

FEDERAL RESERVE BANK
OF NEW YORK

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**Financial Recordkeeping and Reporting
of Currency and Foreign Transactions**

*To the Chief Executive Officers of All State Member
Banks in the Second Federal Reserve District:*

As you know, effective July 1, 1972 the Department of the Treasury issued regulations to implement Titles I and II of Public Law 91-508, the Financial Recordkeeping and Currency and Foreign Transactions Reporting Act of 1970, also known as the Bank Secrecy Act.

Although the regulations have been in effect for several years, instances of noncompliance are continually reported, especially with regard to section 103.22 of the regulations, which requires banks to file Currency Transaction Reports (Form 4789) with the Commissioner of Internal Revenue. Such reports are required for each deposit, withdrawal, exchange of currency, or other transfer by, through, or to a reporting bank that involves a transaction in currency, not otherwise exempt, of more than \$10,000.

The Board of Governors of the Federal Reserve System is responsible for assuring the compliance of State member banks with the requirements of the regulations. In that connection, Federal Reserve examination procedures have recently been strengthened to determine the adequacy of bank compliance with the regulations. These revised procedures were developed jointly with the other Federal bank regulatory agencies and the Department of the Treasury. Examiner findings concerning compliance are set forth in reports submitted to the Department of the Treasury by the Board of Governors.

We suggest that your bank's internal procedures be reviewed to insure the adequate maintenance of records with sufficient detail and the timely filing of applicable reports in compliance with the regulations.

For your convenience, a copy of the regulations is enclosed. Any questions relating thereto, and requests for additional copies of the regulations, should be directed to our Bank Regulations Department (Telephone No. 212-791-5921).

PAUL A. VOLCKER,
President.



CURRENCY
and
FOREIGN
TRANSACTIONS
reporting act

Statute, Regulations, and Forms



Office of the General Counsel June 1972



THE SECRETARY OF THE TREASURY
WASHINGTON

June 19, 1972

The Department of the Treasury has issued regulations to implement Titles I and II of Public Law 91-508, the Financial Recordkeeping and Currency and Foreign Transactions Reporting Act of 1970. These regulations will become effective on July 1, 1972.

The issuance of these regulations is a further step in major efforts directed toward frustrating organized and white collar criminal elements who use secret foreign accounts to conceal substantive violations of drug smuggling, securities and gambling laws, as well as the untaxed income generated from these and other illegal activities. The regulations are designed to benefit both foreign-related and domestic law enforcement efforts without burdening legitimate commerce. It should be emphasized that the regulations impose no restriction on the free flow of funds into or out of the United States.

The regulations will:

- Require all persons maintaining foreign bank or securities accounts to disclose that fact on their Federal income tax returns, and to maintain adequate records of such accounts;
- Require all persons transporting, mailing, or shipping from the United States to a foreign country, or receiving from without the United States, currency or bearer instruments in amounts in excess of \$5,000, to report such transactions to Customs;
- Require financial institutions, including banks, building and loan associations, brokers and dealers in securities, foreign exchange dealers, and credit unions, to secure a social security or taxpayer identification number with respect to each account opened after June 30, 1972;
- Require all financial institutions to make reports to the Treasury of unusual currency transactions involving amounts of more than \$10,000;
- Require financial institutions to keep for five years records of all transfers into or out of the United States involving more than \$10,000;
- Require financial institutions to keep for five years certain other records which will be useful for law enforcement purposes; and
- Require banks to retain for a period of two years records which would be needed to reconstruct a demand deposit account and to trace a check deposited in such account.

The Treasury Department will continue to study both the types of records to be kept and the most desirable retention period in order to maximize enforcement benefits and minimize unnecessary and burdensome paperwork. Assistant Secretary Eugene T. Rossides will head a small group within the Treasury to work with the financial community in this effort.

Every financial institution affected by these regulations should designate a compliance officer to insure that the applicable recordkeeping and reporting requirements of the regulations are fully observed, and to maintain liaison with the compliance agency involved.

Every effort has been made to insure that the final regulations will serve their law enforcement purposes, while at the same time not interfere with legitimate international monetary transactions, unduly burden financial institutions or others, or impose unreasonable requirements that would serve no useful purpose. In doing this, consideration has been given to existing recordkeeping procedures, including the length of time records are ordinarily retained.

Governmental access to the records of financial institutions is not changed by either the statute or the regulations, but will continue to be subject to the requirements of existing subpoena and other legal processes.

Eugene P. Shultz

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III

I. AN OVERVIEW OF THE CURRENCY AND FOREIGN TRANSACTIONS REPORTING REGULATIONS

This is intended as a general summary of the new rules relating to reports and recordkeeping. The Act itself and the pertinent regulations, found at the back of this booklet, are the governing texts and they should be examined for detailed reliance.

The new requirements of the Currency and Foreign Transactions Reporting Act of 1970 will not require any changes in the recordkeeping procedures of many financial institutions. The new regulations will not interfere with the normal transaction of business by banks, securities dealers, other financial institutions, or private citizens. Under this legislation and the regulations issued by the Treasury Department effective July 1, 1972, financial institutions may be required to retain records for a longer period of time than has been their practice. Access by the Government to these records will continue to be subject to the requirements of existing law regarding subpoenas and other legal processes.

The new regulations do not subject the normal banking transactions of private citizens to Government scrutiny.

A. Those Affected By Act And Regulations

Those subject to the Act and regulations include the following financial institutions: commercial banks or trust companies, private banks, savings and loan associations, building and loan associations, federally-insured institutions, savings banks, industrial banks, credit unions, organizations chartered under the banking laws of a state, representatives of foreign banks located in the United States, brokers and dealers in securities, dealers in foreign exchange, issuers of travelers' checks and money orders, credit card systems, and those who transmit funds abroad for others. The regulations do not affect branches of United States Banks located outside the United States nor foreign banks or branches not located in the United States.

Under the regulations, the term "United States" means the various states, the District of Columbia, the Commonwealth of Puerto Rico, and the territories and possessions of the United States.

