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KPMG AEOI Updates & Tracking Service CRS/CARF Alert

Date:	28 October 2025	**Alert Type:**	Announcement
Country:	British Virgin Islands	**Regime:**	CRS/CARF

British Virgin Islands: Announced Implementation of OECD's CRS 2.0 and CARF

On 23 October 2025, the International Tax Authority of the British Virgin Islands (BVI ITA) announced that it will implement the OECD's CRS 2.0 within its domestic framework, effective 01 January 2026. Under this revised framework, Reporting Financial Institutions (RFIs) will be required to collect account information throughout 2026 and submit reports to the BVI ITA by May 2027.

Key changes introduced under CRS 2.0:

— **Expansion of the scope of reportable financial accounts:** The scope of reportable financial accounts under the CRS 2.0 has been expanded to include certain electronic money products and Central Bank Digital Currencies (CBCDs).

— **Expansion of the scope of reportable financial assets:** Under CRS 2.0, reportable financial assets now include crypto-assets held in custody, derivatives, and other indirect forms of crypto-asset investments.

— **Enhancement of due diligence procedures:** Due diligence procedures have been strengthened, requiring RFIs to validate self-certifications for both account holders and controlling persons.

— **Expansion of reporting entities:** The definition of depository institutions has been revised to include e-money providers not previously covered. Additionally, depository accounts now explicitly include holdings in electronic money and CBCDs holdings.

— **Additional amendments to enhance the quality and usability of CRS reporting:**

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- Expanded reporting requirements for account holders, controlling persons, and their associated financial accounts.
- Reliance on Anti-Money Laundering (AML) and Know Your Customer (KYC) procedures for identifying controlling persons.
- Implementation of enhanced due diligence procedures in cases where valid self-certifications are not obtained.
- Recognition of certain capital contribution accounts as Excluded Accounts.
- Establishment of a Non-Reporting FI category for genuine charities.

RFIs are advised to thoroughly review and familiarize themselves with the OECD's CRS 2.0, available on the BVI ITA website, here, well in advance to ensure timely and accurate reporting in line with the updated requirements.

In addition to CRS 2.0, the BVI ITA will also implement the Crypto-Asset Reporting Framework (CARF) into its domestic framework, with reporting set to begin in 2027 (with first exchange between tax authorities in 2028), distinct from the CRS 2.0 implementation timeline. The CARF standards are available on the same BVI ITA website referenced above. Reporting Crypto Asset Service Providers (RCASPs) are encouraged to assess their applicability under CARF and start preparations for future compliance.

Reference: Press Release

For information on KPMG's global AEOI network professionals, please email GO-FM AEOI Program Support.

For more information on KPMG AEOI Updates & Tracking Service, please see here.

For additional summaries of the latest AEOI developments, please visit KPMG's TaxNewsFlash-FATCA/IGA/CRS
Insights page, here.

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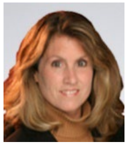

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