

REPUBLIC OF ESTONIA
TAX AND CUSTOMS BOARD

Tax information exchange

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FATCA

The declaration "Collection of information related to the Agreement between the Government of the Republic of Estonia and the Government of the United States of America to Improve International Tax Compliance and to Implement FATCA" (hereinafter the FATCA declaration) shall be submitted by **Estonian financial institutions holding financial accounts of residents of the United States of America**.

To submit financial information declarations, you need the individual access permission of the e-services environment e-MTA of the Estonian Tax and Customs Board "Submitting FATCA declarations" (code: FATCA_KOIKOIGUSED). **More about granting access permissions**

A reporting financial institution must request a **GIIN number** from the U.S. tax authority. Without the GIIN number, the FATCA declaration cannot be submitted. If a person is subject to FATCA obligation but does not have access to the respective application in the Estonian Tax and Customs Board's e-services environment e-MTA, the GIIN number must first be obtained and then submitted to the Estonian Tax and Customs Board together with the request for access permission to the FATCA application. In the request, it is required to indicate the year from which the FATCA obligation arose.

Virtual currency wallet service providers and virtual currency exchange service providers are not reporting financial institutions within the meaning of FATCA under current legislation.

Additional information

Form of Declaration Arising from Tax Information Exchange Act and Establishment of Procedure for Submission and Completion Thereof

Regulation of the Minister of Finance No 16 of 19 May 2015

Exchange of tax information

Webpage of the Ministry of Finance

Letter from the U.S. Internal Revenue Service of 7 December 2017 on reporting the U.S. TIN | 112.6 KB | pdf

Letter from the U.S. Internal Revenue Service on the 4th of June 2024 on reporting of the U.S. TIN | 100.99 KB | pdf

Letter from the U.S. Internal Revenue Service of 12 November 2024 on Extension of Temporary Relief for reporting the U.S. TIN | 96.74 KB | pdf

Guide "Definition of Financial Account and Financial Institution, as well as due diligence requirements (FATCA, CRS, DAC2)" (in Estonian) | 220.17 KB | pdf

Help information

Customer support

Last updated on 08.01.2025

Completing and submitting a declaration

When should a declaration be submitted

The FATCA declaration with data for the previous year must be submitted by 30 June of the current year at the latest.

In the absence of the information to be declared, a blank declaration must be submitted via the e-services environment e-MTA.

Completing the declaration

Forms of the declarations were established by a **regulation of the Minister of Finance**.

The technical specifications of the FATCA files can be found on the page "**Technical information of services**".

Where and how can a declaration be submitted

The declaration is submitted electronically to the Estonian Tax and Customs Board via the e-services environment e-MTA by uploading with an XML file.

To submit a FATCA declaration:

1. in the **e-services environment e-MTA**, select **Reports** – **Exchange of information reports** – **Financial information declarations (FATCA/OECD/EU DAC2)**;
2. on the page of list of declarations, press the button "**Add new declaration**".

SUBMITTING A DECLARATION

To submit a full version of the declaration, select "**Add declaration from file**", then select "**Obligation**

type" and "**Year**" and search for the file you will upload on your computer.

After pressing the button "**Import**", a data check (file validation) takes place.

In case of errors, information about them is displayed to the user and the declaration needs to be corrected.

If no errors are found, the declaration will appear on the list of declarations in the "Preparation" status. After pressing the button "**Confirm**", the validation will be carried out again and, if passed, the declaration will be confirmed.

It is possible to delete a declaration in the "Preparation" status by selecting the corresponding icon.

CHANGING DECLARATION DATA

If some data were not declared in the form, or if a line is filled in incompletely or incorrectly, the file needs to be reloaded to change the data.

Last updated on 08.01.2025

Exchange of financial accounts information

On the basis of the **Council Directive 2014/107/EU** and the OECD Convention on Mutual Administrative Assistance in Tax Matters, and the **Common Reporting Standard** multilateral agreement, **Estonian financial institutions** have the obligation to provide information on the accounts of non-residents and to submit respective declarations:

- ✓ "Collection of financial accounts information exchanged on the basis of Article 6 of the Convention on Mutual Administrative Assistance in Tax Matters" (form CRS) and
- ✓ "Collection of financial accounts information exchanged with the Member States of the European Union" (form DAC2).

Additional information

- **Form of Declaration Arising from Tax Information Exchange Act and Establishment of Procedure for Submission and Completion Thereof (in Estonian)**

  Regulation of the Minister of Finance No 16 of 19 May 2015

- **Exchange of tax information**

  Ministry of Finance web page

- **Guide “Definition of Financial Account and Financial Institution, as well as due diligence requirements (FATCA, CRS, DAC2)” (in Estonian) | 220.17 KB | pdf**

- **List of jurisdictions participating in financial information exchange (as at 15 September 2026, in Estonian) | 123.25 KB | pdf**

Checking the format and structure of a tax identification number (TIN)

- **European TIN Portal**

  European Commission portal (EU Member States)

- **Tax Identification Numbers (TINs)**

  OECD web page (EU Member States and third countries)

Help information

If you have any questions, please contact **arikliient@emta.ee** or call **+372 880 0812**.

Last updated on 09.06.2026

Who and when has the obligation to submit declarations

Who must submit declarations CRS and DAC2

Estonian financial institutions have an obligation to provide information on financial accounts held by tax residents of countries participating in the exchange of information.

If a reporting financial institution is required to provide one financial information declaration, it is generally obliged provide the other two financial information declarations as well.

To submit financial information declarations, you need the individual access permission of the e-services environment of the Estonian Tax and Customs Board named “Submitting FATCA declarations“ (code: FATCA_KOIKOIGUSED). **More about granting access permissions**

If a person has the obligation to submit a financial information declaration but does not have access to the respective application in the e-services environment of the Estonian Tax and Customs Board, the **GIIN number** must first be obtained from the U.S. tax authority and submitted to the Estonian Tax and Customs Board together with the request for access permission to the financial information declaration application. In the request, it is required to indicate the year from which the declaration obligation arose.

Virtual currency wallet service providers and virtual currency exchange service providers are not reporting financial institutions within the meaning of the current legislation.

When should declarations be submitted

CRS and DAC2 declarations with data for the previous year must be submitted by 30 June of the current year at the latest.

In the absence of information to be declared, a blank declaration must be submitted via the **e-services environment e-MTA**.

Last updated on 20.05.2026

Completing and submitting declarations

Where and how can declarations be submitted

The declarations are submitted to the Estonian Tax and Customs Board electronically via the e-services environment e-MTA by uploading an XML file.

To submit CRS and DAC2 declarations:

1. sign in to the **e-services environment e-MTA**
2. select "Reports" – "Exchange of information reports" – "Financial information declarations (FATCA/OECD/EU DAC2)"
3. on the page of list of declarations, press the button "Add new declaration"

SUBMITTING DECLARATION

To submit a full version of the declaration, select "Add declaration from file", then select "Obligation type" and "Year" and search for the file you will upload on your computer.

After pressing the button "Import", a data check (file validation) takes place.

In case of errors, information about them is displayed to the user and the declaration needs to be corrected.

If no errors are found, the declaration will appear on the list of declarations in the "Preparation" status.

After pressing the button "Confirm", the validation will be carried out again and, if passed, the declaration will be confirmed.

It is possible to delete a declaration in the "Preparation" status by selecting the corresponding icon.

CHANGING DECLARATION DATA

If some data were not declared in the form, or if a line is filled in incompletely or incorrectly, the file needs to be reloaded to change the data.

UNDOCUMENTED FINANCIAL ACCOUNT

Section III (B) 5 and Section III (C) 5 of the CRS (Common Reporting Standard) regulate the nature of an undocumented financial account and the scope of reporting obligations.

The concept of an undocumented financial account extends to existing financial accounts for the owner

of which only a hold mail order (hold mail) or intermediary address (in care of) has been collected in the reporting jurisdiction, and no additional data has been collected about the owner of the account, which would, among other things, enable the person's tax residency to be determined or specified. Only when using the aforementioned data fields and the collection of additional information (as well as the implementation of due diligence measures) has been delayed, the previously described financial accounts must be reported as undocumented financial accounts.

In the event that a reporting financial institution has financial accounts that can be classified as undocumented financial accounts, please inform us about the existence of such accounts via the e-mail address **infovahetus@emta.ee**.

Filling in a declaration

The forms of declarations are established by the **regulation of the Minister of Finance**.

The technical specifications of the CRS and DAC2 files can be found on the web page "**Technical information of services**".

ADDITIONAL INFORMATION

The CRS is also available on the OECD website:

- **Common Reporting Standard (CRS)**
- **Standard for Automatic Exchange of Financial Account Information in Tax Matters**
- **Standard for Automatic Exchange of Financial Account Information in Tax Matters: Implementation Handbook**

Last updated on 08.01.2025

Transition to the CRS 3.0 XML schema

The Tax and Customs Board (ETCB) will shortly adopt the OECD's updated **CRS XML Schema Version 3.0** for the **submission of DAC2 and CRS declarations**. This change applies to the submission of both the CRS and DAC2 forms via the **e-services environment e-MTA**.