In addition, individuals, corporations and other legal personalities are required in certain circumstances to make reports of transactions in and transportation of circulating coin and currency, travelers' checks, money orders, investment securities and negotiable instruments in bearer form. Some of the requirements relate to transactions between persons in the United States and in foreign countries, and others relate to purely domestic transactions.

B. Reports of Currency Transactions By Financial Institutions

When any person engages in a currency transaction of more than \$10,000 with a financial institution, the financial institution must record the identity of the person or persons involved and file a report containing certain details of the transaction within 45 days (*Regulations Sections 103.22, 103.25(a) and 103.26*).

C. Reports of Transportation of Currency or Monetary Instruments By Persons

Any person who is responsible for the physical transportation of more than \$5,000 in currency or certain monetary instruments at any one time into or out of the United States must file a report thereof at the time of departure, mailing or shipping (*Regulations Sections 103.23(a) and 103.25(b)*).

The receipt of currency or certain monetary instruments in amounts exceeding \$5,000 from outside the United States, by a person within the United States must be reported within thirty days after such receipt (*Regulations Sections 103.23(b) and 103.25(c)*).

D. Reports of Interest in Foreign Financial Accounts By Persons

A person subject to the jurisdiction of the United States who is required to file a federal income tax return must indicate on the tax form whether or not he has any interest in foreign financial accounts. If he does, a short form giving information about such accounts must be filed. Records of such accounts are to be retained for five years and shall be available for inspection as authorized by law (*Regulations Sections 103.24 and 103.32*).

E. Recordkeeping By Financial Institutions

Financial institutions are required to retain for five years either the original or a copy of:

- (1) records of extensions of credit exceeding \$5,000, except those secured by real property;
- (2) records of each advice, request or instruction received regarding a transaction resulting in the transfer of more than \$10,000 to a person, account, or place outside the United States;
- (3) records of each advice, request or instruction given to another financial institution or other person located within or without the United

States, regarding a transaction intended to result in the transfer of more than \$10,000 to a person, account or place outside the United States. (*Regulations Section 103.36(c)*)

F. Additional Recordkeeping By Banks

Banks are required to obtain and keep a record of the taxpayer identification number or social security number of United States citizens or persons residing or doing business in the United States who open deposit or share accounts after June 30, 1972 (*Regulations Section 103.34(a)*).

Banks must retain for five years, unless otherwise noted, either the original or a copy of:

- (1) each document granting signature authority over each deposit or share account;
- (2) each statement, ledger card or other record on each deposit or share account, showing each transaction in, or with respect to, that account;
- (3) each check, clean draft, or money order drawn on the bank or issued and payable by it, with some exceptions as stated in Section 103.34(b)(3);
- (4) each item other than bank charges which results in a debit to a customer's deposit or share account;
- (5) each item of more than \$10,000 remitted or transferred to a person, account or place outside the United States;
- (6) a record of each remittance or transfer of more than \$10,000 to a person, account or place outside the United States;
- (7) each check or draft over \$10,000 drawn on or issued by a foreign bank or otherwise acquired by the bank;
- (8) each item of more than \$10,000 received directly (not through a domestic financial institution) from outside the United States;
- (9) a record of each receipt of more than \$10,000 received at any one time directly (not through a domestic financial institution) from outside the United States; and
- (10) records needed to reconstruct a checking account and to trace such checks or to supply a description of a deposited check. These records are to be kept for two years pursuant to Regulations Section 103.36(c). (*Regulations Sections 103.34(b) and 103.36(c)*)

G. Additional Recordkeeping By Securities Brokers and Dealers

Brokers and dealers are required to obtain and keep a record of the taxpayer identification number or social security number of United States citizens, or persons residing or doing business in the United States for each brokerage account opened after June 30, 1972 (*Regulations Section 103.35(a)*).

Brokers and dealers are required to retain for five years either the original or a copy of:

- (1) documents granting signature or trading authority over accounts;
- (2) records described in Title 17, Code of Federal Regulations;
- (3) a record of each transfer of more than \$10,000 outside the United States; and
- (4) a record of each receipt of currency, etc. of more than \$10,000 received on any one occasion directly (not through a domestic financial institution) from outside the United States. (*Regulations Sections 103.35(b) and 103.36(c)*)

H. Variations From Regulations

The Secretary of the Treasury may make exceptions, grant exemptions or impose additional requirements (*Regulations Section 103.45*).

I. Civil and Criminal Penalties

The Act provides for three kinds of civil penalties:

- (1) a penalty of up to \$1,000 for violation of any section,
- (2) a penalty of up to the value of the item transported for failure to make reports under Section 103.23, and
- (3) forfeiture of the transported item which was not reported. (*Regulations Section 103.47 and 103.48*)

The Act also contains a graduated structure of criminal penalties:

- (1) a fine of up to \$1,000 and/or imprisonment for not more than one year for violation of any section,
- (2) a fine of up to \$10,000 or imprisonment of not more than five years or both if the violation is committed in connection with the violation of a Federal law punishable by imprisonment for more than one year,
- (3) false statements or representations in reports also may be punishable by fines of not more than \$10,000 and/or imprisonment of not more than five years, and
- (4) a fine of \$500,000 and/or imprisonment for not more than five years if the violation is committed in furtherance of the commission of any other violation of federal law, or committed as part of a pattern of illegal activity and which involves more than \$100,000 in a twelve-month period. (*Regulations Section 103.49*)

J. Issuance of Search Warrants

When there is evidence that a physical transportation of currency or monetary instruments has been made without the filing of a proper report, a search warrant may be issued by a court upon a showing of probable cause allowing search of designated persons, premises, letters, packages, vehicles, etc. (*Regulations Section 103.50*).

