



# Best Practices in Bank Fee Reporting using camt.086 or TWIST

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## Account Numbers

**Importance of the IBAN:** The community has discussed the importance for some vendors to receive IBAN, BBAN, or at the very least, a BIC for each account reported in a camt.086 file. Corporations like to be able to see their fees by country and without at least a BIC to identify the charges, this becomes an impossible task (or at least very difficult). The committee recommends that any bank currently in development for upgraded or new camt.086 generation use the IBAN wherever possible. When a country does not use IBANs, and only local account numbers, the bank should include the BIC as a best practice.

## Account Structure Reporting

One frequent question is around the reporting of accounts by different groups or by entity. Banks are receiving requests from some corporates to report the fees by legal entity structure: a) so costs can be allocated properly and b) to help facilitate research when a new account is identified. This is not an easy ask and there are significant challenges in reporting legal entity numbers and including this information in the billing files because this information is not stored or maintained in the bank billing system. To assist the corporates, however, some banks provide a separate report (in Excel) with the active accounts by Group structure on a periodic basis. It could also be possible to use the Summary, Intermediate, and Detail structuring within the camt.086 schema to report fees at different levels. One last option was to ‘cut’ the file generation to include only certain accounts (those tied to a specific entity). The CGI MP group agreed that banks all have different capabilities surrounding this. **The ‘best’ practice would be to build enough flexibility into the billing system to be able to ‘package’ the files with only specific accounts.** All agreed, however, that ultimately the software vendor used by the corporate should be the one to provide this visibility as the account structure is maintained in the software. While it may not help with point (b) above and the researching of a new account, a Bank Account Management system could help resolve that issue.



## Displaying Rates in the Camt.086

There could be some confusion on the required number of digits when displaying a rate in the camt.086 format. It appears that a rate in the BSB should be no more than 11 positions, including the decimal and whole number rate positions. It was agreed between the CGI members that 11 is not always required but the maximum number of digits.

For example can 10.5% be represented as `<Val>10.50000000</Val>` which is 10 total digits with 8 decimal digits or must it be output as `<Val>10.500000000</Val>` which is 11 total digits with 9 decimal digits. Must the number of decimal digits be filled in to ensure that the total output is always 11 positions?

For both camt.086 “Rate” formats (BaseOneRate and PercentageRate), 11 is the maximum number of digits. You can also use fewer digits and do not have to fill in the decimal digits. In your example, it would be sufficient to represent the 10.5% this way: `<Val>10.5</Val>`  
This usage is camt.086 scheme (xsd) compliant.

## Reporting Multi-Country Hierarchy Statements

The recommendation of the working group is to NOT provide a summary or intermediate statement UNLESS there is information provided in the summary statements that is NOT found by summing the Detail statements (Earnings Allowance or Discounts applied at the Summary Account level, for example).

When a Summary (Account Level) statement is provided, they should be restricted to a single country. Fees for multiple countries should not be mixed together at this time. If demand for this increases with greater adoption of global Earnings Allowance schemes, the working group will discuss how to adjust the schema to accommodate.

## NEW! Reporting Multi-Country camt.086 Files

**When reporting multiple statements from different countries within the same camt.086:**

- **Banks should use one and only one header `<RptHdr>` without any mention of the geographic scope in the report id**
- **Use multiple Billing Statement Groups, noting the local bank name as the SENDER `<Sndr>` (for example, BNPP France, or BNPP USA)**
- **Make sure to include the IBAN and/or BIC at the Account level `<BICFI>` to be able to have the vendor identify easily the correct country to allocate the fees (with all appropriate currencies)**



Report\_GA\_TEST-BSB  
\_20190430\_BE+FR\_C

A test file has been embedded into this document as an example of the correct reporting.

## Reporting Value Based Fees in the Camt.086

It is common in certain countries to charge fees based on the amount of a transaction versus a flat charge per transaction (specifically with international/cross-border payments). The agreement of the taskforce is that there should be no change to the actual schema for these charges at this time but could be revisited in the future. Instead, bank should:

1. Identify on product catalogues which fees are ‘value based’ charges.



2. Report each payment as a separate service using Price Method (UPRC) with the transaction amount as the volume and percentage base as the price so that the price times volume validation works. Reporting each transaction as a separate service could be very tedious for large corporates but billing software should be able to manage this.

### Proper Use of Delayed Debit Field

We have identified and reviewed a mistake in the camt.086 documentation that is causing inconsistencies and confusion in reporting the Delayed Debit Date tag. In the camt.086.001.01\_MUG.doc, the documentation states:

*DelayedDebitDate* <DelydDbDt> TWIST: <delayedDebitDate>

Presence: [0..1]

Definition: The **future** date on which the named account will be automatically debited for charges and taxes due.

