



Superintendencia
de Bancos de Panamá

May 9, 2014
Circular N° SBP-DJ-0042-2014

General Manager

Subject: Intergovernmental Agreement (IGA) between
the United States of America and the
Republic of Panama

Dear General Manager:

The Ministry of Economy and Finance, through the Vice Ministry of Finance has announced that the negotiations on the Intergovernmental Agreement (IGA) between the United States of America and the Republic of Panama for the implementation of the Foreign Account Tax Compliance Act (FACTA) were concluded in April.

The signing of the document is pending, awaiting some required prior actions. However, with the conclusion of the negotiations, the Republic of Panama is included among the jurisdictions that have reached substantial agreements and has agreed to be placed on the list as of May 1, 2014, as shown in the following hyperlink:
<http://www.treasury.gov/resource-center/tax-policy/treaties/Pages/FATCA-Archive.aspx>.

With this Agreement, the exchange of information on clients to whom FATCA applies will be made between the tax administrations of the two countries and not through economic agents.

We recommend banks take the measures they deem pertinent in appropriately administering the challenges this implies, processing the registries they deem necessary and managing all risks in a way that best meets the interests of their businesses and the Panamanian banking system.

Best regards,

Alberto Diamond R.
Superintendent

/jca

"Velando por la solidez del Centro Bancario Internacional"