II. CURRENCY AND FOREIGN TRANSACTIONS REPORTING ACT STATUTE (Titles I, II and IV of Public Law 91-508)



Public Law 91-508
91st Congress, H. R. 15073
October 26, 1970

An Act

To amend the Federal Deposit Insurance Act to require insured banks to maintain certain records, to require that certain transactions in United States currency be reported to the Department of the Treasury, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

Federal Deposit
Insurance Act,
amendments.

TITLE I—FINANCIAL RECORDKEEPING

Chapter	Sec.
1. INSURED BANKS AND INSURED INSTITUTIONS.....	101
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Chapter 1.—INSURED BANKS AND INSURED INSTITUTIONS

- Sec.
101. Retention of records by insured banks.
102. Retention of records by insured institutions.

§ 101. Retention of records by insured banks

The Federal Deposit Insurance Act is amended (1) by redesignating sections 21 and 22 as 22 and 23, respectively, and (2) by inserting the following new section immediately after section 20:

“SEC. 21. (a) (1) The Congress finds that adequate records maintained by insured banks have a high degree of usefulness in criminal, tax, and regulatory investigations and proceedings. The Congress further finds that microfilm or other reproductions and other records made by banks of checks, as well as records kept by banks of the identity of persons maintaining or authorized to act with respect to accounts therein, have been of particular value in this respect.”

“(2) It is the purpose of this section to require the maintenance of appropriate types of records by insured banks in the United States where such records have a high degree of usefulness in criminal, tax, or regulatory investigations or proceedings.”

“(b) Where the Secretary of the Treasury (referred to in this section as the ‘Secretary’) determines that the maintenance of appropriate types of records and other evidence by insured banks has a high degree of usefulness in criminal, tax, or regulatory investigations or proceedings, he shall prescribe regulations to carry out the purposes of this section.

“(c) Each insured bank shall maintain such records and other evidence, in such form as the Secretary shall require, of the identity of each person having an account in the United States with the bank and of each individual authorized to sign checks, make withdrawals, or otherwise act with respect to any such account. The Secretary may make such exemptions from any requirement otherwise imposed under this subsection as are consistent with the purposes of this section.

“(d) Each insured bank shall make, to the extent that the regulations of the Secretary so require—

“(1) a microfilm or other reproduction of each check, draft, or similar instrument drawn on it and presented to it for payment; and

“(2) a record of each check, draft, or similar instrument received by it for deposit or collection, together with an identification of the party for whose account it is to be deposited or collected, unless the bank has already made a record of the party's identity pursuant to subsection (c).

“(e) Whenever any individual engages (whether as principal, agent, or bailee) in any transaction with an insured bank which is required

64 Stat. 873.
12 USC 1811
note.
81 Stat. 610.
12 USC 1830,
1831.

84 STAT. 1114
84 STAT. 1115

Post, p. 1118.

to be reported or recorded under the Currency and Foreign Transactions Reporting Act, the bank shall require and retain such evidence of the identity of that individual as the Secretary may prescribe as appropriate under the circumstances.

“(f) In addition to or in lieu of the records and evidence otherwise referred to in this section, each insured bank shall maintain such records and evidence as the Secretary may prescribe to carry out the purposes of this section.

“(g) Any type of record or evidence required under this section shall be retained for such period as the Secretary may prescribe for the type in question. Any period so prescribed shall not exceed six years unless the Secretary determines, having regard for the purposes of this section, that a longer period is necessary in the case of a particular type of record or evidence.

Report to Congress.

“(h) The Secretary shall include in his annual report to the Congress information on his implementation of the authority conferred by this section and any similar authority with respect to recordkeeping or reporting requirements conferred by other provisions of law.”

84 STAT. 1115

84 STAT. 1116

48 Stat. 1255;

81 Stat. 611.

12 USC 1724-1730o.

Ante, p. 1114.

§ 102. Retention of records by insured institutions

Title IV of the National Housing Act is amended by adding at the end thereof the following new section:

“SEC. 411. The Secretary of the Treasury shall prescribe such regulations as may be appropriate to carry out, with respect to insured institutions, the purposes set forth in section 21 of the Federal Deposit Insurance Act with respect to insured banks.”

Chapter 2.—OTHER FINANCIAL INSTITUTIONS

Sec.

121. Congressional findings and purpose.

122. Authority of Secretary with respect to reports on ownership and control.

123. Authority of Secretary with respect to recordkeeping and procedures.

124. Injunctions.

125. Civil penalties.

126. Criminal penalty.

127. Additional criminal penalty in certain cases.

128. Compliance.

129. Administrative procedure.

§ 121. Congressional findings and purpose

(a) The Congress finds that certain records maintained by businesses engaged in the functions described in section 123 (b) of this Act have a high degree of usefulness in criminal, tax, and regulatory investigations and proceedings. The Congress further finds that the power to require reports of changes in the ownership, control, and managements of types of financial institutions referred to in section 122 of this Act may be necessary for the same purpose.

(b) It is the purpose of this chapter to require the maintenance of appropriate types of records and the making of appropriate reports by such businesses in the United States where such records or reports have a high degree of usefulness in criminal, tax, or regulatory investigations or proceedings.

§ 122. Authority of Secretary with respect to reports on ownership and control

Where the Secretary determines that the making of appropriate reports by uninsured banks or uninsured institutions of any type with respect to their ownership, control, and managements and any changes therein has a high degree of usefulness in criminal, tax, or regulatory investigations or proceedings, he may by regulation require such banks or institutions to make such reports as he determines in respect of such ownership, control, and managements and changes therein.

§ 123. Authority of Secretary with respect to recordkeeping and procedures

(a) Where the Secretary determines that the maintenance of appropriate records and procedures by any uninsured bank or uninsured institution, or any person engaging in the business of carrying on in the United States any of the functions referred to in subsection (b) of this section, has a high degree of usefulness in criminal, tax, or regulatory investigations or proceedings, he may by regulation require such bank, institution, or person—

84 STAT. 1116

84 STAT. 1117

(1) to require, retain, or maintain, with respect to its functions as an uninsured bank or uninsured institution or its functions referred to in subsection (b), any records or evidence of any type which the Secretary is authorized under section 21 of the Federal Deposit Insurance Act to require insured banks to require, retain, or maintain; and

Ante, p. 1114.