Notes: This element is typically used if the *Compensation Method* is **DBTD Debited** of **DBT DelayedDebit**

In the ISO20022\_MDRPart2\_BankServicesBilling\_2018\_2019\_v1.pdf the field is listed as DelayedDebitDate <DelydDbDt> [0..1] Date 33 **with an added 't'**.

**IT IS THE POSITION OF THE CGI-MP WORKING GROUP THAT THE MDR IS CORRECT.** DelayedDebitDate SHOULD BE reported as <DelydDbDt> (with the additional t). This has been corrected on the ISO website as of 6/23/2020. The Excel MUG as well as the MDR both use this spelling of the field and ONLY the PDF version of the MUG uses the <DelyDbDt>.

There is a second point of confusion related to the use of the DelayedDebitDate field. This field is to be used when there is a deferred billing arrangement between the bank and corporation. In a deferred billing arrangement, all fees charged by the bank are paid on a single specific date (DelayedDebitDate) in the future as defined in the Message User Guide (highlighted in blue in the above excerpt).

If the fees are paid at the time of transaction and there are multiple debit dates within a statement reporting month, there currently is no field within the camt.086 schema to report these dates. It is recommended that banks, instead, include the Bank Service ID (BkSvc Id) in the camt.053 daily reporting file for the transaction so the two files (camt.086 and sum of all camt.053s) during the same time period can be reconciled.

### Reporting Inactive Accounts

As a best practice, banks should report all accounts (including inactive ones) using the Compensation fields and headers in the camt schema (leaving the Service section blank) as this would improve the customer experience and eliminate questions to the bank. Corporations want to make sure they have received information on all open accounts and become concerned when data is 'missing' from their files – even if this is intentional due to lack of activity during the statement period. From the Message User Guide:



“Note that all values need not be sent. The critical values, those that support the calculation and derivation of “Service Charges Net Due This Statement” (AFP code 00 03 14) must be sent in every statement even if the value is zero. These values are indicated below in boldface.

Tp/Cd	TWIST Value
EALL	EarningsAllowance
BACS	BalanceCompensableServices
EDAL	ExcessDeficitEarningsAllowance
EANA	EarningsAllowance-NetAdjust
SCAB	ServCharges-NetAdjust-BalCompensable
EDAA	ExcessDeficitEarningsAllowance-Adjusted
DEAD	DeficitEarningsAllowanceDueThisStmt
NBCS	<b>Non-BalCompensableServices</b>
SCAN	ServCharges-NetAdjust-Non-BalCompensable
WAIV	WaivedServices
SCDI	ServiceCharges-Discout
SCBT	ServiceChargesDueBeforeTax
TXSC	TaxableServiceCharges
TXTS	TaxTotalSum
CTND	<b>ChargesAndTaxes-NetDueThisStmt</b>
SCDB	ServiceCharges-Debited
SCIN	Servicecharges-Invoiced
SCCP	<b>SettleChargeTtl-CurrentPeriod</b>
PVCS	PreviouslyChargedServices
FREE	FreeServices
TICD	TtlInterestCredited
FESS	FeesPaid

### Reporting Fee Holidays

Banks sometimes offer new clients a ‘Fee Holiday’ or ‘Fee Waiver Period’ in which all fees may be waived for a certain number of statement periods. During these ‘fee holidays’, there is a precedent in the EDI822 standard to produce and send statements even though all fees are waived. Banks should report the total of waived services in WAIV/ AFP Code 000340 in the Compensation section as noted below in the Message User Guide.

#### Waived Services

AFP code = 00 03 40

Amount of service charges otherwise due that are waived on this statement. Such services carry a *Payment Method* code of “Waived”. Note that this amount does not include line item free services (AFP code 00 03 36). This amount is included in **Settlement Charge Total - Current Period** (AFP code 00 03 00). Any such line item waivers or free services are not brought forward into the Compensation calculations. It is assumed that “waived” and “free” services are not taxed.



All individual service lines should be reported with a Payment Method of “Waived” whether they are being reported during or after a ‘Fee Holiday’.

*The CGI group does not recommend using the Payment Method ‘FREE’ but rather zero price a service consumed but not charged.*

### Reporting Taxes in Camt.086

The CGI-MP Workgroup 5 has compiled feedback on the different tax methods being used in the market to report tax expense within a camt.086 file. If you are a bank looking to implement camt.086, the following information may prove helpful to you before selecting the Tax Method to use in your system.

