arrangement that has no residence for tax purposes shall be treated as resident in the jurisdiction in which its place of effective management is situated.
9. 'Controlling Persons' means the natural persons who exercise control over an Entity. In the case of a trust, such term means the settlor(s), the trustee(s), the protector(s) (if any), the beneficiary(ies) or class(es) of beneficiaries, and any other natural person(s) exercising ultimate effective control over the trust, and in the case of a legal arrangement other than a trust, such term means persons in equivalent or similar positions. The term 'Controlling Persons' shall be interpreted in a manner consistent with the term of 'beneficial owner' as defined in the Directive (EU) 2015/849 pertaining to Crypto-Asset Service Providers.
10. 'Active Entity' means any Entity that meets any of the following criteria:
 - (a) less than 50 % of the Entity's gross income for the preceding calendar year or other appropriate reporting period is passive income and less than 50 % of the assets held by the Entity during the preceding calendar year or other appropriate reporting period are assets that produce or are held for the production of passive income;
 - (b) substantially all of the activities of the Entity consist of holding (in whole or in part) the outstanding stock of, or providing financing and services to, one or more subsidiaries that engage in trades or businesses other than the business of a Financial Institution, except that an Entity does not qualify for this status if the Entity functions (or holds itself out) as an investment fund, such as a private equity fund, venture capital fund, leveraged buyout fund, or any investment vehicle whose purpose is to acquire or fund companies and then hold interests in those companies as capital assets for investment purposes;
 - (c) the Entity is not yet operating a business and has no prior operating history, but is investing capital into assets with the intent to operate a business other than that of a Financial Institution, provided that the Entity does not qualify for this exception after the date that is 24 months after the date of the initial organisation of the Entity;
 - (d) the Entity was not a Financial Institution in the past five years, and is in the process of liquidating its assets or is reorganising with the intent to continue or recommence operations in a business other than that of a Financial Institution;
 - (e) the Entity primarily engages in financing and hedging transactions with, or for, Related Entities that are not Financial Institutions, and does not provide financing or hedging services to any Entity that is not a Related Entity, provided that the group of any such Related Entities is primarily engaged in a business other than that of a Financial Institution; or
 - (f) the Entity meets all of the following requirements:
 - (i) it is established and operated in its jurisdiction of residence exclusively for religious, charitable, scientific, artistic, cultural, athletic, or educational purposes; or it is established and operated in its jurisdiction of residence, and it is a professional organisation, business league, chamber of commerce, labour organisation, agricultural or horticultural

organisation, civic league or an organisation operated exclusively for the promotion of social welfare;

- (ii) it is exempt from income tax in its jurisdiction of residence;
- (iii) it has no shareholders or members who have a proprietary or beneficial interest in its income or assets;
- (iv) the applicable laws of the Entity's jurisdiction of residence or the Entity's formation documents do not permit any income or assets of the Entity to be distributed to, or applied for the benefit of, a private person or non-charitable Entity other than pursuant to the conduct of the Entity's charitable activities, or as payment of reasonable compensation for services rendered, or as payment representing the fair market value of property which the Entity has purchased; and
- (v) the applicable laws of the Entity's jurisdiction of residence or the Entity's formation documents require that, upon the Entity's liquidation or dissolution, all of its assets be distributed to a Governmental Entity or other non-profit organisation, or escheat to the government of the Entity's jurisdiction of residence or any political subdivision thereof.

E. Excluded Person

1. 'Excluded Person' means (a) an Entity the stock of which is regularly traded on one or more established securities markets; (b) any Entity that is a Related Entity of an Entity described in clause (a); (c) a Governmental Entity; (d) an International Organisation; (e) a Central Bank; or (f) a Financial Institution other than an Investment Entity described in Section IV subparagraph E(5), point (b).
2. 'Financial Institution' means a Custodial Institution, a Depository Institution, an Investment Entity, or a Specified Insurance Company.
3. 'Custodial Institution' means any Entity that holds, as a substantial portion of its business, Financial Assets for the account of others. An Entity holds Financial Assets for the account of others as a substantial portion of its business if the Entity's gross income attributable to the holding of Financial Assets and related financial services equals or exceeds 20% of the Entity's gross income during the shorter of: (i) the three-year period that ends on 31 December (or the final day of a non-calendar year accounting period) prior to the year in which the determination is being made; or (ii) the period during which the Entity has been in existence.
4. 'Depository Institution' means any Entity that:
 - (a) accepts deposits in the ordinary course of a banking or similar business; or
 - (b) holds Specified Electronic Money Products or Central Bank Digital Currencies for the benefit of customers.
5. 'Investment Entity' means any Entity:
 - (a) that primarily conducts as a business one or more of the following activities or operations for or on behalf of a customer:
 - (i) trading in money market instruments (cheques, bills, certificates of deposit, derivatives, etc.); foreign exchange; exchange, interest rate and index instruments; transferable securities; or commodity futures trading;
 - (ii) individual and collective portfolio management; or

- (iii) otherwise investing, administering, or managing Financial Assets, or money, or Reportable Crypto-Assets on behalf of other persons; or
- (b) the gross income of which is primarily attributable to investing, reinvesting, or trading in Financial Assets or Reportable Crypto-Assets, if the Entity is managed by another Entity that is a Depository Institution, a Custodial Institution, a Specified Insurance Company, or an Investment Entity described in paragraph E(5), point (a).