(2) to maintain procedures to assure compliance with requirements imposed under this chapter. For the purposes of any civil or criminal penalty, a separate violation of any requirement under this paragraph occurs with respect to each day and each separate office, branch, or place of business in which the violation occurs or continues.

(b) The authority of the Secretary under this section extends to any person engaging in the business of carrying on any of the following functions:

(1) Issuing or redeeming checks, money orders, travelers' checks, or similar instruments, except as an incident to the conduct of its own nonfinancial business.

(2) Transferring funds or credits domestically or internationally.

(3) Operating a currency exchange or otherwise dealing in foreign currencies or credits.

(4) Operating a credit card system.

(5) Performing such similar, related, or substitute functions for any of the foregoing or for banking as may be specified by the Secretary in regulations.

§ 124. Injunctions

Whenever it appears to the Secretary that any person has engaged, is engaged, or is about to engage in any acts or practices constituting a violation of any regulation under this chapter, he may in his discretion bring an action, in the proper district court of the United States or the proper United States court of any territory or other place subject to the jurisdiction of the United States, to enjoin such acts or practices, and upon a proper showing a permanent or temporary injunction or restraining order shall be granted without bond. Upon application of the Secretary, any such court may also issue mandatory injunctions commanding any person to comply with any regulation of the Secretary under this chapter.

§ 125. Civil penalties

(a) For each willful violation of any regulation under this chapter, the Secretary may assess upon any person to which the regulation applies, and, if such person is a partnership, corporation, or other entity, upon any partner, director, officer, or employee thereof who willfully participates in the violation, a civil penalty not exceeding \$1,000.

(b) In the event of the failure of any person to pay any penalty assessed under this section, a civil action for the recovery thereof may, in the discretion of the Secretary, be brought in the name of the United States.

§ 126. Criminal penalty

Whoever willfully violates any regulation under this chapter shall be fined not more than \$1,000 or imprisoned not more than one year, or both.

§ 127. Additional criminal penalty in certain cases

Whoever willfully violates any regulation under this chapter, section 21 of the Federal Deposit Insurance Act, or section 411 of the National Housing Act, where the violation is committed in furtherance of the commission of any violation of Federal law punishable by imprisonment for more than one year, shall be fined not more than \$10,000 or imprisoned not more than five years, or both.

Ante, p. 1114.
Ante, p. 1116.

§ 128. Compliance

The Secretary shall have the responsibility to assure compliance with the requirements of this title and may delegate such responsibility to the appropriate bank supervisory agency, or other supervisory agency.

§ 129. Administrative procedure

The administrative procedure and judicial review provisions of subchapter II of chapter 5 and chapter 7 of title 5, United States Code, shall apply to all proceedings under this chapter, section 21 of the Federal Deposit Insurance Act, and section 411 of the National Housing Act.

80 Stat. 381.
5 USC 551-559,
701-706.

TITLE II—REPORTS OF CURRENCY AND FOREIGN TRANSACTIONS

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Chapter 1.—GENERAL PROVISIONS

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Citation of title.

§ 201. Short title

This title may be cited as the "Currency and Foreign Transactions Reporting Act".

§ 202. Purpose

It is the purpose of this title to require certain reports or records where such reports or records have a high degree of usefulness in criminal, tax, or regulatory investigations or proceedings.

§ 203. Definitions and rules of construction

- (a) The definitions and rules of construction set forth in this section apply for the purposes of this title.
- (b) The term "Secretary" means the Secretary of the Treasury.
- (c) The term "person" includes natural persons, partnerships, trusts, estates, associations, corporations, and all entities cognizable

as legal personalities. The term also includes any governmental department or agency specified by the Secretary either for the purpose of this title generally or any particular requirement thereunder.

(d) The term "United States", used in a geographical sense, includes the States and the District of Columbia, and to the extent the Secretary shall by regulation specify, either for the purposes of this title generally or any particular requirement thereunder, the Commonwealth of Puerto Rico, the possessions of the United States, United States military establishments, and United States diplomatic establishments.

(e) The term "financial institution" means any person which does business in any one or more of the following capacities:

- (1) an insured bank as defined in section 3 of the Federal Deposit Insurance Act; 64 Stat. 873.
12 USC 1813.
- (2) a commercial bank or trust company;
- (3) a private banker;
- (4) an agency or a branch within the United States of any foreign bank;
- (5) an insured institution as defined in section 401 of the National Housing Act; 48 Stat. 1255.
12 USC 1724.
- (6) a savings bank, building and loan association, credit union, industrial bank, or other thrift institution;
- (7) a broker or dealer registered with the Securities and Exchange Commission under the Securities Exchange Act of 1934; 48 Stat. 881.
15 USC 78a.
- (8) a broker or dealer in securities or commodities;
- (9) an investment banker or investment company;
- (10) a currency exchange;
- (11) an issuer, redeemer or cashier of travelers' checks, checks, money orders, or similar instruments;
- (12) an operator of a credit card system;
- (13) an insurance company;
- (14) a dealer in precious metals, stones, or jewels;
- (15) a pawnbroker;
- (16) a loan or finance company;
- (17) a travel agency;
- (18) a licensed transmitter of funds;
- (19) a telegraph company;
- (20) a Federal, State, or local government institution which performs any of the functions of any of the businesses listed above; or
- (21) any other type of business or institution performing similar, related, or substitute functions specified by the Secretary by regulation for the purposes of the provision of this title to which the regulation relates.

(f) The term "domestic", used with reference to institutions or agencies, limits the applicability of the provision wherein it appears to the performance by such institutions or agencies of functions within the United States.

(g) The term "financial agency" means any person which acts in the capacity of a financial institution or in the capacity of a bailee, depository trustee, agent, or in any other similar capacity with respect to money, credit, securities, or gold or transactions therein, on behalf of any person other than a government, a monetary or financial authority when acting as such, or an international financial institution of which the United States is a member.