Much of the information relating to the Tax Method in the camt.086 file is not compulsory, however the CGI-MP group recommends that you define which Tax Calculation Method is being used in the Tax Calculation or Tax Region section of the file along with the relevant Service Detail and Tax Calculation information.

Method	Summary	Banks Using this Method	Comments
A (MTDA)	Line-by-line Tax Calculation and line-by-line settlement translation.	HSBC, Standard Chartered	Rounding errors introduced
B (MTDB)	Line by line Tax Calculation and summary settlement translation.	Deutsche Bank, BNPP, ING, SEB	Greater data richness and transparency for the client
C (MTDC)	Summary Tax Calculation Summary Settlement Translation (All tax calculations, currency translations and tax totals are reported in the TaxRegion section on a summary basis. The complete TaxRegion is required.)	BAML, Citibank	Useful for a lot of different complex banking structures with multiple tax regions/multiple currencies. Introduces the least amount of rounding errors.
D (MTDD)	Line-by-line Tax Calculation using Pricing currency throughout	BNPP, Commerzbank, Westpac, Societe Generale	Simplest but using same currency is not always feasible
Custom (UDFD)	Summary level calculation at the end of the invoice	Commerzbank	

BNP Paribas - French banks may report taxes either by Method B and/or D. Method B aligns to the bank practices while Method D aligns to how taxes are retrieved in France. Using more than one tax method is not preferred however information is retrieved differently by method. Billing in Portugal requires two different taxes to be applied.

Commerzbank is using method D (tax calculation line by line) and an undefined/custom method (tax calculation at summary level, if there are no tax details at the single service level). At the summary level



it is very difficult to include tax in the camt.086. Issues such as rounding differences; tax included as calculation method 'Undefined' (UDFD).

BAML uses tax method C due to several factors including bank/vendor interpretation of the MUG at the time CAMT 086 solution was built along with the fact that the bank has complex account structures that include multiple currencies.

**Example of Method C** (same provided by BAML)

The tax designation is included at the detail service level (highlighted in yellow) which the client can use to identify which of the services are taxable for the account. The total tax amount for the account is shown in the Tax Region section which shows both the host currency and the settlement currency of the account (in green).

```

- <Svc>
- <SvcDtl>
- <BkSvc>
  <Id>03600</Id>
  <Desc>CP CONNECT IR PDR ITEM</Desc>
- <CmonCd>
  <Issr>AFP</Issr>
  <Id>INF12000</Id>
  </CmonCd>
  <SvcTp>DR</SvcTp>
  </BkSvc>
  <Vol>268</Vol>
  </SvcDtl>
- <Pric>
  <Ccy>USD</Ccy>
- <UnitPric>
  <Amt Ccy="USD">0.00000</Amt>
  <Sgn>true</Sgn>
  </UnitPric>
  <Mtd>UPRC</Mtd>
  </Pric>
  <PmtMtd>BCMP</PmtMtd>
- <OrgnlChrgPric>
  <Amt Ccy="USD">0.00000</Amt>
  <Sgn>true</Sgn>
  </OrgnlChrgPric>
- <OrgnlChrgSttlmAmt>
  <Amt Ccy="AUD">0.00000</Amt>
  <Sgn>true</Sgn>
  </OrgnlChrgSttlmAmt>
- <BalReqrAcctAmt>
  <Amt Ccy="USD">0.00000</Amt>
  <Sgn>true</Sgn>
  </BalReqrAcctAmt>

```



```

=<TaxDsgnt>
<Cd>TAXE</Cd>
<Rgn>GB</Rgn>
</TaxDsgnt>
</Svc>
    
```

```

Tax<TaxRgn>
<RgnNb>GB</RgnNb>
<RgnNm>GB</RgnNm>
<CstmrTaxId /> FR33333370959</CstmrTaxId>
<PtDt>2018-10-31</PtDt>
=<SndgFI>
<VATRegnNb>GB 245 1224 93</VATRegnNb>
</SndgFI>
<InvcNb>619</InvcNb>
=<SttlmAmt>
<Amt Ccy="EUR">17.65000</Amt>
<Sgn>true</Sgn>
</SttlmAmt>
=<TaxDueToRgn>
<Amt Ccy="GBP">15.65000</Amt>
<Sgn>true</Sgn>
</TaxDueToRgn>
</TaxRgn>
    
```