An Entity is treated as primarily conducting as a business one or more of the activities described in paragraph E(5), point (a), or an Entity's gross income is primarily attributable to investing, reinvesting, or trading in Financial Assets or Reportable Crypto-Assets for purposes of paragraph E(5), point (b), if the Entity's gross income attributable to the relevant activities equals or exceeds 50 % of the Entity's gross income during the shorter of: (i) the three-year period ending on 31 December of the year preceding the year in which the determination is made; or (ii) the period during which the Entity has been in existence. For the purposes of paragraph E(5), point (a)(iii), the term "otherwise investing, administering, or managing Financial Assets, money, or Reportable Crypto-Assets on behalf of other persons" does not include the provision of services effectuating Exchange Transactions for or on behalf of customers. The term 'Investment Entity' does not include an Entity that is an Active Entity because it meets any of the criteria in subparagraphs D(11), points (b) to (e).

This paragraph shall be interpreted in a manner consistent with similar language set forth in the definition of 'financial institution' in Directive (EU) 2015/849.

- 6. 'Specified Insurance Company' means any Entity that is an insurance company (or the holding company of an insurance company) that issues, or is obligated to make payments with respect to, a Cash Value Insurance Contract or an Annuity Contract.
- 7. 'Governmental Entity' means the government of a jurisdiction, any political subdivision of a jurisdiction (which, for the avoidance of doubt, includes a state, province, county, or municipality), or any wholly owned agency or instrumentality of a jurisdiction or of any one or more of the foregoing. This category is comprised of the integral parts, controlled entities, and political subdivisions of a jurisdiction.
 - (a) An 'integral part' of a jurisdiction means any person, organisation, agency, bureau, fund, instrumentality, or other body, however designated, that constitutes a governing authority of a jurisdiction. The net earnings of the governing authority shall be credited to its own account or to other accounts of the jurisdiction, with no portion inuring to the benefit of any private person. An integral part does not include any individual who is a sovereign, official, or administrator acting in a private or personal capacity.
 - (b) A 'controlled entity' means an entity that is separate in form from the jurisdiction or that otherwise constitutes a separate juridical entity, provided that:
 - (i) the Entity is wholly owned and controlled by one or more Governmental Entities directly or through one or more controlled entities;

- (ii) the Entity's net earnings are credited to its own account or to the accounts of one or more Governmental Entities, with no portion of its income inuring to the benefit of any private person; and
 - (iii) the Entity's assets vest in one or more Governmental Entities upon dissolution.
- (c) Income does not inure to the benefit of private persons if such persons are the intended beneficiaries of a governmental programme, and the programme activities are performed for the general public with respect to the common welfare or relate to the administration of some phase of government. Notwithstanding the foregoing, however, income is considered to inure to the benefit of private persons if the income is derived from the use of a governmental entity to conduct a commercial business, such as a commercial banking business, that provides financial services to private persons.
8. 'International Organisation' means any international organisation or wholly owned agency or instrumentality thereof. This category includes any intergovernmental organisation (including a supranational organisation) (a) that is comprised primarily of governments; (b) that has in effect a headquarters or substantially similar agreement with the jurisdiction; and (c) the income of which does not inure to the benefit of private persons.
9. 'Financial Asset' includes a security (for example, a share of stock in a corporation; partnership or beneficial ownership interest in a widely held or publicly traded partnership or trust; note, bond, debenture, or other evidence of indebtedness), partnership interest, commodity, swap (for example, interest rate swaps, currency swaps, basis swaps, interest rate caps, interest rate floors, commodity swaps, equity swaps, equity index swaps, and similar agreements), Insurance Contract or Annuity Contract, or any interest (including a futures or forward contract or option) in a security, Reportable Crypto-Asset, partnership interest, commodity, swap, Insurance Contract, or Annuity Contract. The term 'Financial Asset' does not include a non-debt, direct interest in real property.
10. 'Equity Interest' means, in the case of a partnership that is a Financial Institution, either a capital or profits interest in the partnership. In the case of a trust that is a Financial Institution, an Equity Interest is considered to be held by any person treated as a settlor or beneficiary of all or a portion of the trust, or any other natural person exercising ultimate effective control over the trust. A Reportable Person will be treated as being a beneficiary of a trust if such Reportable Person has the right to receive directly or indirectly (for example, through a nominee) a mandatory distribution or may receive, directly or indirectly, a discretionary distribution from the trust.
11. 'Insurance Contract' means a contract (other than an Annuity Contract) under which the issuer agrees to pay an amount upon the occurrence of a specified contingency involving mortality, morbidity, accident, liability, or property risk.
12. 'Annuity Contract' means a contract under which the issuer agrees to make payments for a period of time determined in whole or in part by reference to the life expectancy of one or more individuals. The term also includes a contract that is considered to be an Annuity Contract in accordance with the law, regulation, or practice of the jurisdiction in which the contract was issued, and under which the issuer agrees to make payments for a term of years.