(h) The term "foreign", used with reference to institutions or agencies, limits the applicability of the provision wherein it appears to the performance by such institutions or agencies of functions outside the United States.

81 Stat. 54.
62 Stat. 749.

(i) References to this title or any provision thereof include regulations issued under this title or the provision thereof in question.

(j) All reports required under this title and all records of any such reports are specifically exempted from disclosure under section 552 of title 5, United States Code.

(k) For the purposes of section 1001 of title 18, United States Code, the contents of reports required under any provision of this title are statements and representations in matters within the jurisdiction of an agency of the United States.

(l) The term "monetary instruments" means coin and currency of the United States, and in addition, such foreign coin and currencies, and such types of travelers' checks, bearer negotiable instruments, bearer investment securities, bearer securities, and stock with title passing upon delivery, or the equivalent thereof, as the Secretary may by regulation specify for the purposes of the provision of this title to which the regulation relates.

§ 204. Regulations

The Secretary shall prescribe such regulations as he may deem appropriate to carry out the purposes of this title.

§ 205. Compliance

(a) The Secretary shall have the responsibility to assure compliance with the requirements of this title and may delegate such responsibility to the appropriate bank supervisory agency, or other supervisory agency.

(b) The Secretary may by regulation require any class of domestic financial institutions to maintain such procedures as he may deem appropriate to assure compliance with the provisions of this title. For the purposes of both civil and criminal penalties for violations of this section, a separate violation shall be deemed to occur with respect to each day and each separate office, branch, or place of business in which the violation occurs or continues.

§ 206. Exemptions

The Secretary may make such exemptions from any requirement otherwise imposed under this title as he may deem appropriate. Any such exemption may be conditional or unconditional, by regulation, order, or licensing, or any combination thereof, and may relate to any particular transaction, to the type or amount of the transaction, to the party or parties or the classification of parties, or to any combination thereof. The Secretary may in his discretion, in any manner giving actual or constructive notice to the parties affected, revoke any exemption made under this section. Any such revocation shall remain in effect pending any judicial review.

§ 207. Civil penalty

(a) For each willful violation of this title, the Secretary may assess upon any domestic financial institution, and upon any partner, director, officer, or employee thereof who willfully participates in the violation, a civil penalty not exceeding \$1,000.

(b) In the event of the failure of any person to pay any penalty assessed under this title, a civil action for the recovery thereof may, in the discretion of the Secretary, be brought in the name of the United States.

§ 208. Injunctions

Whenever it appears to the Secretary that any person has engaged, is engaged, or is about to engage in any acts or practices constituting a violation of the provisions of this title, or of any order thereunder, he may in his discretion bring an action, in the proper district court

of the United States or the proper United States court of any territory or other place subject to the jurisdiction of the United States, to enjoin such acts or practices, and upon a proper showing a permanent or temporary injunction or restraining order shall be granted without bond. Upon application of the Secretary, any such court may also issue mandatory injunctions commanding any person to comply with the provisions of this title or any order of the Secretary made in pursuance thereof.

§ 209. Criminal penalty

Whoever willfully violates any provision of this title or any regulation under this title shall be fined not more than \$1,000, or imprisoned not more than one year, or both.

§ 210. Additional criminal penalty in certain cases

Whoever willfully violates any provision of this title where the violation is—

- (1) committed in furtherance of the commission of any other violation of Federal law, or
 - (2) committed as part of a pattern of illegal activity involving transactions exceeding \$100,000 in any twelve-month period,
- shall be fined not more than \$500,000 or imprisoned not more than five years, or both.

§ 211. Immunity of witnesses

Whenever a witness refuses on the basis of his privilege against self-incrimination, to testify or provide other information in a proceeding involving any violation of this title before or ancillary to—

- (1) a court or grand jury of the United States,
 - (2) an agency of the United States, or
 - (3) either House of Congress, a joint committee of the two Houses, or a committee or a subcommittee of either House,
- and the person presiding over the proceeding communicates to the witness an order requiring him to give testimony or provide other information, the witness may not refuse to comply with the order on the basis of his privilege against self-incrimination. No such testimony or other information so compelled under the order or evidence or other information which is obtained by the exploitation of such testimony may be used against the witness in any criminal case, except a prosecution for perjury, giving a false statement, or otherwise failing to comply with the order.

§ 212. Availability of information to other Federal agencies

The Secretary shall, upon such conditions and pursuant to such procedures as he may by regulation prescribe, make any information set forth in reports filed pursuant to this title available for a purpose consistent with the provisions of this title to any other department or agency of the Federal Government on the request of the head of such department or agency.

§ 213. Administrative procedure

Subject to section 208(j), the administrative procedure and judicial review provisions of subchapter II of chapter 5 and chapter 7 of title 5, United States Code, shall apply to all proceedings under this title.

Ante, p. 1118.
80 Stat. 381.
5 USC 551-559,
701-706.

Chapter 2.—DOMESTIC CURRENCY TRANSACTIONS

- Sec. 221. Reports of currency transactions required.
- 222. Persons required to file reports.
- 223. Reporting procedure.

§ 221. Reports of currency transactions required

Transactions involving any domestic financial institution shall be reported to the Secretary at such time, in such manner, and in such detail as the Secretary may require if they involve the payment, receipt, or transfer of United States currency, or such other monetary instruments as the Secretary may specify, in such amounts, denominations, or both, or under such circumstances, as the Secretary shall by regulation prescribe.

§ 222. Persons required to file reports

The report of any transaction required to be reported under this chapter shall be signed or otherwise made both by the domestic financial institution involved and by one or more of the other parties thereto or participants therein, as the Secretary may require. If any party to or participant in the transaction is not an individual acting only for himself, the report shall identify the person or persons on whose behalf the transaction is entered into, and shall be made by the individuals acting as agents or bailees with respect thereto.