**Example of a custom method** (provided by Commerzbank)

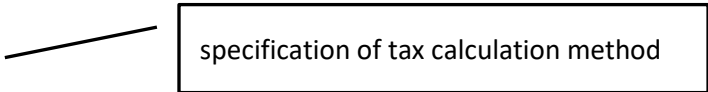
In Commerzbank, for some invoices the tax is not calculated at the single service level, but only at the overall invoice level. There are no tax details at the single service level apart from the tax designation flag. For this reason tax calculation method **UDFD** is used. The tax designation (including tax region and tax reason) is specified at the service level (highlighted in yellow) which the client can use to identify which of the services are taxable. The total tax amount is shown both in the compensation section and in the tax region section (highlighted in green).

```

<AcctChrtcs>
...
<Tax>
<ClctnMtd>UDFD</ClctnMtd>
</Tax>
...
<AcctSvcrCtct>

...

<Compstn>
    
```





```

<Tp>
  <Cd>SCBT</Cd>
</Tp>
<Val>
  <Amt Ccy="EUR">219.90</Amt>
  <Sgn>>true</Sgn>
</Val>
<CcyTp>PRCG</CcyTp>
</Compstn>
<Compstn>
  <Tp>
    <Cd>TXSC</Cd>
  </Tp>
  <Val>
    <Amt Ccy="EUR">35.00</Amt>
    <Sgn>>true</Sgn>
  </Val>
  <CcyTp>PRCG</CcyTp>
</Compstn>
<Compstn>
  <Tp>
    <Cd>TXTS</Cd>
  </Tp>
  <Val>
    <Amt Ccy="EUR">6.65</Amt>
    <Sgn>>true</Sgn>
  </Val>
  <CcyTp>PRCG</CcyTp>
</Compstn>
<Compstn>
  <Tp>
    <Cd>CTND</Cd>
  </Tp>
  <Val>
    <Amt Ccy="EUR">226.55</Amt>
    <Sgn>>true</Sgn>
  </Val>
  <CcyTp>PRCG</CcyTp>
</Compstn>
<Compstn>
  <Tp>
    <Cd>SCDB</Cd>
  </Tp>
  <Val>
    <Amt Ccy="EUR">226.55</Amt>
    <Sgn>>true</Sgn>
  </Val>
  <CcyTp>STLM</CcyTp>
</Compstn>
...
<Svc>

```

total value of all taxable service charges

total tax amount





```

<SvcDt1>
  <BkSvc>
    <Id>DIMDE000PVE-26062004</Id>
    <SubSvc>
      <Issr>
        <Cd>SEQN</Cd>
      </Issr>
      <Id>01AB12CD34EF56GH/01534L2GHAMLZGWT</Id>
    </SubSvc>
    <Desc>DE: Electronic Banking Remote Maintenance, Flat Fee</Desc>
    <CmonCd>
      <Issr>AFPGLB</Issr>
      <Id>ACT63000</Id>
    </CmonCd>
    <BkTxCd>
      <Domn>
        <Cd>ACMT</Cd>
        <Fmly>
          <Cd>MDOP</Cd>
          <SubFmlyCd>CHRG</SubFmlyCd>
        </Fmly>
      </Domn>
    </BkTxCd>
  </BkSvc>
  <Vol>1</Vol>
</SvcDt1>
<Pric>
  <Ccy>EUR</Ccy>
  <UnitPric>
    <Amt Ccy="EUR">10.00</Amt>
    <Sgn>true</Sgn>
  </UnitPric>
  <Mtd>FCHG</Mtd>
</Pric>
<PmtMtd>PVCH</PmtMtd>
<OrgnlChrgPric>
  <Amt Ccy="EUR">10.00</Amt>
  <Sgn>true</Sgn>
</OrgnlChrgPric>
<TaxDsgnt>
  <Cd>TAXE</Cd>
  <Rgn>DE</Rgn>
  <TaxRsn>
    <Cd>VAT</Cd>
    <Expltn>Value Added Tax</Expltn>
  </TaxRsn>
</TaxDsgnt>
</Svc>
...
<TaxRgn>
  <RgnNb>DE</RgnNb>

```

tax designation at single service level



```
<RgnNm>Germany</RgnNm>
<CstmrTaxId>DE000000123</CstmrTaxId>
<PtDt>2018-11-01</PtDt>
<SndgFI>
  <VATRegnNb>DE114103514</VATRegnNb>
  <TaxRegnNb>DE114103514</TaxRegnNb>
</SndgFI>
<InvcNb>CB1234567890ABRDC2</InvcNb>
<SttlmAmt>
  <Amt Ccy="EUR">6.65</Amt>
  <Sgn>true</Sgn>
</SttlmAmt>
<TaxDueToRgn>
  <Amt Ccy="EUR">6.65</Amt>
  <Sgn>true</Sgn>
</TaxDueToRgn>
</TaxRgn>
```

total tax amount in settlement currency

total tax amount in host currency



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Version 1.2	5/24/2022	Bridget Meyer, Redbridge
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