

CRS Regime 2.0: Key Amendments Effective 2026–2027

From 1 January 2026, significant amendments to the Cayman Islands Tax Information Authority (International Tax Compliance) (Common Reporting Standard) Regulations (the "CRS Regulations") take effect, with certain operational changes applying from 2027. These changes tighten data quality expectations, move key deadlines forward, require local appointment of the Principal Point of Contact (the "PPoC"), and expand the scope of reportable data, particularly to address digital assets.

The Common Reporting Standard ("CRS") is the Organisation for Economic Co-operation and Development's ("OECD") global standard for the automatic exchange of financial account information to combat offshore tax evasion. The Cayman Islands, together with over 100 jurisdictions, participate in CRS by exchanging account information on an annual basis through various information-sharing agreements.

The Cayman Islands has participated in the CRS since 1 January 2016. Cayman Islands entities must determine whether they are Financial Institutions ("FIs") or Non-Financial Entities ("NFEs"). Cayman Islands FIs must register and report to the Department for International Tax Cooperation ("DITC") through the DITC Portal and maintain written policies and procedures that meet the updated reporting and due diligence rules.

The Cayman Islands will align with the 2026 "CRS 2.0" update through the Cayman Islands Tax Information Authority (International Tax

Compliance) (Common Reporting Standard) (Amendment) Regulations, 2025.

Key Changes for Cayman Islands Financial Institutions

The amendments aim to strengthen data quality (requiring information to be 'adequate, accurate and current'), harmonise due diligence with evolving anti-money laundering standards, advance filing and notification timelines, and modernise definitions to explicitly capture crypto-assets, electronic money and central bank digital currencies within the CRS perimeter.

Due Diligence Requirements

Cayman Islands FIs must establish, implement, maintain and comply with written policies and procedures that meet the revised due diligence and reporting requirements in the CRS Regulations, including explicit controls to collect a 'valid' self-certification for new accounts at or before opening, subject to the limited 'temporary lack of self-certification' rule in exceptional cases (where a self-certification cannot be obtained in time for a new account, FIs must apply pre-existing account procedures until a valid self-certification is obtained and validated).

Registration (Notification) Requirements

Cayman Islands FIs must submit a registration form by 31 January following the calendar year in which it became a FI (with a one-off deadline of 30 April 2026 for entities that became FIs in

2025). This moves up the current registration date from 30 April.

The scope of information that a Cayman Islands FI must provide has been refined. It includes the FI's name, and any number assigned by the General Registry / CIMA / other regulators; its classification (with correct statements of its CRS classification); the date the entity became an FI; and the full particulars of the PPoC or another designated person for change forms.

Any changes to a Cayman Islands FI's required information must be reported via a 'change form' on the DITC Portal within 30 days of the change.

Reporting Requirements

From 2027 onwards, Cayman Islands FIs must submit both the CRS Return and the CRS Compliance Form by 30 June of the year following the reporting year (that is, for the 2026 reporting year). These deadlines accelerate prior timelines, which were 31 July for CRS Returns and 15 September for CRS Compliance Forms.

Each of the CRS Return and the CRS Compliance must now also be accompanied by a declaration that the information is "adequate, accurate and current."

Principal Point of Contact

The PPoC must be a person located in the Cayman Islands. This change narrows the scope of the jurisdiction in which the PPoC must be based, which previously allowed for the PPoC to be in any jurisdiction. Transitional relief permits existing registered Cayman Islands FIs without a local PPoC to submit a change form by 31 January 2027 to nominate a Cayman Islands-based PPoC.

Penalties and Enforcement

The updated penalty framework introduces certain fee caps, removes the imposition of interest and amends the enforcement notice process.

For example, a limit on the imposition of continuing penalties will be imposed that will effectively cap penalties at CI\$50,000. Further, no continuing penalty applies where a CI\$50,000 primary penalty is imposed, and once the sum of primary and continuing penalties reaches CI\$50,000, no further continuing penalties may be imposed.

Digital Currencies and Crypto-Assets

The revised Schedule of the CRS Amendments updates certain CRS definitions and introduces new terms to reflect the evolving digital money and crypto asset environment.

For example, the scope of the term "Financial Assets" has been expanded to include crypto-assets.

For completeness, we note that separately, the OECD's Crypto Asset Reporting Framework ("CARF") is being implemented in a number of jurisdictions, including the Cayman Islands. CARF is a distinct automatic exchange of information regime focused on crypto asset intermediaries and transactions and should not be confused with the CRS Amendments discussed in this advisory. Depending on your activities, you may have obligations under both regimes. For more information on CARF, head to our Regulatory Round-Up Blog and listen to the Regulatory 15/15 Podcast (see links below).

Practical Notes and Timing Highlights

1. **Effective Date.** CRS amendments effective 1 January 2026, with certain reporting and process elements applying in 2027.
2. **Registration.** 31 January annually after becoming an FI; one-off 30 April 2026 for 2025 FIs; 30-day window for change forms.
3. **Reporting Cycle.** From 2027 filings: CRS return and Compliance Form due by 30 June, with declarations.
4. **PPoC Location.** Must be in the Cayman Islands; change form to appoint local PPOC (if required) by 31 January 2027 if previously non-local.
5. **Penalties.** No interest; capped continuing penalties; immediate Penalty Notice for failure to file returns; and 30-day representation period.
6. **Digital Scope.** Expanded definitions for electronic money, central bank digital currency (CBDCs) and crypto-assets; and additional reportable data points.

How We Can Help

The Maples Group offers expert advice on CRS obligations and a range of reporting services for clients that can be tailored to your operating model. Please contact your usual Maples Group team for further guidance. Also head to our [Regulatory Round-Up Blog](#) and listen to the [Regulatory 15/15 Podcast](#) for the latest regulatory news and updates and where we will discuss CRS 2.0 in more detail and provide some practical tips for businesses.

For further information, please reach out to your usual Maples Group contact or any of the persons listed below.

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