

INSTRUCTIONS FOR DECLARATION OF TAX RESIDENCE FOR ENTITIES

(Canada Revenue Agency (“CRA”) Form RC 521 E (17))

Form Completion Guide – RBC Clients

Definitions and Common Reporting Standard (“CRS”) Entity Classifications are located in the General Information section of the Form (pages 4 & 5).

Links to CRS Guidance and CRA Forms are on page 7 of guide.

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|--|--|---|--|--|--------------------------|---|--|---|--|--|------------------------------------|--|--|---------------------------------------|--|------|---|-------------------------|--------------------|---|--|--|---------------------------------------|--|------|---|-------------------------|--------------------|
| <p>Section 1 – Identification of account holder Complete information of the entity under this section.</p> <div style="border: 1px solid black; padding: 5px; margin-bottom: 10px;"> <p>Legal name of the entity Enter full Legal Name of the entity. Do not abbreviate.</p> </div> <div style="border: 1px solid black; padding: 5px; margin-bottom: 10px;"> <p>Jurisdiction of incorporation or organization Enter full name of the jurisdiction/country of incorporation or organization (for example, Canada). Do not abbreviate.</p> </div> <div style="border: 1px solid black; padding: 5px; margin-bottom: 10px;"> <p>Policy/account number assigned by the financial institution Optional</p> </div> <div style="border: 1px solid black; padding: 5px; margin-bottom: 10px;"> <p>Permanent residence address Enter the Permanent residence address of the entity (the physical location or the registered address indicated on the organizational documents).</p> </div> <div style="border: 1px solid black; padding: 5px;"> <p>Mailing address (only if different from permanent residence address)</p> </div> | <div style="border: 1px solid black; padding: 5px;"> <div style="display: flex; justify-content: space-between; align-items: center;"> Canada Revenue Agency / Agence du revenu du Canada Protected B when completed </div> <h3 style="text-align: center; margin: 10px 0;">Declaration of Tax Residence for Entities – Part XIX of the Income Tax Act</h3> <ul style="list-style-type: none"> If you are an entity and you are planning to open a financial account, or if you already have a financial account with a Canadian financial institution, it may ask you to fill out this or a similar form. For more information on how to fill out this form, see the General information section at the end of the form. You will also find in that section the definitions of terms we use on the form. Canadian financial institutions are required under Part XIX of the <i>Income Tax Act</i> to collect the information you provide on this form to determine if they have to report your financial account to the Canada Revenue Agency (CRA). The CRA may share that information with the government of a foreign jurisdiction that a person identified on this form is a resident of for tax purposes. You can ask your financial institution if it reported your financial account to the CRA and what information it gave. For this form, an entity includes a corporation, a partnership, a trust, an association, a fund, a joint venture, an organization, a syndicate, or a foundation. If you are a sole proprietorship, fill out Form RC520, <i>Declaration of Tax Residence for Individuals – Part XIX of the Income Tax Act</i>. Each account holder of a joint account has to fill out a declaration of residence form. Fill in all sections of this form that apply to you and the Annex if required. If you do not have all the necessary information when you fill out the form, you may be given up to 90 days to give the missing information to your Canadian financial institution. If you do not give the missing information to your financial institution within the specified time frame, it may have to report your financial account to the CRA. If you need help with your tax residency information for this form, see Residency of a corporation at cra.gc.ca/tx/nrrsdnts/bsnss/bs-rs-eng.html or Income Tax Folio, S6-F1-C1, <i>Residence of a Trust or Estate</i>, which you can find on the CRA website. </div> <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <tr> <td colspan="3" style="background-color: #f2f2f2; text-align: center;">Section 1 – Identification of account holder</td> </tr> <tr> <td style="width: 65%; padding: 2px;">Legal name of the entity</td> <td colspan="2" style="width: 35%; padding: 2px;">Jurisdiction of incorporation or organization</td> </tr> <tr> <td colspan="3" style="padding: 2px;">Policy/account number assigned by the financial institution</td> </tr> <tr> <td colspan="3" style="padding: 2px;">Permanent residence address</td> </tr> <tr> <td colspan="2" style="padding: 2px;">Suite number – street number and name</td> <td style="padding: 2px;">City</td> </tr> <tr> <td style="padding: 2px;">Province, territory, state, or sub-entity</td> <td style="padding: 2px;">Country or jurisdiction</td> <td style="padding: 2px;">Postal or ZIP code</td> </tr> <tr> <td colspan="3" style="padding: 2px;">Mailing address (only if different from permanent residence address)</td> </tr> <tr> <td colspan="2" style="padding: 2px;">Suite number – street number and name</td> <td style="padding: 2px;">City</td> </tr> <tr> <td style="padding: 2px;">Province, territory, state, or sub-entity</td> <td style="padding: 2px;">Country or jurisdiction</td> <td style="padding: 2px;">Postal or ZIP code</td> </tr> </table> | Section 1 – Identification of account holder | | | Legal name of the entity | Jurisdiction of incorporation or organization | | Policy/account number assigned by the financial institution | | | Permanent residence address | | | Suite number – street number and name | | City | Province, territory, state, or sub-entity | Country or jurisdiction | Postal or ZIP code | Mailing address (only if different from permanent residence address) | | | Suite number – street number and name | | City | Province, territory, state, or sub-entity | Country or jurisdiction | Postal or ZIP code |
| Section 1 – Identification of account holder | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Legal name of the entity | Jurisdiction of incorporation or organization | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Policy/account number assigned by the financial institution | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Permanent residence address | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Suite number – street number and name | | City | | | | | | | | | | | | | | | | | | | | | | | | | | |
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Section 3 – Entity Classification. Review sections 3.1, 3.2 and 3.3. Complete the appropriate entity classification.

