**CA569 - MP for tax reporting changes introduced by CR1846**

In optional income distribution events (DVOP) and/or dividend re-investments (DRIP) announced in source investment countries where tax is applied on the income that was re-invested in new securities, the taxation is usually managed according to one of the following procedures:

* income is re-invested to obtain new securities already net of the relevant tax (aka reinvestment net);
* income is re-invested without any tax being deducted and tax is then debited separately in cash (aka reinvestment gross).

As a way of an example, let’s consider a DVOP where shareholders can receive a dividend of 1€ per share in cash or re-invest in new shares issued at a price of 8.75€ per share. The account owner has 10,000 interim securities. The applicable tax rate is 25%.

**Re-investment net**

The account owner is entitled to a net dividend of 7,500.00 (10,000.00€ - (10,000€\*25%)) to be re-invested to obtain new securities at 8.75€ per security.

It will receive 857 new securities (re-investment ratio is 1:11.66666 held) and €1.25 in fractions

**MT564 REPE CAPA**

|  |  |
| --- | --- |
| **M** | *Mandatory* **Sequence A** *General Information* |
|  |  | **:16R:** | **GENL** |   |
| **M** |  | **:20C::** | **CORP//123456** | Corporate action Reference |
| **M** |  | **:20C::** | **SEME//234565432SECU4** | Senders reference |
| **O** |  | **:20C::** | **COAF//EXAMPLE123** | Official Corporate Action Event Reference |
| **M** |  | **:23G:** | **REPE** | Function of the message  |
| **M** |  | **:22F::** | **CAEV//DVOP** | Dividend option |
| **M** |  | **:22F::** | **CAMV//CHOS** | Mandatory with options indicator |
| **M** |  | **:25D::** | **PROC//COMP** | Details are complete |
|  |  | **:16S:** | **GENL** |
| **M** | *End of Sequence A General Information* |  |
| **M** | *Mandatory Sequence B Underlying Securities* |  |
|  |  | **:16R:** | **USECU** |   |
| **M** |  | **:35B:** | **ISIN FR0014008SF8****Argan RIGHTS** | Underlying securities |
| **M** |  | *Mandatory Repetitive Subsequence B2 Account Information* |
|  |  | **:16R:** | **ACCTINFO** |   |
| **M** |  | **:97A::** | **SAFE//98-0112441-05** | Safekeeping Account |
| **M** |  | **:93B::** | **ELIG//UNIT/10000,** | Eligible unit balance |
| **O** |  | **:93B::** | **SETT//UNIT/10000,** | Settled balance |
| **O** |  | **:93B::** | **INBA//UNIT/10000,** | Instructed balance |
|  |  | **:16S:** | **ACCTINFO** |   |
| **M** |  | *End of Subsequence B2 Account Information* |  |
|  |  | **:16S:** | **USECU** |
| **M** | *End of Mandatory Sequence B Underlying Securities* |  |
|  | *Optional* **Sequence D** *Corporate Actions Details* |
| **M** |  | **:16R:** | **CADETL** | Start of Block |
| **O** |  | **:98A::** | **ANOU//20220325** | Announcement date |
| **O** |  | **:98E::** | **ECPD//20220419154500/00** | Election to Counterparty Market Deadline |