The version of the OECD's user guide for CRS 3.0 XML schema is 4.0. The new schema contains updated data elements and validation rules and supports the implementation of the revised Common Reporting Standard.

Transition schedule

The acceptance of DAC2 and CRS returns will be suspended **in December 2026** due to the development of the ETCB's information systems.

During this suspension period, the following **cannot be submitted via the e-MTA**:

- ✓ new DAC2 or CRS declarations;
- ✓ blank declarations;
- ✓ corrections to or deletions of previously submitted declarations.

The submission of declarations is expected to resume **in February 2027**. Once the service is reopened, DAC2 and CRS declarations may only be submitted in a format compliant with the CRS 3.0 XML schema.

The exact start and end dates of the submission suspension will be announced separately on the ETCB's website. Where possible, we recommend submitting any pending declarations and corrections before the suspension begins.

Declarations subject to the CRS 3.0 requirement

After the service is reopened, the CRS 3.0 format must be used for:

- ✓ submission of new DAC2 and CRS declarations;
- ✓ submission of blank declarations;
- ✓ correction of data from previous reporting periods;

- ✓ deletion of previously submitted data.

Corrections to and deletions of declarations originally submitted before the transition must also be prepared in XML format compliant with the CRS 3.0 requirements. Files prepared based on an earlier version of the schema will not be accepted after the service reopens.

Updating the legal basis

In connection with the adoption of CRS 3.0, Annexes to Regulation No. 16 of the Minister of Finance of 19 May 2025 concerning CRS and DAC2 XML/XSD will also be updated.

The amendments to the Regulation are currently undergoing public consultation. Once the consultation and regulatory process has been completed, the updated Regulation will be published in the Riigi Teataja.

Further details on the entry into force of the amendments to the Regulation and on the CRS 3.0 XML/XSD files will be published on the ETCB's website.

More information

- ※ **The OECD's user guide for CRS 3.0 XML schema**
  Amended Common Reporting Standard XML Schema: User Guide for Tax Administrations, version 4.0

Last updated on 07.08.2026

Advice on avoiding common mistakes made in financial accounts declarations

The advice has been put together by the Estonian Tax and Customs Board based on reviews and audits of financial accounts declarations (CRS/DAC2/FATCA) and financial institutions.

1. **A financial accounts declaration must give information about the status of an account (open/closed).**

   Information that must be included in the CRS/DAC2/FATCA declaration submitted to the Estonian

Tax and Customs Board has been established by the Regulation of the Minister of Finance No 16 of 19 May 2015: "**Form of Declaration Arising from Tax Information Exchange Act and Establishment of Procedure for Submission and Completion Thereof**".

One of the mandatory data elements is information on whether a financial account is still open or has been closed in the calendar year for which the declaration has been submitted. A closed financial account does not always mean the termination of a customer relationship, as the customer of a financial institution may wish to close only one financial account. In the context of prevention of money laundering and financing of terrorism, this could also mean the termination of a single financial product agreement.

Please note that upon termination of a customer relationship, including at the customer's own request, the declaration must contain information about the fact that the financial accounts of the reportable person have been closed in the calendar year for which the declaration has been submitted. This means that if a person's financial accounts are closed and the customer relationship is terminated in 2023, it must be reflected in the declaration for 2023 that is submitted in 2024.

2. **Taxpayer identification number (TIN) and date of birth must be correct.**

   If a financial institution has defined a non-resident customer's financial account as a reportable account, it must identify the account holder's residence for tax purposes and the data necessary for identifying the person. The confirmation of tax residency of the account holder that is a natural person and of the controlling person of the company that is a natural person must be in writing or in a format which can be reproduced in writing (**subsection 11 of § 8[5] of the Tax Information Exchange Act**). The confirmation of tax residency must include the following data:

   - ✓ tax residences;
   - ✓ the identification number(s) of the taxable person;
   - ✓ the date of birth;
   - ✓ contact address.

   The correct taxpayer identification number (TIN) must be indicated in the field for TIN. Depending on the jurisdiction, TIN is a combination of numbers that may include full points (.), hyphens (–) or other punctuation marks.

   Only text (e.g. "Missing", "None", "SWE" etc.), a one-digit number or a person's date of birth **cannot be indicated in the declaration** instead of a TIN.

   In certain cases, the absence of a TIN or the delay in its collection is inevitable under objective circumstances. However, please note that an incorrect entry in the field for TIN significantly complicates the identification of a person in the jurisdiction in which the person is a resident for tax purposes.

We also ask you to make sure that the **correct date of birth and contact address** of a person are indicated in the systems where customer data is stored, as well as in the declarations. The date of birth of a person cannot be, for example, 01.01.1900. Also, the address of a person's place of residence indicated must be exact, not just the county, rural municipality/city or street name.

3. **The information on the beneficial owners of the accounts of legal persons must be as detailed as in the case of the accounts of natural persons.**

   Due diligence measures and the scope of reporting are similar for both non-resident natural and legal persons. Therefore, when submitting your declarations, please note that the declaration must include the **correct TIN of the beneficial owner of an enterprise and the full and accurate contact address**, not just the county, rural municipality/city or street name.

4. **Residency data and address must correspond to each other.**

   Please make sure that there are no inconsistencies in the data provided by customers, in particular the tax residency data. A possible inconsistency is, for example, a situation where a person is identified in the declaration as a non-resident (e.g. Italian tax resident), but his or her contact address is in Estonia (e.g. Luite street, Tallinn).
   In some cases, this conflict between two jurisdictions can be explained by dual tax residency. If a person has **more than one residence for tax purposes** indicated in a financial institution's customer data, **both must be included** in the financial accounts declaration.

5. **Non-resident's financial account must be included in the declarations of consecutive years.**

   Please make sure that a non-resident's financial account is included in the declarations of all consecutive years in which it is reportable. For example, there have been cases where a financial account was declared in 2018 and 2020 but not in 2019.

Last updated on 08.01.2025

Recommendations for correct declaration

Here you can find the recommendations of the Estonian Tax and Customs Board to ensure compliance with the requirements arising from the tax information exchange regulations.

1. Incorrect entries in submitted declarations may make it more difficult or, in certain cases, impossible to identify the beneficial owners of financial accounts indicated in financial account declarations.

Therefore, in order to avoid standard errors, we recommend to put in place control measures which include either a manual review of the data and/or the implementation of additional controls (including IT-based measures). This makes it possible to ensure that the declaration, including the field for TIN, does not contain incorrect numeric values, text entries or other characters/records that are not relevant.

We recommend using **the OECD (Organisation for Economic Cooperation and Development)** or the **European Commission application** to verify the correct format of TIN.

We recommend that you apply control measures to verify the correctness of the information indicated in the fields for customer's address and date of birth as well.

2. Provided that a financial institution as part of a group of enterprises operates in several jurisdictions where the same tax information exchange regulations apply, it may be necessary to **exchange experiences and best practices with other entities** within the same group in order to ensure uniform implementation**.**

3. In situations where a country other than Estonia is indicated as customer's tax residence, but the contact address is in Estonia, please further verify the correctness of the data.

   In certain cases, dual tax residency is possible and in such cases **both tax residences** of the person must be declared in the financial accounts declaration.

   The contact address is often part of the data for determining tax residence and in certain situations the contact address of a non-resident in Estonia should be interpreted as a contradiction in the tax residency data. This is particularly important in a situation where the customer has not provided a tax identification number (TIN).

4. The **"CRS-related Frequently Asked Questions"** on the OECD website contain information useful for financial institutions that are obliged to submit a CRS/DAC2/FATCA financial account declaration.

Last updated on 08.01.2025

Submitting a country-by-country report

Based on the Council Directive (EU) 2016/881, the OECD Convention on Mutual Administrative Assistance in Tax Matters and the Country-by-Country Reporting Multilateral Agreement, **multinational**

enterprise groups (MNE Groups) are obliged to provide information on group income, taxes and business activities. The report must be completed separately for each tax jurisdiction in which the group operates.

The country-by-country report must be submitted for a group whose total consolidated group revenue in the fiscal year preceding the reporting fiscal year exceeded 750 million euros.

Additional information

Regulation of the Minister of Finance No 16 of 19 May 2015 **"Form of Declaration Arising from Tax Information Exchange Act and Establishment of Procedure for Submission and Completion Thereof"**

Webpage of the Ministry of Finance **"Exchange of tax information"**

Last updated on 19.05.2022

Notification of the reporting entity

An MNE group (consolidated revenue exceeding 750 million euros) member that is a resident of Estonia for tax purposes must file a notification of the entity (group member) who submits the CbC report (name, registry code and address) and the entity's country of residence either:

- ✓ to the e-mail address **emta@emta.ee** (notification must be digitally signed), or
- ✓ via the **e-services environment e-MTA** (select "Communication" – "Correspondence").

The notification must be submitted **by 30 June at the latest** (or 6 months from the end of the fiscal year).

The obligation to submit a CbC report is established in the **Tax Information Exchange Act**, but it is based on the EU Directive and the OECD model.

On the basis of the country-by-country report of a group submitted to a foreign tax authority by the parent entity, the foreign tax authority will forward the information concerning an Estonian member to the Estonian tax authority through international exchange of information.