13. 'Cash Value Insurance Contract' means an Insurance Contract (other than an indemnity reinsurance contract between two insurance companies) that has a Cash Value.
14. 'Cash Value' means the greater of (i) the amount that the policyholder is entitled to receive upon surrender or termination of the contract (determined without reduction for any surrender charge or policy loan), and (ii) the amount the policyholder can borrow under or with regard to the contract. Notwithstanding the foregoing, the term 'Cash Value' does not include an amount payable under an Insurance Contract:
 - (a) solely by reason of the death of an individual insured under a life insurance contract;
 - (b) as a personal injury or sickness benefit or other benefit providing indemnification of an economic loss incurred upon the occurrence of the event insured against;
 - (c) as a refund of a previously paid premium (less cost of insurance charges whether or not actually imposed) under an Insurance Contract (other than an investment-linked life insurance or annuity contract) due to cancellation or termination of the contract, decrease in risk exposure during the effective period of the contract, or arising from the correction of a posting or similar error with regard to the premium for the contract;
 - (d) as a policyholder dividend (other than a termination dividend) provided that the dividend relates to an Insurance Contract under which the only benefits payable are described in paragraph E(14), point (b); or
 - (e) as a return of an advance premium or premium deposit for an Insurance Contract for which the premium is payable at least annually if the amount of the advance premium or premium deposit does not exceed the next annual premium that will be payable under the contract.

F. Miscellaneous

1. 'Customer Due Diligence Procedures' means the customer due diligence procedures of a Reporting Crypto-Asset Service Provider pursuant to Directive (EU) 2015/849 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing, and amending Directives 2009/138/EC and Directive 2013/36/EU, as amended by Directive (EU) 2018/843 of the European Parliament and of the Council of 30 May 2018 or similar requirements to which such Reporting Crypto-Asset Service Provider is subject.
2. 'Entity' means a legal person or a legal arrangement, such as a corporation, partnership, trust, or foundation.
3. An Entity is a 'Related Entity' of another Entity if either Entity controls the other Entity, or the two Entities are under common control. For this purpose, control includes direct or indirect ownership of more than 50 % of the vote and value in an Entity.
4. 'Branch' means a unit, business or office of a Reporting Crypto-Asset Service Provider that is treated as a branch under the regulatory regime of a jurisdiction or that is otherwise regulated under the laws of a jurisdiction as separate from other offices, units, or branches of the Reporting Crypto-Asset Service Provider. All units, businesses, or offices of a Reporting Crypto-Asset Service Provider in a single jurisdiction shall be treated as a single branch.

5. ‘Effective Qualifying Competent Authority Agreement’ means an agreement between the competent authorities of a Member State and a non-Union jurisdiction that requires the automatic exchange of information corresponding to that specified in Section II, paragraph B of this Annex as confirmed by an implementing act in accordance with Article 8ad(11).
6. ‘Qualified Non-Union Reporting Crypto-Asset Service Provider’ means a Reporting Crypto-Asset Service Provider for which all Reportable Transactions are also Qualified Reportable Transactions and that is resident for tax purposes in a Qualified Non-Union Jurisdiction or, where such Reporting Crypto-Asset Service Provider does not have a residence for tax purposes in a Qualified Non-Union Jurisdiction, it fulfils any of the following conditions:
 - (a) it is incorporated under the laws of a Qualified Non-Union Jurisdiction; or
 - (b) it has its place of management (including effective management) in a Qualified Non-Union Jurisdiction.
7. ‘Qualified Non-Union Jurisdiction’ means a non-Union jurisdiction that has in effect an Effective Qualifying Competent Authority Agreement with the competent authorities of all Member States which are identified as reportable jurisdictions in a list published by the non-Union jurisdiction.
8. ‘TIN’ means Taxpayer Identification Number (or functional equivalent in the absence of a Taxpayer Identification Number). The TIN is any number or code that a competent authority uses to identify a taxpayer.
9. ‘Identification Service’ means an electronic process made available free of charge by a Member State to a Reporting Platform Operator for the purposes of ascertaining the identity and tax residence of a Crypto-Asset User.