| **O** |  | **:98A::** | **GUPA//20220415** | Guaranteed Participation Date/Time |
| **O** |  | **:22F::** | **SELL//NREN** | Intermediate securities cannot be sold. |
| **O** |  | **:22F::** | **ADDB//CAPA** | The message is a preliminary advice of payment |
| **M** |  | **:16S:** | **CADETL** | End Of Block |
|  | *End of Sequence D Corporate Actions Details* |
| **O** | *Optional Repetitive* **Sequence E** *Corporate Action Options* |
|  |  | **:16R:** | **CAOPTN** |   |
| **M** |  | **:13A::** | **CAON//004** | CA Option Number |
| **M** |  | **:22F::** | **CAOP//SECU** | Securities option |
| **O** |  | **:22F ::** | **DISF//RDDN** | Disposition of Fractions Indicator |
| **M** |  | **:17B::** | **DFLT//N** | This is not the default |
| **O** |  | **:98E::** | **RDDT//20220420084500/00** | Response deadline date |
| **O** |  | **:98E::** | **MKDT//20220420154500/00** | Market deadline Date |
| **O** |  |  | *Optional Repetitive Subsequence E1 Securities Movement* |
|  |  | **:16R:** | **SECMOVE** |   |
| **M** |  | **:22H::** | **CRDB//DEBT** | Debit indicator |
| **M** |  | **:35B:** | **ISIN FR0014008SF8****Argan RIGHTS** | Identification of the rights |
| **O** |  | **:36B::** | **ENTL//UNIT/10000,** | Entitled Quantity |
| **M** |  | **:98A::** | **PAYD//20220426** | Payment date |
|  |  | **:16S:** | **SECMOVE** |   |
| **O** |  |  | *End of Subsequence E1 Securities Movement* |  |
| **O** |  |  | *Optional Repetitive Subsequence E1 Securities Movement* |
|  |  | **:16R:** | **SECMOVE** |   |
| **M** |  | **:22H::** | **CRDB//CRED** | Credit indicator |
| **M** |  | **:35B:** | **ISIN FR0010481960****ARGAN** | ID of new shares |
| **O** |  | **:36B::** | **ENTL//UNIT/857,** | Entitled Quantity |
| **O** |  | **:22F ::**  | **DISF//CINL** | Disposition of Fraction Indicator |
| **O** |  | **:90B ::** | **PRPP//ACTU/EUR8,75** | Price |
| **O** |  | **:92K::** | **NEWO//1/11,666666667** | New to Old |
| **O** |  | **:92A::** | **TAXR//25,** | Withholding Tax Rate |
| **O** |  | **:19B::** | **TAXR//EUR2500,** | Withholding Tax Amount |
| **M** |  | **:98A::** | **PAYD//20220426** | Payment date |
|  |  | **:16S:** | **SECMOVE** |   |
| **O** |  |  | *End of Subsequence E1 Securities Movement* |  |
| **O** |  |  | *Optional Repetitive Subsequence E2 Cash Movement* |  |
|  |  | **:16R:** | **CASHMOVE** |   |
| **M** |  | **:22H::** | **CRDB//CRED** | Credit indicator |
| **M** |  | **:98A::** | **PAYD//20220426** | Payment date |
| **O** |  | **:19B::** | **ENTL//EUR1,25** | Entitled amount |
| **O** |  | **:19B::** | **CINL//EUR1,25** | Cash in Lieu of shares |
| **O** |  | **:19B::** | **REIN//EUR7498,75** | Re-investment amount |
| **O** |  | **:90B ::** | **CINL//ACTU/EUR8,75** | Cash in Lieu of Shares Price |
|  |  | **:16S:** | **CASHMOVE** |
| **O** |  |  | *End of Subsequence E2 Cash Movement* |  |
|  |  | **:16S:** | **CAOPTN** |
| **O** |  | *End of Sequence E Corporate Action Options* |