Last updated on 24.05.2022

When to submit a country-by-country report

The CbC report with data for the previous year must be submitted at the latest **by 31 December** of the current year.

Last updated on 14.10.2021

How to submit a country-by-country report

The CbC report must be submitted electronically in the Estonian Tax and Customs Board's e-services environment e-MTA either by uploading the report as an XML file or by entering the report data in the application.

To submit a country-by-country report:

1. sign in to the **e-services environment e-MTA**;
2. from the menu, select **Reports** – **Exchange of information reports** – **Country-by-Country Report**;
3. on the page of reports, select whether you want to submit a new report by uploading a file or by entering data manually.

SUBMITTING A REPORT

Upon entering the data to submit the full version of a report, click on "Submit".

Upon selecting "More" – "Discard and delete", the report will be deleted.

Upon selecting "More" – "Save and continue later", the report will appear as "Incomplete" in the list of reports. "Incomplete" reports can be deleted or submitted by clicking on the corresponding icon.

After clicking on the "Submit" button, the data will be verified (file validation). In case of errors, information about the errors will be displayed to the user and the report must be corrected. If no errors are found, the report with status "Submitted" will appear in the list of reports.

EDITING REPORT DATA

To amend the data, the file must be reloaded or the data re-entered.

Last updated on 18.10.2023

Completing the country-by-country report

The format of a country-by country report is established by a **regulation of the Minister of Finance**.

Annex 15 Format for the **"Country-by-Country report"** (PDF).

The technical specifications of the report files can be found on the webpage "**Technical information of services**".

As of 1 February 2021, the CbC report format was changed in accordance with version 2.0 adopted by the OECD and the European Commission. The format in the Estonian Tax and Custom Board's e-services environment e-MTA is in line with the changes and the XML form published on this web page is v2.0.

Last updated on 15.06.2023

Information on how to submit a country-by-country report

- If you have any questions, please contact our customer support **ariklient@emta.ee** or call +372 880 0812.

Last updated on 14.10.2021

Exchange of information on cross-border arrangements (DAC6)

Amendments to the Tax Information Exchange Act regarding exchange of information on cross-border arrangements have been published in the **Riigi Teataja on 21 December 2019**.

The amendments were adopted in order to incorporate amendments resulting from **Council Directive (EU) 2018/822** as regards mandatory automatic exchange of information in the field of taxation in relation to reportable cross-border arrangements.

A new **chapter 2^2 titled "Automatic exchange of information on cross-border arrangements in European Union"** containing 12 paragraphs was added to the Tax Information Exchange Act:

§ 20^8 "Cross-border arrangement"
§ 20^9 "Reportable arrangement"
§ 20^{10} "Information provider"
§ 20^{11} "Taxable person concerned"
§ 20^{12} "Related persons"
§ 20^{13} "Obligations of information provider"
§ 20^{14} "Transfer of obligations of information provider"
§ 20^{15} "Reporting country of information provider"
§ 20^{16} "Multiplicity of information providers"
§ 20^{17} "Reporting obligation of taxable person concerned"
§ 20^{18} "Reporting country of taxable person"
§ 20^{19} "Multiplicity of taxable persons concerned"

Changes in international tax information exchange

The fight against tax avoidance and tax evasion has been identified as a political priority in the European Union and in the Organisation for Economic Co-operation and Development (OECD). So far, seven administrative cooperation directives have been adopted in order to reduce aggressive tax planning and increase the transparency of national tax systems.

In the field of direct taxation, cooperation on exchange of information has been enhanced in recent years with the following measures:

1. automatic exchange of information on different types of revenue in the European Union implemented since 2015 **[1]**;
2. exchange of financial account information in tax matters implemented since 2016 **[2]**;
3. exchange of information on binding advance tax rulings implemented since 2017 **[3]**;

4. exchange of information on country-by-country reporting by MNE groups, implemented since 2017 [4];
5. granting tax authorities domestic access to the data on determining beneficial owners, implemented since 2018 [5];
6. exchange of information on tax-related arrangements, implemented since 2020 [6];
7. exchange of platform information, implemented since 2023 [7].

The European Commission has explained [8] that exchanging information on tax arrangements is important because it is increasingly difficult for Member States to protect their national tax bases as tax planning structures become increasingly complex and take advantage of the increased mobility of capital and persons in the internal market. In general, these harmful structures consist of arrangements involving different jurisdictions and move taxable income to a more favourable tax environment or reduce the overall tax burden. Aggressive tax planning makes it possible to exploit mismatches between corporate tax systems, to benefit from preferential tax regimes or to interpret laws in a manner that was not provided for by the legislator. Aggressive tax planning often results in significant losses in Member States' tax revenues, which prevents them from applying tax policies fostering economic growth. The European Parliament has called for stronger action against intermediaries that contribute to the spread of tax evasion schemes [9].

Arrangements that create the possibility to avoid the exchange of information on financial accounts and hide beneficial owners as defined in the Money Laundering and Terrorist Financing Prevention Act are equally harmful. The European Commission assessed that the most cost-effective form of automatic exchange of information is, where information is collected in a single central register maintained by the European Commission, allowing for substantial automation of work processes and reducing costly manual work in the processing of information. The European Commission's central register is also used to compile information on tax authorities' binding tax rulings and advance pricing agreements.

Automatic exchange of information on cross-border arrangements

The automatic exchange of information on cross-border arrangements imposes an obligation on tax advisors and taxpayers to inform tax authorities about cross-border tax planning arrangements. The automatic exchange of information on cross-border arrangements has been imposed in Estonia **on direct taxes**, meaning that there is no obligation to notify arrangements for VAT, customs duties, excise duties, social security contributions, fees and (service) charges.

The list of the composition of the information to be submitted on an arrangement subject to reporting can be found in **Annex 16 to Regulation No 16 of the Minister of Finance** (PDF, in Estonian).

[1] Main text of the Directive on administrative cooperation

[2] 2014 amendment to the Directive on administrative cooperation

[3] 2015 amendment to the Directive on administrative cooperation

[4] **First 2016 amendment to the Directive on administrative cooperation**

[5] **Second 2016 amendment to the Directive on administrative cooperation**

[6] **2018 amendment to the Directive on administrative cooperation**

[7] **2021 amendment to the Directive on administrative cooperation**

[8] **The Commission's explanations can be found in the part of reasons for and objectives of the proposal for a directive**

[9] **More information about the European Parliament's Committee on tax rulings.** In light of the "Panama papers" and other scandals, the European Parliament has commissioned various studies to open up the nature of the problem and offer solutions, see more **https://www.europarl.europa.eu/RegData/etudes/STUD/2017/602030/IPOL_STU(2017)602030_EN.pdf** (PDF) and **https://www.europarl.europa.eu/RegData/etudes/STUD/2017/602029/IPOL_STU(2017)602029_EN.pdf** (PDF).

Last updated on 08.01.2025

Cross-border and reportable arrangement

What is a cross-border arrangement

The obligation to provide information on an arrangement applies only if there is a cross-border aspect and the arrangement has an impact on tax liability, exchange of information on financial accounts or can conceal the beneficial owner. In the case of arrangements impacting tax liability, at least one of the cross-border conditions listed below must be met:

1. the persons participating in the arrangement are residents in different states or jurisdictions;
2. at least one of the persons participating in the arrangement is a resident in more than one state or jurisdiction at the same time;
3. at least one of the persons participating in the arrangement operates in a state or jurisdiction in which he is not resident.

In addition, cross-border arrangements that may make it difficult or impossible to exchange information on financial accounts and to identify beneficial owners are covered by the notification obligation.

What is a reportable arrangement

In the case of a reportable arrangement, the cross-border aspect must be fulfilled and the arrangement must comply with at least one of the criteria established by **Regulation No. 1 of the Minister of Finance of 17 January 2020 on criteria for cross-border arrangements** (for more information, see **"Arrangements that depend on the main benefit criterion"**). The regulation establishes an exhaustive list of criteria for reportable tax arrangements. The list is not exhaustive as regards exchange of information on financial accounts and identification of beneficial owners.

Last updated on 08.01.2025

Persons in information exchange

Who is an information provider

The information provider may be any person who has personally or through other persons supplied services related to an arrangement to a taxable person. Services related to an arrangement include the service of developing, marketing, making available or organizing or managing the implementation of a reportable arrangement, as well as the provision of assistance and advice in the provision of those services. In certain cases, a taxable person may also be the information provider (more in chapter **"In which cases do the obligations of the information provider transfer"**).

A person who can be presumed not to have known or should not have known that the service provided or the assistance or advice provided upon the provision of the service was related to a reportable arrangement is not an information provider. Similarly, persons who analyse issues of international taxation in the course of research and teaching are not information providers.

Who is a taxable person concerned

In the context of the exchange of information on reportable arrangements, the taxable person concerned is a person:

- ✓ to whom the reportable arrangement has been made available by a service provider;

- whose team has developed the arrangement;
- who is willing to implement the reportable arrangement (including, for example, if the arrangement is ordered by a person related to the person, e.g. a subsidiary); or
- who has implemented its first stage.