SECTION V

EFFECTIVE IMPLEMENTATION

- A. Rules to enforce the collection and verification requirements laid down in Section III.
 1. Member States shall take the necessary measures to require Reporting Crypto-Asset Service Providers to enforce the collection and verification requirements under Section III in relation to their Crypto-Asset Users.
 2. Where a Crypto-Asset User does not provide the information required under Section III after two reminders following the initial request by the Reporting Crypto-Asset Service Provider, but not prior to the expiration of 60 days, the Reporting Crypto-Asset Service Providers shall prevent the Crypto-Asset User from performing Exchange Transactions.
- B. Rules requiring Reporting Crypto-Asset Service Provider to keep records of the steps undertaken and any information relied upon for the performance of the reporting requirements and due diligence procedures and adequate measures to obtain those records.
 1. Member States shall take the necessary measures to require Reporting Crypto-Asset Service Providers to keep records of the steps undertaken and any information relied upon for the performance of the reporting requirements and due diligence procedures set out in Sections II and III. Such records shall remain available for a sufficiently

long period of time and in any event for a period of not less than 5 years but not more than 10 years following the end of the Reporting Period to which they relate.

2. Member States shall take the necessary measures, including the possibility of addressing an order for reporting to Reporting Crypto-Asset Service Providers, in order to ensure that all necessary information is reported to the competent authority so that the latter can comply with the obligation to communicate information in accordance with Article 8ad(3).

C. Administrative procedures to verify compliance of Reporting Crypto-Asset Service Providers with the reporting requirements and due diligence procedures

Member States shall lay down administrative procedures to verify the compliance of Reporting Crypto-Asset Service Providers with the reporting requirements and due diligence procedures set out in Sections II and III.

D. Administrative procedures to follow up with a Reporting Crypto-Asset Service Providers where incomplete or inaccurate information is reported

Member States shall lay down procedures for following up with Reporting Crypto-Asset Service Providers where the reported information is incomplete or inaccurate.

E. Administrative procedure for authorisation of a Reporting Crypto-Asset Service Provider

The home Member State providing authorisation to Crypto-Asset Service Providers according to Regulation XXX shall communicate on a regular basis and at the latest before 31 December to the competent authority a list of all authorised Crypto-Asset Service Providers.

F. Administrative procedure for single registration of a Crypto-Asset Operator

A Crypto-Asset Operator within the meaning of Section IV, subparagraph B(2) of this Annex shall register with the competent authority of any Member State pursuant to Article 8ad(7).

1. Before the start of each fiscal year, the Crypto-Asset Operator shall communicate to the Member State of its single registration the following information:
 - (a) name;
 - (b) postal address;
 - (c) electronic addresses, including websites;
 - (d) any TIN issued to the Crypto-Asset Operators;
 - (e) Member States in which Reportable Crypto-Asset Users are residents within the meaning of Section III, paragraph A and B.
2. The Crypto-Asset Operator shall notify the Member State of single registration of any changes in the information provided under subparagraph F(1).
3. The Member State of single registration shall allocate an individual identification number to the Crypto-Asset Operator and shall notify it to the competent authorities of all Member States by electronic means.
4. The Member State of single registration shall be able to remove a Crypto-Asset Operator from the central register in the following cases:
 - (a) the Crypto-Asset Operator notifies that Member State that it no longer has Reportable Crypto-Asset Users in the Union;
 - (b) in the absence of a notification pursuant to point (a), there are grounds to assume that the activity of a Crypto-Asset Operator has ceased;

- (c) the Crypto-Asset Operator no longer meets the conditions laid down in Section IV, subparagraph B(2); the Member State revoked the registration with its competent authority pursuant to subparagraph F(7).
5. Each Member State shall forthwith notify the Commission of any Crypto-Asset Operator within the meaning of Section IV, subparagraph B(2), that has Crypto-Asset Users resident in the Union while failing to register itself pursuant to this paragraph. Where a Crypto-Asset Operator does not comply with the obligation to register or where its registration has been revoked in accordance with subparagraph F(7) of this Section, Member States shall, without prejudice to Article 25a, take effective, proportionate and dissuasive measures to enforce compliance within their jurisdiction. The choice of such measures shall remain within the discretion of Member States. Member States shall also endeavour to coordinate their actions aimed at enforcing compliance, including the prevention of the Crypto-Asset Operator from being able to operate within the Union as a last resort.
 6. Where a Crypto-Asset Operator does not comply with the obligation to report in accordance with subparagraph B of Section II of this Annex after two reminders by the Member State of single registration, the Member State shall, without prejudice to Article 25a, take the necessary measures to revoke the registration of the Crypto-Asset Operator made pursuant to Article 8ad(7). The registration shall be revoked not later than after the expiration of 90 days but not prior to the expiration of 30 days after the second reminder.