



IRS Nationwide  
**2007**  
**Tax**  
**FORUM**  
Partners in Tax  
Administration

# Bank Secrecy Act Overview



# IRS BSA Program

- Reviews trades/businesses
- Examines nonbank financial institutions' AML compliance programs
- Provides education and outreach

IRS Nationwide  
2007  
**Tax  
FORUM**  
Partners in Tax  
Administration

# Compliance Reviews

- Report cash payments >\$10,000 from the same person in a single or related transactions on Form 8300
- File Form 8300 within 15 days
- Notify each person on Form 8300
- Send questions to [8300Questions@irs.gov](mailto:8300Questions@irs.gov)

# Examinations of AML Compliance Programs

- Develop internal policies, procedures, and controls
- Designate compliance officer
- Provide ongoing employee training
- Maintain independent audit function

IRS Nationwide

2007

**Tax  
FORUM**

Partners in Tax  
Administration

# Dealers - Metals, Stones, Jewels

- Applies to dealers in “covered goods”
- Implement AML compliance programs by January 1, 2006
- Examinations will begin late 2007

IRS Nationwide  
**2007**  
**Tax**  
**FORUM**  
Partners in Tax  
Administration

# Insurance Industry

- Applies to companies (not agents) offering covered products
- Requires filing of suspicious activity reports (SARs)
- Implement AML compliance program and SARs by May 2, 2006
- Examinations have begun

IRS Nationwide

2007

**Tax  
FORUM**

Partners in Tax  
Administration

# Money Services Businesses

- Offers money orders, traveler's checks, check cashing, stored value, currency dealing and exchange, and
- Conducts > \$1,000 with same person on same day
- All money transmitters are MSBs

IRS Nationwide

2007

**Tax  
FORUM**

Partners in Tax  
Administration

# Other MSB Requirements

- Register (if required by regulation) and renew registration every two years
- Maintain list of agents
- Report transactions over \$10,000 – CTR
- File suspicious activity reports (if required by regulation)

IRS Nationwide

2007

**Tax  
FORUM**

Partners in Tax  
Administration



# Suspicious Activity Reports

- Source of funds from or conducted to disguise illegal activity
- Transaction designed to evade BSA requirements
- No known business or lawful purpose
- Use MSB to facilitate criminal activity

# FBAR

- Report of Foreign Bank and Financial Accounts >\$10,000 at any time during year
- Requirement of U.S. persons to file Form TD F 90-22.1
- Due Date: June 30 of succeeding year
- Send questions to:

[FBARquestions@irs.gov](mailto:FBARquestions@irs.gov)

IRS Nationwide

2007

**Tax  
FORUM**

Partners in Tax  
Administration

# BSA Resources

- [www.fincen.gov](http://www.fincen.gov) or [www.irs.gov](http://www.irs.gov)
- IRS Forms Distribution Ctr.:  
800-829-3676
- FinCEN Regulatory Helpline:  
800-949-2732
- IRS Detroit Computing Center:  
800-800-2877

IRS Nationwide  
2007  
**Tax  
FORUM**  
Partners in Tax  
Administration

# IRS.gov Outreach & Education Products

- *Virtual Small Business Tax Workshop DVD* – 10-lesson interactive video
- *Small Business Resource Guide CD-ROM*
- *Tax Calendar for Small Businesses and Self-Employed*
- *Tax Talk Today* – A monthly Web cast for tax professionals
- *E-News for Tax Professionals and E-News for Small Businesses* – Weekly electronic newsletters

IRS Nationwide  
2007  
**Tax  
FORUM**  
Partners in Tax  
Administration