Who are related persons in the exchange of information on cross-border arrangements

In the context of exchange of information on cross-border arrangements, the related person is a person:

- who participates in the management of the other person in a position that provides an opportunity to significantly influence the activities of another person, and
- who holds more than 25 per cent of the share capital or stock or the total number of voting rights of one legal person or at least 25 per cent of the right to receive profit.

In addition, related persons are also persons who jointly control the same person.

The definition of related parties includes both direct and indirect holding. If a person has indirect holding in another person's capital, the amount of indirect holding shall be determined by multiplying the size of the holding in the undertaking by the amount of holding in each successive subsidiary. The multiplication of holdings makes it possible to determine the amount of indirect holding (percentage) in the indirectly controlled undertaking. For example, if a person has a holding of 80% in undertaking A and that undertaking has a 50% holding in undertaking B, it is apparent from multiplying those holdings that the indirect holding of a person in that undertaking (B) is 40%, which means that the person is a related person. A person who holds more than 50% of the voting rights is considered to have full voting rights. The term 'capital' has been used to include in the definition not only share capital or stock but also shareholdings in other types of legal persons established abroad.

Related persons also include natural persons in respect of whom family (i.e. the spouse or partner of the person, children and parents) is treated as a single person in the context of the exchange of information on reportable arrangements.

Last updated on 08.01.2025

Obligations of information provider

What are the obligations of the information provider

Neither the information provider nor the taxable person concerned are obliged to carry out an investigation to find out new or additional circumstances relating to a reportable arrangement or its implementation which are not known but which may be known to other persons providing services related to the arrangement. Each information provider has an obligation **to report information that it has about the arrangement**.

Information about the reportable arrangement must be submitted to the tax authority within 30 calendar days as of:

- ✓ the day following the day on which the reportable arrangement is made available for implementation,
- ✓ the day following the day on which the reportable arrangement is ready for implementation, or
- ✓ the day on which the first action was made to implement the reportable arrangement.

The choice is made dependent on which day arrives earlier. By 28 February 2021, arrangements which started to be implemented between 25 June 2018 and 30 June 2020 had to be reported. The arrangements started to be implemented between 1 July 2020 and 31 December 2020 are distinguished in relation to the postponement of the initial reporting deadlines and had to be reported one month earlier.

In the case of **standard arrangements**, there is a **periodic reporting obligation**, which is performed every three months with new and additional information. The standard arrangement is defined as an arrangement that has been developed, marketed, ready for implementation or available in a form that does not require significant adjustment for implementation. For the first time, periodic information on standard arrangements had to be provided by 30 April 2021.

The **data set** to be submitted on a reportable arrangement is established by Regulation No 16 of the Minister of Finance (**Annex 16** (PDF, in Estonian)). The tax authority will assign a unique reference number to each arrangement or part of the arrangement submitted for the first time. The reference number is entered in the central register maintained by the European Commission, which allows to establish links between information provided for the same arrangement in different countries.

In order to monitor the use of the arrangement and to avoid double reporting, the information provider is **obliged to inform all other persons who have provided services, assistance or advice** in connection with

the same arrangement or part of the arrangement of the reference number.

As of January 2023, the **information provider** as defined in **subsection 1[1] § 20[10] of the Tax Information Exchange Act** submits the information to the tax authority within 30 days as of the day on which the information provider **provided, directly or through other persons, assistance, support or advice** in connection with the cross-border arrangement. Before 1 January 2023, the information providers described in subsection 1[1] § 20[10] of the Tax Information Exchange Act submitted information to the tax authority in the same way as other information providers.

In which cases do the obligations of the information provider transfer

Information need not be provided by persons who are obliged to keep professional secrecy, in particular lawyers and employees of audit offices. In such cases, the information provider will inform the other information provider concerned, or in the absence of such an information provider, the taxable person concerned to whom the obligations of the information provider are transferred.

Last updated on 08.01.2025

Submitting information provider's report

Where is the information provider's report submitted

If the information provider becomes liable for reporting obligation in more than one Member State, one of which is Estonia, and the connection with Estonia is first on the list below, the information provider must submit the information to the Estonian Tax and Customs Board. The connection between the information provider and the Member State may be the following:

- ✓ the information provider is a resident thereof;
- ✓ the information provider has a permanent establishment there through which it provides services related to the reportable arrangement;
- ✓ the information provider is established there or its activities are subject to the legislation of that state;
- ✓ the information provider is a member of a professional association of that state, which unites

- ✓ persons who provide legal or tax advisory services.

The information provider is not obliged to provide information if he or one of the related persons has already submitted the same information in another Member State and the information provider has evidence to submit to the tax authority that the obligations have been performed in another Member State. The easiest way to prove the performance of the obligations of the information provider in another country is by notifying the tax authority of the other Member State of the reference number assigned to the arrangement already reported.

Who provides information if there are multiple information providers

In the development of cross-border arrangements, it is natural to involve persons from different countries, which can lead to reporting obligations for the same arrangement in different countries as well as for several persons at the same time.

The information provider shall be exempt from recurrent reporting obligations if the information provider can provide a reference number assigned to the arrangement already reported or other evidence that the same information has been provided by another information provider. However, it should be borne in mind that the obligation is to provide only the information that is in the possession of each individual information provider in relation to the service provided and that the information provider is not obliged to carry out an investigation in order to identify new or additional circumstances relevant to the reportable arrangement or its implementation.

Last updated on 08.01.2025

Reporting obligation of taxable person concerned

When does the taxable person concerned have the reporting obligation

The information provider is the taxable person concerned, where the person who has provided the service related to development, marketing, making available for organization of its implementation or management of a reportable arrangement, has no obligation to provide information on such arrangement in any of the Member States or if there is no such person.

The reporting obligation will arise for the taxable person concerned in the following cases:

- ✓ the cross-border arrangement has been developed by the taxable persons themselves;
- ✓ the reportable arrangement has been developed by a person who has no connection to a Member State of the European Union;
- ✓ the information provider refrains from providing information on the arrangement due to obligation to keep professional secrecy.

Where must the taxable person concerned provide information

If the taxable person is liable for reporting obligation in more than one Member State, one of which is Estonia, and the connection with Estonia is first on the list below, the information provider must submit the information to the Estonian Tax and Customs Board. The connection between the taxable person and the Member State may be the following:

- ✓ the taxable person is a resident thereof;
- ✓ the taxable person has a permanent establishment there, which benefits from a reportable arrangement;
- ✓ the taxable person receives income or earns profits there, but is not resident there and has no permanent establishment there;
- ✓ the taxable person is active there but is not resident there and has no permanent establishment there.

The taxable person concerned is not obliged to provide information if he or one of the related persons has already submitted the same information in another Member State and they have evidence to submit to the tax authority that the obligations have been performed in another Member State.

Who must provide information if several taxable persons concerned are under an obligation

A number of taxable persons concerned may be involved in a single arrangement. In order to avoid double reporting, the primary reporting obligation shall be on the taxpayer who has agreed on the development of the arrangement with a service provider, and in the case of an in-house arrangement, the person under whose management and control the arrangement is planned to be implemented.

Last updated on 08.01.2025

Criteria for cross-border arrangements

Regulation of the Minister of Finance of 17 January 2020 “Criteria for cross-border arrangements”

Some arrangements are relevant for the purpose of meeting the obligation to exchange information only if they fulfil the main benefit criterion of obtaining a tax advantage. However, obtaining a tax advantage is not important for all arrangements. The main benefit criterion is complied with if, taking into account all the relevant circumstances, getting a tax advantage is a reasonably expected main benefit or one of the main benefits resulting from the arrangement.

Last updated on 08.01.2025

Arrangements that depend on the main benefit criterion

Information must be provided on the following cross-border arrangements that depend on the main benefit criterion:

1. an arrangement by which the relevant taxpayer or a person participating in the arrangement has undertaken a duty of confidentiality related to the tax advantage;

2. an arrangement for which the information provider is entitled to get remuneration or compensation, which is determined by the amount of the tax advantage resulting from implementation of the arrangement, or according to whether the expected tax advantage is provided by the implementation of the arrangement;

EXAMPLES

- A company is restructured in such a way that there is a change in risks, assets and functions within the group resulting in a reduction or increase in the revenue attributed to the company. In transactions between unrelated parties, higher risk is generally compensated by higher income and lower risk is compensated by lower income. Also in terms of functions, the income from a

- transaction usually correspond to the tasks performed by the company and to the assets used for that purpose. Therefore, if the arrangement changes the division of the company's/group's risks, assets and functions within the group and results in a tax advantage, information must be provided on such an arrangement.

- The right to a payment exempt from tax is created and the remuneration of the person providing services related to the arrangement depends on the amount of the exemption.

3. an arrangement with a standard structure which can be used by different taxable persons without any significant adjustments each time;

EXAMPLES

- One company purchases another company with loan capital, followed by a merger of the two companies, either under the conditions and in accordance with the procedure laid down in the loan agreement or in accordance with the company's policy. As a result of the merger, the acquiring company will start to pay the cost of the loan capital from the income derived from the economic activities of the acquired company, and the interest cost of the loan can be deducted from the taxable income.

