

# Fighting Tax Evasion

## Compliance and Risk Management

October 2025



**LAURENTIAN BANK  
SECURITIES**

## Qualified Intermediary (QI) Program

As part of its commitment to international tax compliance, Laurentian Bank Securities participates in the U.S. Internal Revenue Service's Qualified Intermediary (QI) program, which was established in 2000. This program enables foreign financial institutions to simplify their U.S. tax withholding and reporting obligations on behalf of their clients. By adhering to the QI agreement, LBS ensures proper documentation, withholding, and reporting of U.S. source income, thereby reinforcing its role in combating cross-border tax evasion and maintaining transparency in global financial operations.

## Foreign Account Tax Compliance Act (FATCA)

The *Foreign Account Tax Compliance Act (FATCA)* is a United States tax law adopted in March 2010 aimed at preventing U.S. taxpayers from evading U.S. taxes by using offshore financial accounts.

Under an agreement signed between Canada and the United States in February 2014, Canada committed to enact legislation requiring Canadian financial institutions to submit to Canada Revenue Agency (CRA) reports on financial accounts held in Canada by U.S. residents and U.S. citizens (including U.S. citizen residents who are Canadian citizens). This agreement is implemented through the addition of Part XVIII to the *Income Tax Act (ITA)*.

Each year, information on reportable accounts is transmitted by the CRA to the Internal Revenue Service (IRS) in accordance with the provisions of the Convention between Canada and the United States of America with respect to Taxes on Income and on Capital.

## Common Reporting Standard (CRS)

The Common Reporting Standard (CRS) is an international standard developed by the Organization for Economic Cooperation and Development at the request of the G8 and G20 countries in 2014. It aims to combat tax evasion and promote voluntary compliance with tax laws through the automatic exchange of financial account information between participating countries. Canada, along with over a hundred other countries, has committed to implementing it.

The CRS was implemented in Canada by the addition of Part XIX to the ITA, which came into force on July 1, 2017. Consequently, Canadian financial institutions are required to implement procedures to document tax residence and report to the CRA, the financial accounts they maintain for residents of participating jurisdictions or for certain entities controlled by residents of those jurisdictions. Subsequently, the CRA exchanges the reportable information with the jurisdictions with which it has signed agreements under the CRS.

## Protection of Privacy

The data exchanged under FATCA and CRS are subject to the privacy laws applicable to each jurisdiction. Relevant information is provided to the CRA in a fashion similar to the tax information returns financial institutions already provide to the CRA about their clients. The information is confidential and may only be used for the purposes of the application of the terms of the ITA.

## Laurentian Bank Securities Commitment

Laurentian Bank Securities Inc. is required to have procedures in place to document the tax residence of its account holders and to report the required information to the CRA. We have put the required measures into place to ensure our compliance, while minimizing any impact on client service.

*For more information regarding this regulation, please consult:*

**Canadian Revenue Agency**

[Enhanced financial account information reporting.](#)