**MT566**

|  |  |  |
| --- | --- | --- |
| **M** | *Mandatory* **Sequence A** *General Information* |  |
|  | **:16R:** | **GENL** | Start of Block |
| **M** | **:20C::** | **CORP//123456** | Corporate Action Reference |
| **M** | **:20C::** | **SEME//123123123** | Sender's Message Reference |
| **O** | **:20C::** | **COAF// EXAMPLE123** | Official Corporate Action Event Reference |
| **M** | **:23G:** | **NEWM** | Function of the message  |
| **M** | **:22F::** | **CAEV//DVOP** | Corporate Action Event Indicator |
|  | **:16S:** | **GENL** | End Of Block |
| **M** | *End of Sequence A General Information* |  |
| **M** | *Mandatory* **Sequence B** *Underlying Securities* |  |
|  | **:16R:** | **USECU** | Start of Block |
| **M** | **:97A::** | **SAFE//98-0112441-05** | Safekeeping Account |
| **M** | **:35B:** | **ISIN FR0014008SF8****Argan RIGHTS** | Identification of the Financial Instrument |
| **O** | **:93B::** | **ELIG//UNIT/10000,** | Eligible unit balance |
| **M** | **:93B::** | **CONB//UNIT/10000,** | Confirmed unit balance |
|  | **:16S:** | **USECU** | End Of Block |
| **M** | *End of Mandatory Sequence B Underlying Securities* |  |
| **M** | *Mandatory* **Sequence D** *Corporate Action Confirmation* |  |
|  | **:16R:** | **CACONF** | Start of Block |
| **M** | **:13A::** | **CAON//004** | CA Option Number |
| **M** | **:22F::** | **CAOP//SECU** | Corporate Action Option Code Indicator |
| **M** |  |  | *Optional Repetitive Subsequence D1 Securities Movement* |
|  | **:16R:** | **SECMOVE** | Start of Block |
| **M** | **:22H::** | **CRDB//DEBT** | Credit/Debit Indicator |
| **M** | **:35B:** | **ISIN FR0014008SF8****Argan RIGHTS** | Identification of the Financial Instrument |
| **M** | **:36B::** | **PSTA//UNIT/10000,** | Posting Quantity |
| **M** | **:98A::** | **POST//20220426** | Posting Date/Time |
| **O** | **:98A::** | **PAYD//20220426** | Payment date |
|  | **:16S:** | **SECMOVE** | End Of Block |
| **M** |  |  | *End of Subsequence D1 Securities Movement* |  |
| **M** |  |  | *Optional Repetitive Subsequence D1 Securities Movement* |
|  | **:16R:** | **SECMOVE** | Start of Block |
| **M** | **:22H::** | **CRDB//CRED** | Credit/Debit Indicator |
| **M** | **:35B:** | **ISIN FR0010481960****ARGAN** | Identification of the Financial Instrument |
| **M** | **:36B::** | **PSTA//UNIT/857,** | Posting Quantity |
| **M** | **:92D::** | **NEWO//1/11,66666667** | New Securities to Underlying Securities |
| **O** | **:92A::** | **TAXR//25,** | Withholding Tax |
| **O** | **:19B::** | **TAXR//EUR2500,** | Withholding Tax Amount |
| **M** | **:98A::** | **POST//20220426** | Posting Date/Time |
| **O** | **:98A::** | **PAYD//20220426** | Payment date |
|  | **:16S:** | **SECMOVE** | End Of Block |
| **M** |  |  | *End of Subsequence D1 Securities Movement* |  |
| **M** |  |  | *Optional Repetitive Subsequence D2 Cash Movement* |  |
|  | **:16R:** | **CASHMOVE** | Start of Block |
| **M** | **:22H::** | **CRDB//CRED** | Credit/Debit Indicator |
| **O** | **:97A::** | **CASH//xxxxx** | Cash account |
| **M** | **:19B::** | **PSTA/EUR1,25** | Posting Quantity |
| **O** | **:19B::** | **CINL//EUR1,25** | Cash in lieu Amount |
| **O** | **:19B::** | **REIN//EUR7498,75** | Re-investment amount |
| **M** | **:98A::** | **POST//20220426** | Posting Date/Time |
| **O** | **:98A::** | **VALU//20220426** | Value Date/Time |
| **O** | **:98A::** | **PAYD//20220426** | Payment Date/Time |
| **O** | **:90B ::** | **CINL//ACTU/EUR8,75** | Cash in Lieu of Shares Price |
|  | **:16S:** | **CASHMOVE** | End Of Block |
| **M** |  |  | *End of Subsequence D2 Cash Movement* |  |
|  | **:16S:** | **CACONF** | End Of Block |
| **M** |  | *End of Mandatory Sequence D Corporate Action Confirmation* |

**Reinvestment gross**

The account owner is entitled to a dividend of 10,000.00 to be re-invested to obtain new securities at 8.75€ per security. It will receive 1,142 new securities (re-investment ratio is 1:8.75 held) and €7.50 in fractions. The tax, 2,500€ (10,000€\*25%) will be debited separately in cash.