- A merger (or a division) of a resident company with a foreign company takes place, as a result of which part of the assets (including money) and liabilities are either transferred to the foreign company or the foreign company is merged with the resident company. Part of the arrangement is the distribution of the proceeds of the merger or division in the form of dividends.

4. an arrangement implemented by a person who participates in the arrangement with the purpose to acquire a loss-making company, terminate its principal activity and use the losses of that company for reducing its tax liability, whereby the arrangement may also include transfer of losses to another country or jurisdiction or use of the losses for reduction of tax liability in an accelerated procedure;

5. an arrangement by means of which the income received is shown as an asset, gift or other income that is taxed at a lower tax rate or is exempt from income tax;

EXAMPLE

- Income earned from abroad as a result of active work is taken out of an enterprise as revenue from ownership, rather than a payment as remuneration. Since, as a result of the arrangement, the transaction is taxed as a different category of income from its content and gives rise to a tax advantage, information on the arrangement must be reported.

6. an arrangement with the purpose to reallocate resources, for example, through an association which has no substantial economic activity without any other principal commercial purpose or whose transactions have the effect of mutually offsetting, cancelling or any other similar effects;

EXAMPLES

- An Estonian enterprise grants a loan to a foreign enterprise using several enterprises. The aim of such an arrangement is to create a situation in which interest income is deductible from taxable income in countries where it is most beneficial.

- A related party of an Estonian enterprise in a foreign country takes out a loan to an enterprise located in a foreign country in order to make an investment in Estonia. Similarly to the arrangement referred to in the preceding paragraph, the objective here is to reduce (usually under the classical corporate income tax system) profits taxable abroad.

7. an arrangement involving cross-border payments between related parties, which are treated as expenses related to business and in which at least one of the circumstances provided for apply:

- the payee is a resident of a state or jurisdiction in which no tax is levied on profits earned or distributed by the undertaking or is taxed at zero or near- zero rate;

- the payment is tax-exempt or is not included in the taxable income in the country of residence or jurisdiction of the payee;

- there is a more favourable taxation regime established in respect of payment in the country or jurisdiction of residence of the payee.

EXAMPLES

- The use of the patent income arrangement, in which case patents, rights to patents, products containing patent rights, etc. are placed in a country where the income from such rights is taxed at a lower rate than usual. As a result of the use of the patent income arrangement, the effective tax rate of an enterprise is reduced.

- Real estate belonging to an enterprise is placed in a holding company of another tax jurisdiction in order to obtain a tax advantage from special rules on income from those assets in another country.

In their discussions on the implementation of the Directive, Member States and the European Commission have mainly considered a nominal tax rate below 1% as the near-zero rate.

Last updated on 08.01.2025

Arrangements independent of the main benefit criterion

Information must be provided on the following cross-border arrangements that are independent of the main benefit criterion:

1. an arrangement involving cross-border payments between related parties, treated as business expenses, where the payee is not a resident in any country or jurisdiction or is a resident in such a country or jurisdiction which is entered in the European Union list of jurisdictions not involved in cooperation in taxation or who has been assessed by the Organization for Economic Co-operation and Development as non-cooperative;

2. an arrangement that takes into account the cost of depreciation of one and the same asset in more than one country or jurisdiction;

EXAMPLE

- In one jurisdiction, the economic owner of assets has the right to depreciate assets, and in another jurisdiction the legal owner of the assets has the right to depreciate assets, so that depreciation is deducted from the taxable income of two different jurisdictions.

3. an arrangement by which elimination of double taxation in respect of the same income or the same property is applied for in more than one country or jurisdiction, which may result in the complete tax avoidance;

4. an arrangement that includes the transfer of assets, and where the cost of the transferred asset is reflected, to a significant extent, differently in different countries or jurisdictions.

Last updated on 08.01.2025

Arrangements related to determination of transfer price

Information must be provided on the following transfer pricing arrangements which are independent of the main benefit criterion:

1. an arrangement that allows the use of unilateral safe-harbour rules;

Unilaterality is seen as a situation where a country has established rules that do not coincide with the international consensus reflected in the OECD Transfer Pricing Guidelines. Reporting obligation is created by safe-harbour rules in the form of official guidelines or similar documents with legal force publicly available to taxpayers on the websites of the tax authority or the Ministry of Finance. It is not necessary to report agreements with tax authorities, similar to binding tax rulings, which allow the use of safe-harbour rules by a particular taxpayer.

2. an arrangement that includes the transfer of intangible assets that are difficult to value, whereby the intangible asset that is difficult to value includes such intangible assets or rights related thereto in the case of which there are no reliable comparable transactions between the related parties upon their transfer and, during making the transactions the expected future cash flows or income projections from the intangible asset to be transferred or the assumptions used in the valuation of the particular intangible asset are extremely uncertain, making it difficult to estimate the ultimate return on the intangible asset at the time of its transfer;

3. an arrangement that enables by the transfer of the cross-border intra-group assignments, risks or assets to reduce the projected interest and pre-tax profit / earnings before interest and taxes (EBIT) in the financial year of the transferor of tasks, risks or assets by more than 50% during three years following the transfer compared to the interest and pre-tax profit under the condition where the transfer would not have happened.

EXAMPLE

- An enterprise that bears all risks and is located in one jurisdiction is restructured in such a way that part of the risks are borne by an enterprise in the same group but located in another jurisdiction, resulting in a reduction in the pre-interest and pre-tax profits of the transferring enterprise that initially bore all the risks by more than 50%. As a general rule, the purpose of such activities is to reduce the taxable profits of an enterprise located in a jurisdiction with a higher tax rate by shifting functions, risks and assets to a jurisdiction with a lower tax rate.

Last updated on 08.01.2025

Arrangements affecting exchange of information on financial accounts

The general feature of arrangements affecting the exchange of information on financial accounts is that it has a detrimental effect on the exchange of information on financial accounts or takes advantage of the lack of information exchange agreements or gaps in national law. In addition to credit institutions, payment service providers are included in the exchange of information on financial accounts.

Information must be provided on the following arrangements which may indicate to the risk of avoiding the exchange of information on financial accounts:

1. the use of such an account, product or investment that is not a financial account or that is not intended to be used as a financial account but which has substantially similar features to the financial account;
2. the transfer of a financial account or assets to such country or jurisdiction or exploiting a country or jurisdiction which has not committed itself to the exchange of information on financial accounts with the country of residence of the relevant taxable person;
3. reclassification of income and assets into such products or payments with regard to which the regulation on the exchange of information on financial accounts does not apply;
4. the transfer or transformation of a financial institution or financial account, or of assets held on such an account, into a financial institution or financial account or an asset with regard to which the regulation on the exchange of information on financial accounts does not apply;
5. the use of such legal persons or legal entities which preclude or the purpose of which is to preclude the provision of financial accounts information about an account holder or controlling person;
6. an arrangement that undermines due diligence or exploits weaknesses in the due diligence measures applied by financial institutions to comply with the reporting obligation on financial accounts, including the exploitation of such countries or jurisdictions where there is inadequate or weak enforcement of anti-money laundering rules or where transparency requirements set to legal persons and legal entities are weak.

Credit and payment institutions are not obliged to report information in respect of arrangements in the assessment of which the main benefit criterion must be considered. If the documents submitted to a credit or payment institution indicate the purpose of obtaining a tax advantage and the financing provided has a significant part in the arrangement, the credit or payment institution is required to provide information in the event that the developer of the arrangement has not complied with the obligation to provide information on the scheme.

Last updated on 08.01.2025

Arrangements affecting identification of beneficial owner

The risk of avoiding the identification of the beneficial owner is indicated by an arrangement using a non-transparent chain of ownership or beneficial owners, with the persons or legal entities involved having the following characteristics:

1. they do not have a substantial economic activity which is supported, inter alia, by a sufficient number of employees, equipment, property and premises;
2. they are founded or created or are managed or controlled or they are located in such a country or jurisdiction which is not the country of residence or jurisdiction of the location of the beneficial owner of the assets in their possession;
3. it has been made impossible to identify their beneficial owners pursuant to the Money Laundering and Terrorist Financing Prevention Act.

Last updated on 08.01.2025

Penalties for failing to report arrangements

No new or additional punitive measures have been introduced by the reporting obligation. The tax authority may impose a non-compliance levy and/or a fine.

In order to enforce the performance of the obligations the amount of non-compliance levy may not exceed 3,300 euros, whereas it may not exceed 1,300 euros for the first event and 2,000 euros in the second event (**subsection 3 of § 22 of the Tax Information Exchange Act**).

For failure to submit information on a reportable cross-border arrangement, the tax authority may impose a fine of up to 300 fine units on a natural person (one fine unit is currently 4 euros) and, in the case of a legal person, up to 3200 euros (**§ 155^3 of the Taxation Act**).

Last updated on 08.01.2025

Submission of a report

The report must be submitted in the ETCB's e-services environment e-MTA by submitting the data electronically or by uploading an XML file by selecting "Upload xml file".