Section 3.1 - Is the entity a financial institution?

If the entity is not a Financial Institution, tick **No** and go to Section 3.3.

If entity is a Financial Institution, tick **Yes**, complete Global Intermediary Identification Number (GIIN) and go to section 3.2.

If entity is a Financial Institution, and does not have a GIIN, the reason why it does not have a GIIN must be provided on the specified reason line.

Section 3.1 – Is the entity a financial institution?

- No. Go to Section 3.3.
- Yes. Give the entity's global Intermediary Identification number (GIIN) and go to Section 3.2.

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If the entity does not have a GIIN, give the reason why.

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Section 3.2 - Does the financial institution meet all of these criteria?

If the Financial Institution does not meet all the criteria listed, tick **No** and complete Section 4 (Certification).

If the Financial Institution meets the listed criteria, tick **Yes**, complete Controlling Persons of the entity in the **Annex*** and complete Section 4 (Certification). Alternatively, each additional Controlling Person can complete CRA Form RC520, Declaration of Tax Residence for Individuals – Part XIX of the Income Tax Act. Ensure Type of controlling person is completed in the box on page 2.

Section 3.2 – Does the financial institution meet all of these criteria?

- It is a resident of a non-participating jurisdiction (see cra.gc.ca/tax/beniss/tpos/sips/finn2/crs/rsdcbns-eng.html for the List of participating jurisdictions).
- At least 50% of its gross income is from investing or trading in financial assets.
- It is managed by another financial institution.

- No. Go to Section 4.
- Yes. List the controlling persons of the entity in the Annex and then go to Section 4.

Client CRA Declaration of Tax Residence for Entities Form Completion Guide

Section 3.3

Tick the option that best describes the entity. (Tick only 1 box.)

If entity is a **Passive Non-financial Entity** (Passive NFE), complete Controlling Persons of the entity in the **Annex***, **or** provide CRA **Form RC520, Declaration of Tax Residence for Individuals – Part XIX of the Income Tax Act** for each Controlling Person. Ensure Type of Controlling Person is completed on page 2 of CRA **Form RC520**.

***Annex** has space for the information of two (2) Controlling Persons. Information for additional Controlling Persons, may be provided on separate Annexes. Alternatively, each additional Controlling Person can complete CRA **Form RC520, Declaration of Tax Residence for Individuals – Part XIX of the Income Tax Act**. Ensure Type of controlling person is completed in the box on page 2.
Note: Instead of the Annex(s), CRA **Form RC520** may be completed for all Controlling Persons.