Since the tax is debited separately in cash, there is no need to report the amount of tax withheld in the security movement used to credit the new securities

**MT564 REPE CAPA**

|  |  |  |
| --- | --- | --- |
| **M** | *Mandatory* **Sequence A** *General Information* |  |
|  |  | **:16R:** | **GENL** |   |
| **M** |  | **:20C::** | **CORP//123456** | Corporate action Reference |
| **M** |  | **:20C::** | **SEME//234565432SECU2** | Senders reference |
| **O** |  | **:20C::** | **COAF//EXAMPLE123** | Official Corporate Action Event Reference |
| **M** |  | **:23G:** | **REPE** | Function of the message  |
| **M** |  | **:22F::** | **CAEV//DVOP** | Dividend option |
| **M** |  | **:22F::** | **CAMV//CHOS** | Mandatory with options indicator |
| **M** |  | **:25D::** | **PROC//COMP** | Details are complete |
|  |  | **:16S:** | **GENL** |
| **M** | *End of Sequence A General Information* |  |
| **M** | *Mandatory Sequence B Underlying Securities* |  |
|  |  | **:16R:** | **USECU** |   |
| **M** |  | **:35B:** | **ISIN FR0014008SF8****Argan RIGHTS** | Underlying securities |
| **M** |  | *Mandatory Repetitive Subsequence B2 Account Information* |
|  |  | **:16R:** | **ACCTINFO** |   |
| **M** |  | **:97A::** | **SAFE//98-0112441-05** | Safekeeping Account |
| **M** |  | **:93B::** | **ELIG//UNIT/10000,** | Eligible unit balance |
| **O** |  | **:93B::** | **SETT//UNIT/10000,** | Settled balance |
| **O** |  | **:93B::** | **INBA//UNIT/10000,** | Instructed balance |
|  |  | **:16S:** | **ACCTINFO** |   |
| **M** |  | *End of Subsequence B2 Account Information* |  |
|  |  | **:16S:** | **USECU** |
| **M** | *End of Mandatory Sequence B Underlying Securities* |  |
|  | *Optional Sequence D Corporate Actions Details* |  |
| **M** |  | **:16R:** | **CADETL** | Start of Block |
| **O** |  | **:98A::** | **ANOU//20220325** | Announcement date |
| **O** |  | **:98E::** | **ECPD//20220419154500/00** | Election to Counterparty Market Deadline |
| **O** |  | **:98A::** | **GUPA//20220415** | Guaranteed Participation Date/Time |
| **O** |  | **:22F::** | **SELL//NREN** | Intermediate securities cannot be sold. |
| **O** |  | **:22F::** | **ADDB//CAPA** | The message is a preliminary advice of payment |
| **M** |  | **:16S:** | **CADETL** | End Of Block |
|  | *End of Sequence D Corporate Actions Details* |  |
| **O** | *Optional Repetitive* **Sequence E** *Corporate Action Options* |  |
|  |  | **:16R:** | **CAOPTN** |   |
| **M** |  | **:13A::** | **CAON//002** | CA Option Number |
| **M** |  | **:22F::** | **CAOP//SECU** | Securities option |
| **O** |  | **:22F ::** | **DISF//RDDN** | Disposition of Fractions Indicator |
