



## **PUBLIC NOTICE**

**Source:** Regulatory & International Affairs Unit, Ministry of Finance  
**Date:** March 26<sup>th</sup> 2020

### **Extension of Deadline for Economic Substance Filing**

The Ministry of Finance wishes to advise that the deadline for economic substance filing is extended by 3 months for all entities reporting for fiscal year 2019. As a consequence, all entities with a fiscal year end after June 30<sup>th</sup> 2019 that are required to submit economic substance filings pursuant to the Commercial Entities (Substance Requirements) Act, 2018 (“CESRA”) will have to file within 12 months of the date of their 2019 fiscal year end. Penalties for failure to file within the 12 month period and any other enforcement provisions of CESRA will be applicable from the 1<sup>st</sup> day following the expiration of the extended 3 month period.

As CESRA anticipates that the first set of economic substance filings for entities with a fiscal year ending July 31<sup>st</sup> 2019, would take place in April 2020, these entities now have until July 31<sup>st</sup> 2020 to report. Likewise, any entity with a December 31<sup>st</sup> 2019 fiscal year end, would have until December 31<sup>st</sup> 2020 to submit its economic substance filings. The Ministry wishes to emphasize that this extension applies only to the 2019 fiscal year. The 9 month reporting deadline remains a requirement for FYE 2020, and following years.

Entities are also reminded that the portal for economic substance filing became available on December 16<sup>th</sup> 2019 and all entities are able to register and report via that portal to ensure compliance with CESRA, notwithstanding that it is a beta release. There is no provision for bulk registration. However, this feature is under consideration for future updates and we will advise should it become available.

The portal is accessible at: [substancefilingbeta.revenue.gov.bs](http://substancefilingbeta.revenue.gov.bs).

It is noted that some providers are either a) not signing into the [substancefilingbeta.revenue.gov.bs](http://substancefilingbeta.revenue.gov.bs) address to register and submit economic substance filings but rather are attempting to sign into the Online Tax Administration System (OTAS) at [vat.revenue.gov.bs](http://vat.revenue.gov.bs) which is used for VAT/BL registering and reporting or b) are attempting to access the [substancefilingbeta](http://substancefilingbeta) portal with their pre-existing sign-in

protocols from OTAS, and are encountering error messages. At present, you cannot access the modules for economic substance reporting through OTAS. You are able to use your OTAS username and password to access the economic substance portal provided that your OTAS profile was created before November 2019. If your OTAS profile was created after November 2019, you will have to create a new profile with the same user sign-in details on the substancefilingbeta site. If you changed the password on your OTAS profile after November 2019, you must use the old password when signing into the economic substance portal and then change to the new password that is used to access OTAS. The ability for a single sign in for both economic substance and VAT/BL registration and reporting via the OTAS system will be available in future updates and we will advise when it becomes available. In the interim, registering and filing for economic substance is only possible via the substancefilingbeta site. All data from the substancefilingbeta portal will be automatically migrated into OTAS when the systems are integrated.

We have also noted that some providers are selecting the "Register a Taxpayer" option when attempting to register their entities and obtain an EIN. Attempting to register a taxpayer in the economic substance portal will give an error as that feature is reserved for VAT/BL registrations. Users should select the "Register an Entity" option, as directed.

The TIN and EIN are synonymous and can be used for the same purposes. If an entity obtained a TIN prior to November 2019, there is no need to attempt to register the entity in the economic substance portal in order to obtain an EIN. Attempting to do so will generate an error message. However, if the entity's TIN was obtained via OTAS after November 2019, you will have to request that the Department of Inland Revenue assign that entity to your profile under the economic substance portal. This can be done by sending an email to [vatdata@bahamas.gov.bs](mailto:vatdata@bahamas.gov.bs).

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