

# REG TECH SOLUTION SUPPORTS CROWN DEPENDENCY TAX REPORTING



Guernsey is part of an overwhelming majority of jurisdictions that have signed up to global taxation reporting. Enterprises and their owners that do business here may be expected to provide specific tax data. James Orrick, managing director of PEA in Guernsey, and Gez Overstall, business development manager at InfracsoftTech, share details of their recent fintech project geared towards meeting these requirements.

James Orrick explains the requirements that boutique private equity administration company, PEA had:

“At PEA we work in a fast-paced data-rich environment and place a strong focus on using technology to improve our clients’ experiences of working with us and, like other companies, to make our business more efficient.

“Tax reporting is a core client service. With the introduction of FATCA and Common Reporting Standards (CRS) it was important that we were in a position to capture and house specific tax data to meet our own reporting obligations. Our brief involved data capture for Guernsey Income tax authorities, to seamlessly house and report on data and to manage the flow of this data across an entire investor base to meet reporting timelines.

“We were not simply looking for an out of the box solution. InfracsoftTech consulted with us on

the accuracy and integrity of the data that was being captured and worked alongside us to ensure the software was going to prove effective in what is a very important area of industry regulation. The Guernsey tax authorities are collecting this data across a multitude of entities and then distribute it to the jurisdictions that have signed up to receive it. Data quality is therefore key.”

Gez Overstall of InfracsoftTech, fintech digital solutions provider, describes the product.

“We’ve been working with financial institutions in the Channel Islands for over 10 years so we have a solid understanding of the data and reporting challenges that the sector is facing so when I first met James I understood his position well.

“InfracsoftTech’s FATCA/CRS solution is part of our ‘Regtech’ offering and can be delivered on premise or as a cloud based

service. The software captures, validates and stores core client data supporting audits and submissions to tax authorities on time without the need for manual intervention. We mapped the required data from PEA’s existing systems and applied it in the varied formats required. The solution incorporates workflow, robust security and audit trails and is deployable across multiple jurisdictions.

“We developed this solution locally with a range of commercial options which include licence fees and pay-per-user models depending on client preferences. Installations can take as little as a month. On-going development in line with changing reporting requirements is a key component of our system development approach across our RegTech offering and this very much applies to our FATCA/CRS solution.”

And the outcome for PEA according to James...

“PEA has an obligation to report. Developing our own systems would have been resource-intensive and costly. InfracsoftTech provided us with the appropriate software and help on a technical basis where we had problems with data which prevented errors and the need for corrections.

“It’s encouraging to partner with a business that delivers leading-edge technology in the business critical area of global regulatory standards that fully understands the nuances we have to face in the crown dependencies. This capability is so important for Guernsey as a centre of financial services administration because it’s what enables businesses like PEA to keep our competitive edge.”