Instructions on how to submit reports on cross-border arrangements (DAC6) (in Estonian) | 170.62 KB | pdf

In order to submit a report on cross-border arrangements:

1. sign in to the **e-services environment e-MTA**
2. select "Reports" from the menu and then "Report on cross-border arrangements (DAC6)" under "Exchange of information reports"
3. on the page with a list of reports select "New report"

SUBMISSION OF A REPORT

To submit the report, click on "Submit".

After clicking on the "Submit" button, the data will be verified (file validation). In case of errors, information about the errors will be displayed to the user and the report must be corrected.

If there are errors in the report, it will be saved in the list of reports as a "Draft".

If no errors are found, the report will appear in the list of reports as "Submitted".

EDITING REPORT DATA

In order to edit the data, a new report must be submitted and linked to the existing reference number.

※ The technical specifications of files can be found on the web page **"Teenuste tehniline info"** ("Technical information of services").

Last updated on 07.05.2026

Access permissions for submitting reports

PACKAGES OF ACCESS PERMISSIONS

“Managing reports on cross-border arrangements” (code: DAC6_CLIENT_ENCODER) is included in the following packages of access permissions for using the e-services environment e-MTA:

- ✓ Package for legal person's representative
- ✓ Package for natural person's representative
- ✓ Package for sole proprietor's representative

SEPARATE PERMISSIONS

Separate access permissions can also be granted for the management of reports of cross-border arrangements.

Access permission name and code	Gives permission for the following
Managing reports on cross-border arrangements (DAC6) (code: DAC6_CLIENT_ENCODER)	view, edit, delete and submit reports on cross-border arrangements (DAC6)
Viewing reports on cross-border arrangements (DAC6) (code: DAC6_CLIENT_VIEWER)	view reports on cross-border arrangements (DAC6)

It is most convenient to grant access permissions in the ETCB’s e-services environment e-MTA.

Get more information from the web page "**Granting and termination of access permissions**".

Last updated on 07.05.2026

Automatic exchange of platform-related information (DAC7)

Platform operator's obligations

Platform operators have the obligation to collect and annually submit to the Estonian Tax and Customs Board **data on the sellers and service providers operating on their platform and the income earned by them**.

The Estonian Tax and Customs Board also asks Estonian platform operators to submit information about persons taxable in **other Member States of the European Union** (hereinafter 'Member States') operating on their platforms and forwards the information to the competent authorities of the respective countries by automatic exchange of information. The competent authorities of other Member States collect information about persons taxable in Estonia from the platform operators in their jurisdiction and forward it to the Estonian Tax and Customs Board.

Platform operators must:

- ✓ collect and verify information by **31 December** of the current calendar year,
- ✓ forward the information to the Estonian Tax and Customs Board by **31 January** of the following calendar year.

Member States' tax authorities exchange information between themselves by **the last day of February**.

Platform operators are required to forward information on income earned in 2023 to the Estonian Tax and Customs Board by 31 January 2024.

Useful to know

Income from the transfer of items in personal consumption **is exempt from tax**.
Platform operators do not need to transmit data on sellers and their earned income when payments have been declared in the form TSD of income and social tax, mandatory funded pension contributions and unemployment insurance premiums.
The data on payments declared in the form TSD is exchanged by the Estonian Tax and Customs Board within the framework of DAC1.
Questions and answers

Help information

If you have any questions, please contact **dac7@emta.ee**.

Last updated on 08.01.2025

Definitions

A platform is software that enables its users to engage in activities covered by the reporting obligation, as well as an arrangement for collection and payment of fees related to such activities.

A platform operator is an economic operator that ensures the functioning of the platform and decides on granting access to the platform.

A platform operator:

- ✓ is a legal person or a legal arrangement.
  A natural person (or a sole proprietor in the Estonian context) cannot be a platform operator, but all kinds of legal persons and other formations without the status of a legal person (e.g. partnerships) can be platform operators.

- ✓ enters into a contract with a seller; the object of this contract is, inter alia, access to the platform or a part thereof.

The creation of the obligation to report information presupposes that the platform operator is also a "reporting platform operator" (so-called platform operator with additional characteristics) for the purposes of the directive.

A non-Union platform operator. Platform operators who do not have any of the characteristics provided for in subsection 2 of § 20^{23} of the Tax Information Exchange Act, which would link them to Estonia or other Member States, but who nevertheless mediate the revenue-generating activities of sellers subject to the reporting of taxable persons in the EU, are also included in the scope of the reporting rules. If sellers covered by reporting operate on platforms of a non-Union platform operator, such platform operator must register itself for reporting purposes in a Member State of its choice. The non-Union platform operator will provide information to the Member State of registration. Such registration process is limited to non-Union platform operators. Platform operators of the EU cannot choose their Member

State of registration. For more information on the submission of data as a non-Union platform operator, please refer to "**Exceptions to reporting**".

A seller is both a seller and a service provider.

A person is a seller if all the following conditions are met:

- ✓ the person is a natural or legal person or any other legal formation (e.g. a partnership);
- ✓ the person is registered on the platform;
- ✓ the person is engaged in activities covered by the reporting obligation;
- ✓ the person is paid or credited a fee related to the activity covered by the reporting obligation.

A sellers covered by reporting. A seller is covered by reporting if it has one of the following characteristics in addition to the characteristics of a seller:

- ✓ the seller is a resident of a Member State (a seller covered by reporting does not necessarily have to be a resident of the Republic of Estonia; in order to qualify as a seller covered by reporting in Estonia, the seller may be a resident of any Member State); or
- ✓ the seller leases or rents out immovable property located in any Member State.

Only information concerning the sellers covered by reporting must be submitted to the Estonian Tax and Customs Board within the framework of reporting.

Sellers excluded from reporting are:

- ✓ government entities for the purposes of clause 2 of Division C of Subchapter 1 of Annex 5 to the Directive;
- ✓ companies whose shares are regularly traded on the regulated securities market, as well as entities related thereto;
- ✓ legal persons or legal arrangements that have provided, more than 2000 times in the current calendar year, rental or lease services related to immovables or parts thereof located at the same address and belonging to the same owner. These are mainly hotels, motels and other

- ✓ accommodation establishments, but also, for example, operators that offer the rental of parking spaces.

- ✓ persons or legal arrangements that have concluded less than 30 transactions for the sale of things through the platform in the current calendar year, and the total amount of the fee paid or credited to whom does not exceed 2000 euros.

Information providers have the following characteristics:

- ✓ they are platform operators,

- ✓ they are Estonian residents

- ✓ or if they are not Estonian residents, then:

    - ✓ they have been established on the basis of the Estonian law, or

    - ✓ their place of management is in Estonia, or

    - ✓ they have a permanent place of business in Estonia.

Due diligence measures. Platform operators must apply the following due diligence measures:

- ✓ identify the sellers covered by reporting operating on their platform by 31 December of the current calendar year;

- ✓ collect information on sellers and immovables or parts thereof leased or rented and verify the reliability of the information.

Due diligence measures pursuant to § 20^{24} of the Tax Information Exchange Act and the list of information to be submitted to the Estonian Tax and Customs Board pursuant to § 20^{25} are established by a **regulation** of the minister in charge of the policy sector.

A fee is the amount that a seller can keep after fulfilling financial obligations to a platform operator.

Last updated on 30.06.2025

Activity covered by reporting obligation

Activities covered by reporting obligation are

- **renting or leasing immovable property**. The renting or leasing of immovable property includes the renting or leasing of the immovable property as a whole, as well as part of the immovable property (for example, a hotel room). The type of immovable property as such is irrelevant and includes all imaginable immovables and parts thereof, including dwellings, commercial premises, parking spaces, etc. It does not matter for which purpose, personal or commercial, the immovable property or part thereof is used.

- **provision of time- or task-based service**. This includes all kinds of gig work provided to a buyer for a fee. It does not matter whether the work is carried out by one or more individuals, whether they do so independently or on behalf of an entity, whether the work is carried out online or physically offline, whether it is short-term or long-term, etc. A time- or task-based service can be, for example, a transport service, an online language course, courier service, childcare, etc.

  It is important that the provision of the service is carried out at the initiative of the buyer for his/her personal use (so-called “personal service”). If the seller does not offer a service that the buyer can specifically order for personal use on the basis of his or her wishes, it is not a personal service.

  Example
  If the buyer orders a taxi service via platform, the buyer decides when the service is needed and determines the starting point and destination. In this case, it is a personal service, since the taxi service is carried out on the basis of the order of the particular buyer. However, it is not a personal service if the buyer purchases a public transport ticket via the platform because the bus travels according to a specific timetable and the transport service does not depend on the order of the individual buyer (i.e. it is a public transport service).

- **transfer of tangible property**. The provision will henceforth use the term "goods" as a synonym and abbreviation for tangible property. However, the term “tangible” means that it does not cover the transfer of intangible goods, such as the granting of different copyrights and licences, nor does it cover the transfer of goods that exist in electronic form, such as digital computer games, digital books, etc. In essence, "tangible property" must be understood as tangible goods.

- **leasing or renting out a means of transport**. This means a service where, for a fee, a person is given possession of a means of transport which he or she drives or organises somebody to drive. This does not include a transport service, i.e. a service where the means of transport is accompanied by a driver. The term "means of transport" is non-exhaustive and covers all conceivable means of transport.

