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AUTOMATIC EXCHANGE OF FINANCIAL ACCOUNT INFORMATION (AMENDMENT) ACT, 2024

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No. 38 of 2024

AUTOMATIC EXCHANGE OF FINANCIAL ACCOUNT INFORMATION (AMENDMENT) ACT, 2024

AN ACT TO AMEND THE AUTOMATIC EXCHANGE OF FINANCIAL ACCOUNT INFORMATION ACT

[Date of Assent - 10th July, 2024]

Enacted by the Parliament of The Bahamas

1. Short title.

This Act, which amends the Automatic Exchange of Financial Account Information Act, 2016 (*No. 37 of 2016*), shall be cited as the Automatic Exchange of Financial Account Information (Amendment) Act, 2024.

2. Amendment of section 2 of the principal Act.

Section 2 of the principal Act is amended in subsection (1), by the deletion of the term and accompanying definition of **"Entity"** and the substitution of the following —

"Entity" means a legal person or a legal arrangement, such as a corporation, partnership, trust, or foundation;".

3. Amendment of the headnote to section 15 of the principal Act.

The headnote of section 15 of the principal Act, is amended by the insertion, immediately after the words "Anti-avoidance", the words "or anti-circumvention".

4. Amendment of section 15 of the principal Act.

Section 15 of the principal Act is amended by the deletion thereof and the substitution of the following —

"**15. Anti-avoidance or anti-circumvention.**

(1) Where a person enters into an arrangement or engages in a practice, the main purpose or one of the main purposes, of which can reasonably be considered to be to avoid an obligation imposed under this Act or the regulations made under this Act, the person is subject to the obligation as if the person had not entered into the arrangement or engaged in the practice.

(2) For the purposes of this section, **"person"** includes an intermediary or account holder.

5. Insertion of a new section 15C into the principal Act.

The principal Act is amended by the insertion, immediately after section 15B, of the new section 15C as follows —

"**15C. Sanctioning of a legal arrangement.**

(1) Where a Reporting Financial Institution that would be subject to the penalty provisions is a legal arrangement or is a branch located in The Bahamas, the penalty may be imposed on any person responsible for managing the affairs of the Reporting Financial Institution in The Bahamas.

(2) For the purposes of this section, **"any person responsible"** shall include, in the case of a trust, the trustee and in the case of a partnership, each of the partners.".