§ 223. Reporting procedure

(a) The Secretary may in his discretion designate domestic financial institutions, individually or by class, as agents of the United States to receive reports required under this chapter, except that an institution which is not insured, chartered, examined, or registered as such by any agency of the United States may not be so designated without its consent. The Secretary may suspend or revoke any such designation for any violation of this Act, or section 21 of the Federal Deposit Insurance Act, or section 411 of the National Housing Act.

Ante, pp. 1114,
1116.

(b) Any person (other than an institution designated under subsection (a)) required to file a report under this chapter with respect to a transaction with a domestic financial institution shall file the report with that institution, except that (1) if the institution is not designated under subsection (a), the report shall be filed as the Secretary shall prescribe, and (2) any such person may, at his election and in lieu of filing the report in the manner hereinabove prescribed, file the report with the Secretary. Domestic financial institutions designated under subsection (a) shall transmit reports filed with them, and shall file their own reports, as the Secretary shall prescribe.

Chapter 3.—REPORTS OF EXPORTS AND IMPORTS OF MONETARY INSTRUMENTS

Sec.

- 231. Reports required.
- 232. Forfeiture.
- 233. Civil liability.
- 234. Remission by the Secretary.
- 235. Enforcement authority.

§ 231. Reports required

(a) Except as provided in subsection (c) of this section, whoever, whether as principal, agent, or bailee, or by an agent or bailee, knowingly—

(1) transports or causes to be transported monetary instruments—

(A) from any place within the United States to or through any place outside the United States, or

(B) to any place within the United States from or through any place outside the United States, or

(2) receives monetary instruments at the termination of their transportation to the United States from or through any place outside the United States

in an amount exceeding \$5,000 on any one occasion shall file a report or reports in accordance with subsection (b) of this section.

(b) Reports required under this section shall be filed at such times and places, and may contain such of the following information and any additional information, in such form and in such detail, as the Secretary may require:

(1) The legal capacity in which the person filing the report is acting with respect to the monetary instruments transported.

(2) The origin, destination, and route of the transportation.

(3) Where the monetary instruments are not legally and beneficially owned by the person transporting the same, or are transported for any purpose other than the use in his own behalf of the person transporting the same, the identities of the person from whom the monetary instruments are received, or to whom they are to be delivered, or both.

(4) The amounts and types of monetary instruments transported.

(c) Subsection (a) does not apply to any common carrier of passengers in respect of monetary instruments in the possession of its passengers, nor to any common carrier of goods in respect of shipments of monetary instruments not declared to be such by the shipper.

§ 232. Forfeiture

(a) Any monetary instruments which are in the process of any transportation with respect to which any report required to be filed under section 231 (1) either has not been filed or contains material omissions or misstatements are subject to seizure and forfeiture to the United States.

(b) For the purpose of this section, monetary instruments transported by mail, by any common carrier, or by any messenger or bailee, are in process of transportation from the time they are delivered into the possession of the postal service, common carrier, messenger, or bailee until the time they are delivered into or retained in the possession of the addressee or intended recipient or any agent of the addressee or intended recipient for purposes other than further transportation within, or across any border of, the United States.

§ 233. Civil liability

The Secretary may assess a civil penalty upon any person who fails to file any report required under section 231, or who files such a report containing any material omission or misstatement. The amount of the penalty shall not exceed the amount of the monetary instruments with respect to whose transportation the report was required to be filed. The liabilities imposed by this chapter are in addition to any other liabilities, civil or criminal, except that the liability under this section shall be reduced by any amount actually forfeited under section 232.

§ 234. Remission by the Secretary

The Secretary may in his discretion remit any forfeiture or penalty under this chapter in whole or in part upon such terms and conditions as he deems reasonable and just.

§ 235. Enforcement authority

(a) If the Secretary has reason to believe that monetary instruments are in the process of transportation and with respect to which a report required under section 231 has not been filed or contains material omissions or misstatements, he may apply to any court of competent jurisdiction for a search warrant. Upon a showing of probable cause, the court may issue a warrant authorizing the search of any or all of the following:

(1) One or more designated persons.

(2) One or more designated or described places or premises.

(3) One or more designated or described letters, parcels, packages, or other physical objects.

(4) One or more designated or described vehicles.
Any application for a search warrant pursuant to this section shall be accompanied by allegations of fact supporting the application.

(b) This section is not in derogation of the authority of the Secretary under any other law.

Chapter 4.—FOREIGN TRANSACTIONS

Sec.

241. Records and reports required.

242. Classifications and requirements.

§ 241. Records and reports required

(a) The Secretary of the Treasury, having due regard for the need to avoid impeding or controlling the export or import of currency or other monetary instruments and having due regard also for the need to avoid burdening unreasonably persons who legitimately engage in transactions with foreign financial agencies, shall by regulation require any resident or citizen of the United States, or person in the United States and doing business therein, who engages in any transaction or maintains any relationship, directly or indirectly, on behalf of himself or another, with a foreign financial agency to maintain records or to file reports, or both, setting forth such of the following information, in such form and in such detail, as the Secretary may require:

(1) The identities and addresses of the parties to the transaction or relationship.

(2) The legal capacities in which the parties to the transaction or relationship are acting, and the identities of the real parties in interest if one or more of the parties are not acting solely as principals.

(3) A description of the transaction or relationship including the amounts of money, credit, or other property involved.

(b) No person required to maintain records under this section shall be required to produce or otherwise disclose the contents of the records except in compliance with a subpoena or summons duly authorized and issued or as may otherwise be required by law.

§ 242. Classifications and requirements

The Secretary may prescribe:

(1) Any reasonable classification of persons subject to or exempt from any requirement imposed under section 241.

(2) The foreign country or countries as to which any requirement imposed under section 241 applies or does not apply if, in the judgment of the Secretary, uniform applicability of any such requirement to all foreign countries is unnecessary or undesirable.

(3) The magnitude of transactions subject to any requirement imposed under section 241.

(4) Types of transactions subject to or exempt from any requirement imposed under section 241.