See information regarding **Controlling Persons** on page 6 of this guide.

Continue to Section 4 – Certification

Section 3.3 – Tick (✓) the option that best describes the entity:

- The entity is a corporation with shares that regularly trade on an established securities market. It can also be a corporation related to that corporation. If this is the case, go to **Section 4**.
- The entity is engaged in an active trade or business—less than 50% of its gross income is passive income and less than 50% of its assets produce passive income. If this is the case, go to **Section 4**.
- The entity is a government, a central bank or an international organization (or an agency of one). If this is the case, go to **Section 4**.
- The entity is an active non-financial entity other than one described in the three previous options (see paragraphs d) to h) of the definition of active non-financial entity). If this is the case, go to **Section 4**.
- The entity is a passive non-financial entity. If this is the case, list the controlling persons of the entity in the Annex and then go to **Section 4**.

Client CRA Declaration of Tax Residence for Entities Form Completion Guide

Section 4 – Certification

The Certification must be completed by an authorized representative or officer of the entity.

If *Yes* was ticked for Section 3.2 or if *Passive Non-financial Entity* ticked under Section 3.3, details of all Controlling Persons of the entity are required.

Append the **Annex(s)** or completed **CRA Form RC520, Declaration of Tax Residence for Individuals – Part XIX of the Income Tax Act** forms containing the Controlling Persons information to the Form.

See information regarding Controlling Persons on page 6 of this Guide.

Section 4 – Certification

I am the authorized signing officer of this entity and I certify that the information given on this form and Annex is correct and complete. I will give the entity's financial institution a new form within 30 days of any change in circumstances that causes the information on this form to become inaccurate or incomplete.

Authorized person's name (print)

Authorized person's signature

Office or position

Date | | | | |
Year Month Day

Client CRA Declaration of Tax Residence for Entities Form Completion Guide

Annex - Controlling Persons

Details of all *Controlling Persons* of the entity are required for the following if:

- **Yes** ticked under Section 3.2
 - Passive Non-financial Entity ticked under Section 3.3
- If the Controlling Person does not have a TIN in a jurisdiction and Reason 3 is selected, RBC requires the specific reason to be provided.
Provide the specific Reason on a separate attachment.

If the individual **only** has tax a residence in Canada, the Canadian Social Insurance Number (SIN) is not mandatory.

***Controlling Persons** (see General Information on the Form for a full definition)

“Controlling Persons” of an entity are the natural persons (individuals) who exercise direct or indirect control over an entity. Generally, whether a person exercises control over an entity is determined in a way similar to how beneficial owners are identified for Canada’s *Proceeds of Crime (Money Laundering) and Terrorist Financing Act*. However, note that for entities other than trusts, a Controlling Person’s percentage of ownership for clients of Canadian Financial Institutions that are regulated by the Investment Industry Regulatory Organization of Canada (IIROC) is 10% or more; the Controlling Person’s percentage ownership for clients of other Canadian Financial Institutions (including banks and trust companies) is 25%. For trusts, list the individual settlor, protector, trustees and all known beneficiaries.

(IIROC member firms are required to identify all individuals who beneficially own, direct or control 10% or more of corporate or other non-corporate accounts, whether directly or indirectly. For trust accounts, IIROC requires the settlor and all known individual beneficiaries of the trust, whether direct or indirect, to be identified.)

Annex has space for the information of two (2) Controlling Persons. Information for additional Controlling Persons, may be provided on separate Annexes. Alternatively, or each additional Controlling Person can complete CRA **Form RC520, Declaration of Tax Residence for Individuals – Part XIX of the Income Tax Act**. Ensure Type of controlling person is completed in the box on page 2.

