

**Government of India
Ministry of Finance
Department of Revenue
Central Board of Direct Taxes**

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New Delhi, the 3rd June, 2015

Press Release

India joined the Multilateral Competent Authority Agreement (MCAA) on Automatic Exchange of Information (AEOI)

India joined the Multilateral Competent Authority Agreement on Automatic Exchange of Financial Account Information on 3rd June, 2015, in Paris, France, alongwith Australia, Canada, Costa Rica, Indonesia and New Zealand. On our behalf, the Declaration to comply with the provisions of the MCAA was signed by H.E. Mr. Mohan Kumar, Ambassador of the Republic of India to France, in a signing ceremony held in Paris.

2. Earlier, fifty-one countries/jurisdictions had joined the MCAA on 29th October, 2014 in Berlin and Switzerland became the fifty-second country to join the MCAA on 19th November, 2014. Ghana and Seychelles joined the MCAA on 14th May, 2015. With six countries joining the MCAA on 3rd June, 2015, the total number of countries/jurisdictions agreeing to exchange information automatically in accordance with MCAA has gone to sixty.

3. Ninety-four countries have committed to exchange information on an automatic basis from 2017 onwards as per the new global standards on automatic exchange of information, known as Common Reporting Standards (CRS) on Automatic Exchange of Information (AEOI).

4. The new global standards are very wide in scope and oblige the treaty partners to exchange wide range of financial information after collecting the same from financial institutions in their country/jurisdictions including information about the ultimate controlling persons and beneficial owners of entities.

5. For implementation of these standards in India and with a view to provide information to other countries, necessary legislative changes have been made through Finance (No. 2) Act, 2014, by amending section 285BA of the Income-tax Act, 1961. Necessary rules and guidelines are being formulated in consultation with financial institutions.

6. AEOI based on CRS, when fully implemented, would enable India to receive information from almost every country in the world including offshore financial centres and would be the key to prevent international tax evasion and avoidance and would be instrumental in getting information about assets of Indians held abroad including through entities in which Indians are beneficial owners. This will help the Government to curb tax evasion and deal with the problem of black money.

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Official Spokesperson, CBDT**