(5) Such other matters as he may deem necessary to the application of this chapter.

TITLE IV—EFFECTIVE DATES

§ 401. *Effective dates*

(a) Except as otherwise provided in this section, titles I, II, and III of this Act and the amendments made thereby take effect on the first day of the seventh calendar month which begins after the date of enactment. Ante, pp. 1114, 1118, 1124.

(b) The Secretary of the Treasury may by regulation provide that any provision of title I or II or any amendment made thereby shall be effective on any date not earlier than the publication of the regulation in the Federal Register and not later than the first day of the thirteenth calendar month which begins after the date of enactment. Publication in Federal Register.

(c) The Board of Governors of the Federal Reserve System may by regulation provide that the amendment made by title III shall be effective on any date not earlier than the publication of the regulation in the Federal Register and not later than the first day of the thirteenth calendar month which begins after the date of enactment. Publication in Federal Register.

III. TREASURY DEPARTMENT REGULATIONS ISSUED TO IMPLEMENT TITLES I and II of Public Law 91-508

Chapter I—Monetary Offices, Department of the Treasury

PART 102—INSTRUCTIONS RELATING TO REPORTS OF CURRENCY TRANS- ACTIONS

PART 103—FINANCIAL RECORDKEEP- ING AND REPORTING OF CUR- RENCY AND FOREIGN TRANSAC- TIONS

On June 10, 1971, a notice of proposed rule making to implement the provisions of titles I and II of Public Law 91-508 (84 Stat. 1114 et seq.), was published in the FEDERAL REGISTER (36 F.R. 11208 (1971)). In accordance with the notice, interested parties were afforded an opportunity to submit written comments.

After consideration of all such relevant matters as were presented by interested parties regarding the rules proposed, the regulations set forth below have been adopted.

[SEAL] SAMUEL R. PIERCE, Jr.,
General Counsel.
EUGENE T. ROSSIDES,
Assistant Secretary.

Part 102 is repealed effective July 1, 1972.

Part 103 is added to Title 31 CFR as follows:

Subpart A—Definitions

Sec.
103.11 Meaning of terms.

Subpart B—Reports Required To Be Made

103.21 Determination by the Secretary.
103.22 Reports of currency transactions.
103.23 Reports of transportation of currency or monetary instruments.
103.24 Reports of foreign financial accounts.
103.25 Filing of reports.
103.26 Identification required.

Subpart C—Records Required To Be Maintained

103.31 Determination by the Secretary.
103.32 Records to be made and retained by persons having financial interests in foreign financial accounts.
103.33 Records to be made and retained by financial institutions.
103.34 Additional records to be made and retained by banks.
103.35 Additional records to be made and retained by brokers and dealers in securities.
103.36 Nature of records and retention period.
103.37 Person outside the United States.

Subpart D—General Provisions

103.41 Dollars as including foreign currency.
103.42 Photographic or other reproductions of Government obligations.
103.43 Availability of information.
103.44 Disclosure.
103.45 Exceptions, exemptions, modifications, and reports.
103.46 Enforcement.
103.47 Civil penalty.
103.48 Forfeiture of currency or monetary instruments.

103.49 Civil penalty.

103.50 Enforcement authority with respect to transportation of currency or monetary instruments.

AUTHORITY: The provisions of this Part 103 issued under sec. 21 of the Federal Deposit Insurance Act, 84 Stat. 1114, 12 U.S.C. 1829b; 84 Stat. 1116, 12 U.S.C. 1951-1959; and the Currency and Foreign Transactions Reporting Act, 84 Stat. 1118, 31 U.S.C. 1051-1122.

Subpart A—Definitions

§ 103.11 Meaning of terms.

When used in this part and in forms prescribed under this part, where not otherwise distinctly expressed or manifestly incompatible with the intent thereof, terms shall have the meanings ascribed in this section.

Bank. (a) Each agency, branch or office within the United States of any person doing business in one or more of the capacities listed below:

(1) A commercial bank or trust company organized under the laws of any State or of the United States;

(2) A private bank;

(3) A savings and loan association or a building and loan association organized under the laws of any State or of the United States;

(4) An insured institution as defined in section 401 of the National Housing Act;

(5) A savings bank, industrial bank or other thrift institution;

(6) A credit union organized under the laws of any State or of the United States; and

(7) Any other organization chartered under the banking laws of any State and subject to the supervision of the bank supervisory authorities of a State.

(b) Each agent, agency, branch or office within the United States of a foreign bank.

Broker or dealer in securities. A broker or dealer in securities, registered or required to be registered with the Securities and Exchange Commission under the Securities Exchange Act of 1934.

Currency. The coin and currency of the United States or of any other country, which circulate in and are customarily used and accepted as money in the country in which issued. It includes U.S. silver certificates, U.S. notes and Federal Reserve notes, but does not include bank checks or other negotiable instruments not customarily accepted as money.

Domestic. When used herein, refers to the doing of business within the United States, and limits the applicability of the provision where it appears to the performance by such institutions or agencies of functions within the United States.

Financial institution. Each agency, branch or office within the United States of any person doing business in one or more of the capacities listed below:

(1) A bank;

(2) A broker or dealer in securities;

(3) A person who engages as a business in dealing in or exchanging currency as, for example, a dealer in foreign ex-

change or a person engaged primarily in the cashing of checks;

(4) A person who engages as a business in the issuing, selling or redeeming of travelers' checks, money orders, or similar instruments, except one who does so as a selling agent exclusively or as an incidental part of another business;

(5) An operator of a credit card system which issues, or authorizes the issuance of, credit cards that may be used for the acquisition of monetary instruments, goods, or services outside the United States.

(6) A licensed transmitter of funds, or other person engaged in the business of transmitting funds abroad for others.

Foreign bank. A bank organized under foreign law, or an agency, branch or office located outside the United States of a bank. The term does not include an agent, agency, branch or office within the United States of a bank organized under foreign law.