| **M** |  | **:17B::** | **DFLT//N** | This is not the default |
| **O** |  | **:98E::** | **RDDT//20220420084500/00** | Response deadline date |
| **O** |  | **:98E::** | **MKDT//20220420154500/00** | Market deadline Date |
| **O** |  |  | *Optional Repetitive Subsequence E1 Securities Movement* |
|  |  | **:16R:** | **SECMOVE** |   |
| **M** |  | **:22H::** | **CRDB//DEBT** | Debit indicator |
| **M** |  | **:35B:** | **ISIN FR0014008SF8****Argan RIGHTS** | Identification of the rights |
| **O** |  | **:36B::** | **ENTL//UNIT/10000,** | Entitled Quantity |
| **M** |  | **:98A::** | **PAYD//20220426** | Payment date |
|  |  | **:16S:** | **SECMOVE** |   |
| **O** |  |  | *End of Subsequence E1 Securities Movement* |  |
| **O** |  |  | *Optional Repetitive Subsequence E1 Securities Movement* |
|  |  | **:16R:** | **SECMOVE** |   |
| **M** |  | **:22H::** | **CRDB//CRED** | Credit indicator |
| **M** |  | **:35B:** | **ISIN FR0010481960****ARGAN** | ID of new shares |
| **O** |  | **:36B::** | **ENTL//UNIT/1142,** | Entitled Quantity |
| **O** |  | **:22F ::**  | **DISF//CINL** | Disposition of Fraction Indicator |
| **O** |  | **:90B ::** | **PRPP//ACTU/EUR8,75** | Price |
| **O** |  | **:92K::** | **NEWO//1/8,75** | New to Old |
| **O** |  | **:92A::** | **TAXR//25,** | Withholding Tax Rate |
| **M** |  | **:98A::** | **PAYD//20220426** | Payment date |
| **O** |  | **:98A::** | **DIVR//20220101** | Dividend Ranking Date/Time |
|  |  | **:16S:** | **SECMOVE** |   |
| **O** |  |  | *End of Subsequence E1 Securities Movement* |  |
| **O** |  |  | *Optional Repetitive Subsequence E2 Cash Movement* |  |
|  |  | **:16R:** | **CASHMOVE** |   |
| **M** |  | **:22H::** | **CRDB//DEBT** | Credit indicator |
| **M** |  | **:98A::** | **PAYD//20220426** | Payment date |
| **O** |  | **:19B::** | **TAXR//EUR2500,** | Withholding Tax Amount |
| **M** |  | **:16S:** | **CASHMOVE** |
| **O** |  |  | *End of Subsequence E2 Cash Movement* |  |
| **O** |  |  | *Optional Repetitive Subsequence E2 Cash Movement* |  |
|  |  | **:16R:** | **CASHMOVE** |   |
| **M** |  | **:22H::** | **CRDB//CRED** | Credit indicator |
| **M** |  | **:98A::** | **PAYD//20220426** | Payment date |
| **O** |  | **:19B::** | **ENTL//EUR7,50** | Entitled amount |
| **O** |  | **:19B::** | **CINL//EUR7,50** | Cash in Lieu of shares |
| **O** |  | **:19B::** | **REIN//EUR9992,50** | Re-investment amount |
| **O** |  | **:90B ::** | **CINL//ACTU/EUR8,75** | Cash in Lieu of Shares Price |
|  |  | **:16S:** | **CASHMOVE** |
| **O** |  |  | *End of Subsequence E2 Cash Movement* |  |
|  |  | **:16S:** | **CAOPTN** |
| **O** |  | *End of Sequence E Corporate Action Options* |  |

