



**DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
WASHINGTON, D.C. 20224**

**OFFICE OF
CHIEF COUNSEL**

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MEMORANDUM FOR WILLIAM S. TOLER
ANTI MONEY LAUNDERING COORDINATOR
Pennsylvania District

FROM: John J. McGreevy
Acting Senior Technician Reviewer CC:PA:APJP:3

SUBJECT: Form 8300 - Instructions for Part II

This is in response to your memorandum of August 17, 2000, requesting technical assistance with respect to the completion of Form 8300 in situations where an individual makes cash payments on behalf of a large group.

In your memorandum, you set forth a situation where a travel agent books a trip for a large group which is represented by one or two members, and the total cost exceeds \$10,000, paid in cash. You ask what the practical manner is for completing Part II of Form 8300 (Person on Whose Behalf the Transaction is Being Conducted). Your specific questions are whether a group identification can be used on Line 20 (the "DBA name" for such person), and, if so, what address and TIN should be entered; whether the organization in which all the individuals belong should be identified, or only if that organization is sponsoring the trip. Your questions deal with scenarios in which the individuals are employees of a company, or belong to a section 501(c)(3) organization.

Since the situations you describe involve travel and entertainment, which are designated reporting transactions pursuant to section 1.6050I-1(c)(1) of the regulations, special rules apply. For designated reporting transactions, the term "cash" includes cashier's checks, traveler's checks and money orders having a face amount of \$10,000 or less. Therefore, in determining whether more than \$10,000 in cash has been paid to the travel agent, such cashier's checks, etc., must be included.

Our answers to your questions are as follows:

1. In Example 1 [a group of employees book a trip], can the travel agent complete Part II by listing a group identification (e.g. "Smith Company Ski Tour") in item 20?

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Part II should provide a group identification only if the transaction is being conducted on behalf of an organization which files returns and has its own EIN. Therefore, if the trip is booked by a company's ski club, which has been issued an EIN, and files returns (as required) as an organization, that club should be identified as the organization in line 16. However, if the trip is booked by a group of individuals who happen to be employees of the same company, each one should be identified in Part II (using page 2 and additional pages as necessary).

Item 20, the DBA line, should be used in the same manner as it is used on other forms such as the Form W-9. As the instructions to Form 8300 indicate, the DBA name of an organization or sole proprietor should be entered on line 20. For example, if payments are made by John Doe, who does business as Doe Shoe Store, the store name goes on the DBA line.

2. If a group identification can be used in Example 1, what address and TIN should be entered?

The address and TIN of the organization, as shown on other tax filings, should be used.

3. If, in Example 1, the company's employee's association sponsored the trip, would the association be identified, and would the company's TIN be identified in Part II?

As stated above, the employee association could be identified as the organization if it has its own TIN and files returns as an organization. In that case, the employee association's TIN should be entered.

4 & 5. In example 2 [trip is booked by individuals who belong to a section 501(c)(3) organization], can the travel agent identify the section 501(c)(3) organization in Part II, and use its address and TIN? Can the travel agent identify the organization in Part II only if the organization is sponsoring the trip?

If the organization is sponsoring the trip for its members, the organization should be identified on Line 16 and its address and TIN should be used. If the individuals are acting on their own, even though they all happen to be members of the organization, they should be identified individually.

We hope this is helpful. If you need further assistance, please call Nancy Rose at (202) 622-4910.