In order to be covered by the **reporting obligation**, a listed activity must be provided **for a fee**.

Useful to know

Where a seller engaged in activities covered by the reporting obligation uses the platform to communicate with other users, the platform operator must collect data on the seller and provide it to the tax authority. Among other things, information on the total amount of fees paid or credited to the seller must be provided to the tax authority.

However, the reporting obligation of a platform operator does not exempt the seller from its own legal obligation to provide data on the income earned.

Questions and answers

Last updated on 08.01.2025

Information collected and reported

On a seller who is a natural person

As a general rule, a platform operator must collect and provide the Estonian Tax and Customs Board with the following information concerning a seller who is a natural person:

- first and last name;
- date of birth;
- address in the country of residence or jurisdiction;
- personal identification code, where available, and other tax identification numbers, or their

- ✓ functional equivalents, issued to the natural person and each country or jurisdiction that issued it;
- ✓ VAT identification number, where available;
- ✓ if the seller does not have a personal identification code nor another tax identification number or its functional equivalent, information concerning the country of birth or jurisdiction of the seller must be collected.

If a seller who is a natural person is excluded from reporting, information about the seller is not collected.

On a seller who is a legal person or legal arrangement

As a general rule, a platform operator must collect and provide the Estonian Tax and Customs Board with the following information concerning a seller who is a legal person or legal arrangement:

- ✓ legal name;
- ✓ address of registered location;
- ✓ commercial registry code, where available;
- ✓ a permanent establishment through which an activity covered by the reporting obligation is carried out in the EU, where available, and the Member State in which that permanent establishment is situated;
- ✓ VAT identification number, where available;
- ✓ all other tax identification numbers issued to the person. If there is no tax identification number, the functional equivalent of the number and each issuing country or jurisdiction must be provided, where available.

If a seller who is a legal person or arrangement is excluded from reporting, information about the seller is not collected.

Additionally about a seller who is either a natural person, legal persons or a legal arrangement

In addition, the following information must be submitted to the Estonian Tax and Customs Board

concerning a seller who is either a natural person, legal persons or a legal arrangement.

- Each country or jurisdiction in which the seller is considered to be a resident.

- A unique identifying number or reference available to an information provider of the bank account or other similar payment services account to which the fee is paid or credited, unless the competent authority of the country or jurisdiction of the seller has indicated that it does not wish to collect such information. If the seller is not the holder of the corresponding payment account, the name of the payment account holder, if available to the information provider, as well as any other financial identification information known to the information provider about the payment account holder must be provided.

- The total amount of fees paid or credited to the seller in each quarter of the calendar year and the number of activities covered by the reporting obligation for which the fees were paid or credited. Also any fees, commissions or taxes charged or withheld by the information provider each quarter of the calendar year.

Specifications for collection of information concerning immovables

In addition to the above information, the following information must be provided to the tax authority if immovable property or part thereof is leased or rented out.

- The address of the immovable property or part thereof and, where available, the property number or other equivalent number, in accordance with the law of the country or jurisdiction in which the immovable property or part thereof is situated.

- Documents, data or information concerning each seller provided for in clause 3 of subsection 3 of § 20[22] of the Tax Information Exchange Act which certify that immovables or parts thereof leased or rented out by such seller more than 2000 times belong to the same owner.

- For each immovable property leased or rented out, or part thereof, the number of days on which it was rented or leased in the calendar year, if known, and the type of each immovable property or part thereof. The number of activities covered by the reporting obligation for each immovable property or part thereof for which remuneration has been paid or credited must also be reported for each quarter of the calendar year.

Specifications for collection of information concerning sellers

- A platform operator may limit the collection of information about a seller to the first, last or business name if it it relies on direct confirmation of the identity and residence of the seller through an

- identification service made available by a Member State or the EU to ascertain the identity and tax residence of the seller.

- A platform operator is not obliged to collect seller's tax identification number or its functional equivalent if the country or jurisdiction of the seller does not require it to be collected.

Last updated on 08.01.2025

Submission of a report

There are two options for submitting the report:

- filling in the form in the DAC7 application in the e-services environment e-MTA. The instructions for filling in the form can be found on the web page **"Teenuste tehniline info"** ("Technical information of services").

- uploading the report with an XML file, the instructions for creating and technical specifications of which can be found on the web page **"Teenuste tehniline info"** ("Technical information of services").

Last updated on 08.01.2025

Access permissions for using the e-service

Representatives of economic operators need access permissions to use the service of platform information report (DAC7).

A separate access permission can be granted for using the service.

Access permission name and code	Allows the following
Submission of platform information report (DAC7) (code DAC7_CLIENT)	submit reports, view and edit information

This access permission can be used (including granted) only on behalf of a legal person and to a natural person.

This separate access permission is not included in the “Package for legal person's representative”.

Additional information

Granting and termination of access permissions

Last updated on 08.01.2025

Exceptions to reporting

Please note that you do not need to submit a report to the Estonian Tax and Customs Board (ETCB) if:

1. due diligence procedures were carried out and no reportable sellers were identified on the platform or
2. you are a platform operator who is registered in Estonia or has a connection with Estonia, but your data is reported to another EU Member State.

If you do not submit information to the ETCB for one of the above reasons, please inform the ETCB thereof by the due date for submission of the report, which is 31 January. Please send the notification by e-mail to **dac7@emta.ee** (please refresh the page to see the e-mail address).

If you are a platform operator registered in Estonia or connected with Estonia, but your data is reported to another EU Member State, please indicate in the notification in which Member State your data will be provided.

Non-Union platform operators

The DAC7 report must be submitted by a person who is a platform operator. A non-EU platform operator

operating in the Union may choose one Member State of its choice for the submission of the report. If such a platform operator has chosen Estonia for the submission of the report, in order to comply with the reporting obligation, the platform operator must first register with the ETCB by submitting the application **form R_INFO**.

The application can be submitted by a board member or an authorised person of the platform operator.

Submit with the application:

- ✓ a copy of platform operator's registration certificate, a copy of the registry card or other document proving the existence of a legal person;
- ✓ in the case of an authorised person, a notarised power of attorney signed by a member of the management board;
- ✓ a copy of the principal's (board member's) document;
- ✓ la contract with a tax representative if the non-Union platform operator has a tax representative to whom access permission for submitting the DAC7 report are to be granted.

The application can be submitted:

- ✓ digitally signed to the e-mail address **emta@emta.ee**
- ✓ at the **service bureau**
- ✓ by post to Lõõtsa 8a, 15176 Tallinn

The ETCB issues the non-resident's code to the e-mail address indicated in the economic operator's application.

NB! he platform operator or its representative must have the access permission (authorisation) to submit the DAC7 report in the e-services environment e-MTA. The access permission for submitting the DAC7 report does not have to be applied for separately, it is granted to economic operator's representative by the ETCB on the basis of the submitted application and the documents attached.

Please make sure in advance if the person authorised to submit the report has **access to the e-services**

environment of the ETCB.

Last updated on 16.05.2025

Questions and answers

1. Do the rules of exchange of platform-related information essentially mean a new tax?

No, the rules of exchange of platform-related information do not lead to the imposition of a new tax. These are reporting rules according to which platform operators will periodically submit information to the Tax and Customs Board about the identity of the sellers and service providers operating on their platform and the income earned by them. Platform operators are obliged to provide information about the taxpayers of all Member States and partner jurisdictions. The Tax and Customs Board forwards the information received, which concerns taxpayers from other Member States and partner jurisdictions to the relevant competent authorities by means of an automatic exchange of information. In turn, the competent authorities of other Member States and partner jurisdictions collect information from platform operators in their jurisdiction, and if this data contains information about Estonian taxpayers, they forward it to the Tax and Customs Board.

2. A platform operator must provide information on the payments made to a seller. As a seller who is a natural person, am I still obliged to declare the payments in the income tax return of a natural person?

The reporting obligation of a platform operator does not exempt a natural person from the obligation to declare the income received, but gives the tax authority an additional opportunity to verify the correctness of the declared data. A natural person has the obligation to declare the earned income in the income tax return of a natural person. A natural person is not required to add to the income tax return any data that has already been pre-filled in the income tax return (e.g. remuneration paid to the natural person for the service provided through a platform; salary, etc.). A pre-filled tax return must be verified by a natural person. Any additional income not included in the pre-filled tax return must be entered in the tax return by the natural person.

3. I sell my personal phone on a platform. Is the platform operator obliged to inform the tax authority about it within the framework of automatic exchange of platform-related information (DAC7)?

As an exception, the platform operator does not have a reporting obligation under DAC7 if the seller has concluded less than 30 transactions through the platform in the current calendar year and the total amount of the fee paid or credited to the seller does not exceed 2000 euros (**clause 4 of subsection 3 of § 20[22] of the Tax Information Exchange Act**).

The application of the exception is excluded if:

- ✓ a seller has concluded less than 30 transactions, but the total amount of the fee paid or credited to the seller exceeds 2000 euros;

- ✓ a seller has concluded more than 30 transactions (it does not matter whether or not the total fee paid or credited for the transactions exceeds 2000 euros or not).