**MT566**

|  |  |  |
| --- | --- | --- |
| **M** | *Mandatory* **Sequence A** *General Information* |  |
|  | **:16R:** | **GENL** | Start of Block |
| **M** | **:20C::** | **CORP//123456** | Corporate Action Reference |
| **M** | **:20C::** | **SEME//123123123** | Sender's Message Reference |
| **O** | **:20C::** | **COAF// EXAMPLE123** | Official Corporate Action Event Reference |
| **M** | **:23G:** | **NEWM** | Function of the message  |
| **M** | **:22F::** | **CAEV//DVOP** | Corporate Action Event Indicator |
|  | **:16S:** | **GENL** | End Of Block |
| **M** | *End of Sequence A General Information* |  |
| **M** | *Mandatory* **Sequence B** *Underlying Securities* |  |
|  | **:16R:** | **USECU** | Start of Block |
| **M** | **:97A::** | **SAFE//98-0112441-05** | Safekeeping Account |
| **M** | **:35B:** | **ISIN FR0014008SF8****Argan RIGHTS** | Identification of the Financial Instrument |
| **O** | **:93B::** | **ELIG//UNIT/10000,** | Eligible unit balance |
| **M** | **:93B::** | **CONB//UNIT/10000,** | Confirmed unit balance |
|  | **:16S:** | **USECU** | End Of Block |
| **M** | *End of Mandatory Sequence B Underlying Securities* |  |
| **M** | *Mandatory* **Sequence D** *Corporate Action Confirmation* |  |
|  | **:16R:** | **CACONF** | Start of Block |
| **M** | **:13A::** | **CAON//002** | CA Option Number |
| **M** | **:22F::** | **CAOP//SECU** | Corporate Action Option Code Indicator |
| **M** |  |  | *Optional Repetitive Subsequence D1 Securities Movement* |
|  | **:16R:** | **SECMOVE** | Start of Block |
| **M** | **:22H::** | **CRDB//DEBT** | Credit/Debit Indicator |
| **M** | **:35B:** | **ISIN FR0014008SF8****Argan RIGHTS** | Identification of the Financial Instrument |
| **M** | **:36B::** | **PSTA//UNIT/10000,** | Posting Quantity |
| **M** | **:98A::** | **POST//20220426** | Posting Date/Time |
| **O** | **:98A::** | **PAYD//20220426** | Payment date |
|  | **:16S:** | **SECMOVE** | End Of Block |
| **M** |  |  | *End of Subsequence D1 Securities Movement* |  |
| **M** |  |  | *Optional Repetitive Subsequence D1 Securities Movement* |
|  | **:16R:** | **SECMOVE** | Start of Block |
| **M** | **:22H::** | **CRDB//CRED** | Credit/Debit Indicator |
| **M** | **:35B:** | **ISIN FR0010481960****ARGAN** | Identification of the Financial Instrument |
| **M** | **:36B::** | **PSTA//UNIT/1142,** | Posting Quantity |
| **M** | **:92D::** | **NEWO//1/8,75** | New Securities to Underlying Securities |
| **M** | **:98A::** | **POST//20220426** | Posting Date/Time |
| **O** | **:98A::** | **PAYD//20220426** | Payment date |
|  | **:16S:** | **SECMOVE** | End Of Block |
| **M** |  |  | *End of Subsequence D1 Securities Movement* |  |
| **M** |  |  | *Optional Repetitive Subsequence D2 Cash Movement* |  |
|  | **:16R:** | **CASHMOVE** | Start of Block |
| **M** | **:22H::** | **CRDB//DEBT** | Credit/Debit Indicator |
| **O** | **:97A::** | **CASH//xxxxx** | Cash account |
| **M** | **:19B::** | **PSTA/EUR2500,** | Posting Quantity |
| **O** | **:19B::** | **TAXR//EUR2500,** | Withholding Tax Amount |
| **M** | **:98A::** | **POST//20220426** | Posting Date/Time |
| **O** | **:98A::** | **VALU//20220426** | Value Date/Time |
| **O** | **:98A::** | **PAYD//20220426** | Payment Date/Time |
|  | **:16S:** | **CASHMOVE** | End Of Block |
| **M** |  |  | *End of Subsequence D2 Cash Movement* |  |
| **M** |  |  | *Optional Repetitive Subsequence D2 Cash Movement* |  |
|  | **:16R:** | **CASHMOVE** | Start of Block |
| **M** | **:22H::** | **CRDB//CRED** | Credit/Debit Indicator |
| **O** | **:97A::** | **CASH//xxxxx** | Cash account |
| **M** | **:19B::** | **PSTA/EUR7,50** | Posting Quantity |
| **O** | **:19B::** | **CINL//EUR7,50** | Cash in lieu Amount |
| **O** | **:19B::** | **REIN//EUR9992,50** | Re-investment amount |
| **M** | **:98A::** | **POST//20220426** | Posting Date/Time |
| **O** | **:98A::** | **VALU//20220426** | Value Date/Time |
| **O** | **:98A::** | **PAYD//20220426** | Payment Date/Time |
| **O** | **:90B ::** | **CINL//ACTU/EUR8,75** | Cash in Lieu of Shares Price |
|  | **:16S:** | **CASHMOVE** | End Of Block |
| **M** |  |  | *End of Subsequence D2 Cash Movement* |  |
|  | **:16S:** | **CACONF** | End Of Block |
| **M** |  | *End of Mandatory Sequence D Corporate Action Confirmation* |