Annex – Controlling persons

Identify the entity’s controlling persons. Attach a separate list if you need to enter the information of more than two controlling persons. Or you can include a separate Form RC520, Declaration of Tax Residence for Individuals – Part XIX of the Income Tax Act, for each controlling person. Make sure to give the type of controlling person for each controlling person on your list or forms.

| Controlling person 1 | | | | | |
|---|--|--------------------------------|--|--|--------------------|
| Last name | | First name and initial(s) | | Date of birth | Year Month Day |
| Type of controlling person | | | | | |
| Permanent residence address | | | | | |
| Apartment number – street number and name | | | | City | |
| Province, territory, state, or sub-entity | | Country or jurisdiction | | Postal or ZIP code | |
| Mailing address (only if different from the permanent residence address) | | | | | |
| Apartment number – street number and name | | | | City | |
| Province, territory, state, or sub-entity | | Country or jurisdiction | | Postal or ZIP code | |
| Declaration of tax residence | | | | | |
| Tick (✓) all of the options that apply to you. | | | | | |
| <input type="checkbox"/> The controlling person is a tax resident of Canada. If you ticked this box, give the controlling person’s social insurance number. | | | | Social insurance number (SIN) | |
| <input type="checkbox"/> The controlling person is a tax resident of a jurisdiction other than Canada. If you ticked this box, give the controlling person’s jurisdictions of tax residence and TINs. If the controlling person does not have a TIN, choose reason 1, 2, or 3, as described in Section 2. | | | | | |
| Jurisdiction of tax residence | | Taxpayer identification number | | If the person does not have a TIN, choose reason 1, 2, or 3. | |
| | | | | | |
| Controlling person 2 | | | | | |
| Last name | | First name and initial(s) | | Date of birth | Year Month Day |
| Type of controlling person | | | | | |
| Permanent residence address | | | | | |
| Apartment number – street number and name | | | | City | |
| Province, territory, state, or sub-entity | | Country or jurisdiction | | Postal or ZIP code | |
| Mailing address (only if different from the permanent residence address) | | | | | |
| Apartment number – street number and name | | | | City | |
| Province, territory, state, or sub-entity | | Country or jurisdiction | | Postal or ZIP code | |
| Declaration of tax residence | | | | | |
| Tick (✓) all of the options that apply to you. | | | | | |
| <input type="checkbox"/> The controlling person is a tax resident of Canada. If you ticked this box, give the controlling person’s social insurance number. | | | | Social insurance number (SIN) | |
| <input type="checkbox"/> The controlling person is a tax resident of a jurisdiction other than Canada. If you ticked this box, give the controlling person’s jurisdictions of tax residence and TINs. If the controlling person does not have a TIN, choose reason 1, 2, or 3, as described in Section 2. | | | | | |
| Jurisdiction of tax residence | | Taxpayer identification number | | If the person does not have a TIN, choose reason 1, 2, or 3. | |
| | | | | | |

Client CRA Declaration of Tax Residence for Entities Form Completion Guide

Internet Links for more Information

Organization for Economic Co-operation and Development (OCDE) - Common Reporting Standard:

<http://www.oecd.org/tax/automatic-exchange/common-reporting-standard/standard-for-automatic-exchange-of-financial-account-information-for-tax-matters-9789264216525-en.htm>

Canada Revenue Agency (CRA) Guidance on the Common Reporting Standard – Part XIX of the Income Tax Act:

<http://www.cra-arc.gc.ca/tx/nnrstdnts/nhncdrprtng/crs/gdnc-eng.pdf>

Included in the Guidance are details and definitions regarding:

- Financial Institution
- Non-financial Entity (NFE)
- Active Non-financial Entity (Active NFE)
- Passive Non-financial Entity (Passive NFE)
- Controlling Persons
- Managed Account

Canada Revenue Agency - Information for entities holding accounts with Canadian financial institutions:

<http://www.cra-arc.gc.ca/tx/nnrstdnts/nhncdrprtng/ntts-eng.html>

CRA Declaration of Tax Residence Forms:

Declaration of Tax Residence for Entities -- Part XIX of the Income Tax Act and Instructions (RC521 E (17))

<http://www.cra-arc.gc.ca/E/pbg/tf/rc521/README.html>

Declaration of Tax Residence for Individuals – Part XIX of the Income Tax Act and Instructions (RC520 E (17))

<http://www.cra-arc.gc.ca/E/pbg/tf/rc520/README.html>

Tax residency information for the Declaration of Tax Residence Forms, see Residency of a corporation under the following link:

<http://www.cra-arc.gc.ca/tx/nnrstdnts/bsnss/bs-rs-eng.html>