However, the above does not impose on a natural person an income tax liability or an obligation to declare the income received, since the resale of goods in personal use is not subject to the income tax of a natural person.

More on sales through internet (in Estonian)

In addition, it should be borne in mind that the above exception for a limited number of transactions and the total amount of fees applies only to the sale of goods. The provision of services through a platform is not subject to the exception. It should also be borne in mind that the remuneration paid for a service provided by a natural person must be taxed by the platform operator when the payment is made (see the answer to the following question for more information).

4. A platform operator pays a natural person wages or remuneration for a service provided through the platform. Will the platform operator become subject to DAC7 reporting obligations?

If a platform operator pays to a natural person remuneration from employment or remuneration for a service provided through the platform or rental income, the platform operator will be obliged to declare the payment in Annex 1 (resident) or Annex 2 (non-resident) to the declaration of income and social tax, unemployment insurance premiums and contributions to mandatory funded pension (form TSD) and pay all labour taxes on the remuneration from employment or service provided, and only income tax on the rental income.

The amounts declared by a platform operator are pre-filled in table 5.1 (wages, salaries and other remuneration) and 5.4 (rental income and royalties) of the income tax return of a natural person. A person should make sure that the data is correct and, if necessary, complete it.

The data on payments declared in Annex 1 and Annex 2 to form TSD are exchanged by the Tax and Customs Board within the framework of DAC1, which is why this data is no longer submitted to the tax authority with the DAC7 report and is not exchanged with other countries within the framework of DAC7.

5. A platform operator makes a payment to a self-employed person (FIE), private limited company (OÜ) or an entrepreneur account owner. Will the platform operator become subject to DAC7 reporting obligations?

Yes, the platform operator will become subject to DAC7 reporting obligations. Payments made to a self-employed person (FIE), private limited company (OÜ) or an entrepreneur account owner must be reported in the DAC7 report. Both payments made to Estonian residents and non-residents must be reported.

In addition, it is important to bear in mind that the reporting obligation of a platform operator does not affect the taxation rules of a self-employed person (FIE), private limited company (OÜ) or an entrepreneur account owner.

6. If platform operator has calculated a fee for a seller in December 2024, but actually pays the fee in January 2025. Must this income be reported in the DAC7 report of 2024 or 2025?

The platform operator must report to the tax authority the total amount paid or credited to the reportable seller for each quarter of the calendar year. Information on the fee and other amounts paid or credited to the reportable seller must be reported for the quarter of the calendar year in which the fee was paid or credited. Credited fee means, in essence, the fee calculated for the seller but not yet transferred. **Therefore, if the platform operator has calculated the seller's fee in December 2024, then the fee must be reported in the DAC7 report for Q4 2024**. The same logic applies to fees calculated in the last months of other quarters.

7. Does platform operator have to submit a report if less than 30 rental transactions of immovable property were brokered during the year or if the total amount of remuneration paid or credited for the transactions did not exceed 2000 euros?

According to clause 4 of subsection 3 of § 20^{22} of the Tax Information Exchange Act, a person or legal arrangement that has concluded less than 30 transactions for the sale of things through the platform in the current calendar year, and the total amount of the fee paid or credited to whom does not exceed 2000 euros is excluded from reporting. The exclusion does not apply to the rental or lease services of immovable property.
The rental or lease service of immovable property or a part thereof is subject to an exclusion, according to which a legal person that has provided rental or lease services related to immovables or parts thereof located at the same address and belonging to the same owner more than 2000 times in the current calendar year are excluded from reporting; (see clause 3 of subsection 3 of § 20^{22} of the Tax Information Exchange Act).

8. In the case of rent or lease of immovable property, legal persons who have provided rental or lease services related to immovable property located at the same address and belonging to the same owner on more than 2000 occasions in the current calendar year are excluded from reporting. Is the threshold of 2000 transactions calculated solely on the basis of transactions carried out through a particular platform operator, or is the total volume of activity of the seller in a calendar year taken into account?

The number of transactions of a seller registered on a particular platform is reviewed, as one platform operator may not know whether and how many transactions the seller makes with that property on other platforms. The platform operator must collect data, information or documents about the excluded seller that prove that the properties or parts thereof located at the same address (and leased or rented out

more than 2000 times) by that seller belong to the same owner.

9. If I don't have reportable sellers, do I have to submit a blank DAC7 report?

If during the reporting year there were no sellers operating on the platform whose transactions were intermediated through the platform, the DAC7 report does not have to be submitted. In this case, please send an e-mail to **dac7@emta.ee**. This notification must be made by the deadline by which the information should normally have been submitted, i.e. by 31 January of the calendar year following the calendar year in which the due diligence measures were applied.

10. A seller is a self-employed person (FIE). Does a natural or legal person have to be indicated as the seller?

Since FIE is a self-employed natural person, a natural person must be indicated as the seller. Self-employed persons and the operation belonging to them as an economic unit through which the self-employed persons operate are not legal persons. More information on self-employed persons can be found from the webpage "**For self-employed persons**".

Last updated on 26.05.2025

Crypto-asset tax reporting (DAC8/CARF)

New obligation to report information on crypto-asset services from 2026

Starting from the tax year 2026, the Estonian Tax and Customs Board (ETCB) will receive more and more information on trading in crypto-assets based on international agreements. Information is collected more widely for tax purposes both from abroad and from Estonia, and international exchange of information is becoming more frequent.

This development is based on the **Crypto-Asset Reporting Framework (CARF)** developed by the OECD. Already 70 countries and jurisdictions have committed to automatically exchange information under this framework. The exchange of information between the Member States of the European Union is carried out by amending the **DAC8 Directive** to bring it into line with the CARF.

What are crypto-assets and crypto-asset services

Crypto-assets are digital representations of a value or right that rely on a cryptographically secured

distributed ledger or similar technology to confirm transactions and establish ownership. Crypto-assets can be used, for example, for investment purposes, as a means of payment or for purchasing goods and services online.

A reporting crypto-asset service provider provides crypto-asset services to clients (e.g. depositing, exchanging, providing a platform) or performs exchange transactions on their behalf. As a rule, the service provider submits the data to the ETCB after the respective authorisation has been granted to the service provider.

What information on crypto-assets is collected

As of 2026, reporting crypto-asset service providers in Estonia are required to collect data on the identity of users and their purchases, sales and transfers of crypto-assets. Data are collected on both Estonian and foreign residents.

Service providers must submit **annual data reports** to the ETCB **for the first time in January 2027** (for the data of 2026). Transactions and transfers of crypto-assets by users must be reported annually on an aggregated basis for each crypto-asset.

Estonia transmits the data of foreign users to the tax authority of their country of residence. Similarly, the tax authorities of other countries send Estonia information about Estonian residents that they have received from their country's reporting crypto-asset service providers.

In addition, service providers must provide the ETCB with such information that it is possible to calculate the capital gains and losses of persons and estates from crypto-asset transactions.

More specific reporting and due diligence requirements are set out in **Annex III to the DAC8 Directive** (“Annex VI – Reporting requirements, due diligence procedures and other rules applicable to reporting crypto-asset service providers”). See the full text of Annex III on **EUR-Lex**.

Obligations of users of crypto-assets

Although the ETCB’s access to crypto-asset data is improving, holders of crypto-assets remain obliged to declare their profits and losses and other income from the use or exchange of crypto-assets. It must be submitted in a pre-filled income tax return and users must check that the information in the tax return is correct.

Indicative timetable

- ✓ **31 December 2025** – legislation adopted

- ✓ **1 January 2026** – service providers start collecting user and transaction data
- ✓ **30 June 2027** – first annual report (for 2026 data)
- ✓ **30 September 2027** – first international exchange of information

Frequently asked questions (DAC8/CARF and crypto assets)

1. How is a customer's residence verified (due diligence)?

Service providers must collect and store reliable information, including customers' country of residence, tax identification number and other personal data. Detailed instructions are provided on the basis of international standards (CARF, DAC8) and the technical guidelines of the ETCB.

2. Do service providers also have to provide data on the basis of which capital gains and losses can be calculated?

Yes. Estonian legislation provides that, in addition to the minimum requirements of DAC8 and CARF, information must be provided on the basis of which capital gains and losses can be calculated for both natural persons and estates.

3. What are the sanctions if data is not provided?

If the reporting obligation is not complied with, the ETCB may apply coercive measures and fines arising from the Taxation Act. More detailed information will be published after the entry into force of the Act.

4. What are the technical requirements for reporting the data?

The data shall be reported using the **CARF XML schema user guide** published by the OECD. While the XML schema is primarily designed to facilitate the exchange of CARF information between tax administrators, the same schema can also be used by reporting crypto-asset service providers for national reporting of CARF information. The ETCB provides additional technical guidance on how to submit reports.

Additional information

Council Directive (EU) 2023/2226 of 17 October 2023 (DAC8)

Crypto-Asset Reporting Framework (CARF) – OECD Tax Transparency Resource Centre – OECD

CARF XML Schema and User Guide – OECD

Last updated on 02.10.2025