Investment security. An instrument which:

(1) Is issued in bearer or registered form;

(2) Is of a type commonly dealt in upon securities exchanges or markets or commonly recognized in any area in which it is issued or dealt in as a medium for investment;

(3) Is either one of a class or series or by its terms is divisible into a class or series of instruments; and

(4) Evidences a share, participation or other interest in property or in an enterprise or evidences an obligation of the issuer.

Monetary instruments. Coin or currency of the United States or of any other country, travelers' checks, money orders, investment securities in bearer form or otherwise in such form that title thereto passes upon delivery, and negotiable instruments (except warehouse receipts or bills of lading) in bearer form or otherwise in such form that title thereto passes upon delivery. The term does not include bank checks made payable to the order of a named person which have not been endorsed or which bear restrictive endorsements.

Person. An individual, a corporation, a partnership, a trust or estate, a joint stock company, an association, a syndicate, joint venture, or other unincorporated organization or group, and all entities cognizable as legal personalities.

Secretary. The Secretary of the Treasury or any person duly authorized by the Secretary to perform the function mentioned.

Transaction in currency. A transaction involving the physical transfer of currency from one person to another. A transaction which is a transfer of funds by means of bank check, bank draft, wire transfer, or other written order, and which does not include the physical transfer of currency is not a transaction in currency within the meaning of this part.

United States. The various States, the District of Columbia, the Commonwealth

of Puerto Rico, and the territories and possessions of the United States.

Subpart B—Reports Required To Be Made

§ 103.21 Determination by the Secretary.

The Secretary hereby determines that the reports required by this subpart have a high degree of usefulness in criminal, tax, or regulatory investigations or proceedings.

§ 103.22 Reports of currency transactions.

(a) Each financial institution shall file a report of each deposit, withdrawal, exchange of currency or other payment or transfer, by, through, or to such financial institution, which involves a transaction in currency of more than \$10,000.¹

(b) Except as otherwise directed in writing by the Secretary, this section shall not (1) require reports of transactions with Federal Reserve Banks or Federal Home Loan Banks; (2) require reports of transactions solely with, or originated by, financial institutions or foreign banks; or (3) require a bank to report transactions with an established customer maintaining a deposit relationship with the bank, in amounts which the bank may reasonably conclude do not exceed amounts commensurate with the customary conduct of the business, industry or profession of the customer concerned. A report listing such customers who engage in transactions which are not reported because of the exemption contained in this paragraph shall be made to the Secretary upon demand therefor made by him.

§ 103.23 Reports of transportation of currency or monetary instruments.

(a) Each person who physically transports, mails, or ships, or causes to be physically transported, mailed or shipped, currency or other monetary instruments in an aggregate amount exceeding \$5,000 on any one occasion from the United States to any place outside the United States, or into the United States from any place outside the United States, shall make a report thereof.² A person is deemed to have caused such transportation, mailing or shipping when he aids, abets, counsels, commands, procures or requests it to be done by a financial institution or any other person. A transfer of funds through normal banking procedures which does not involve the physical transportation of currency or monetary instruments is not required to be reported by this section.

(b) Each person who receives in the United States currency or other monetary instruments in an aggregate amount exceeding \$5,000 on any one occasion which have been transported, mailed, or shipped to such person from any place outside the United States with respect to

¹ Forms filed as part of the original document.

² Forms filed as part of the original document.

which report has not been filed under paragraph (a) of this section, whether or not required to be filed thereunder, shall make a report thereof, stating the amount, the date of receipt, the form of monetary instruments, and the person from whom received.

(c) This section shall not require reports by (1) a Federal Reserve bank, (2) a bank, a foreign bank, or a broker or dealer in securities, in respect to currency or other monetary instruments mailed or shipped through the postal service or by common carrier, (3) a person who is not a citizen or resident of the United States in respect to currency or other monetary instruments mailed or shipped from abroad to a bank or broker or dealer in securities through the postal service or by common carrier, (4) a common carrier of passengers in respect to currency or other monetary instruments in the possession of its passengers, (5) a common carrier of goods in respect to shipments of currency or monetary instruments not declared to be such by the shipper, (6) a travelers' check issuer or its agent in respect to the transportation of travelers' checks prior to their delivery to selling agents for eventual sale to the public, nor by (7) a person engaged as a business in the transportation of currency, monetary instruments and other commercial papers with respect to the transportation of currency or other monetary instruments overland between established offices of banks or brokers or dealers in securities and foreign banks.

(d) This section does not require that more than one report be filed covering a particular transportation, mailing or shipping of currency or other monetary instruments with respect to which a complete and truthful report has been filed by a person. However, no person required by paragraph (a) or (b) of this section to file a report shall be excused from liability for failure to do so if, in fact, a complete and truthful report has not been filed.

§ 103.24 Reports of foreign financial accounts.

Each person subject to the jurisdiction of the United States (except a foreign subsidiary of a U.S. person) having a financial interest in, or signature or other authority over, a bank, securities or other financial account in a foreign country shall report such relationship as required on his Federal income tax return for each year in which such relationship exists, and shall provide such information concerning each such account as shall be specified in a special tax form to be filed by such persons.

§ 103.25 Filing of reports.

(a) Reports required to be filed by the first paragraph of § 103.22 shall be filed on or before the 45th day following that on which the reported transactions occur. They shall be filed with the Commissioner of Internal Revenue on forms to be prescribed by him, with the approval of the Secretary. All information called for in such forms shall be furnished.

(b) Reports required to be filed by § 103.23 shall be filed at the time of entry into the United States or at the time of departure, mailing or shipping from the United States, unless otherwise directed or permitted by the Commissioner of Customs. They shall be filed with the Customs officer in charge at any Customs port of entry or departure, or as otherwise permitted or directed by the Commissioner of Customs. If the currency or other monetary instruments with respect to which a report is required do not accompany a person entering or departing from the United States, such reports may be filed by mail on or before the date of entry, departure, mailing or shipping, with the Commissioner of Customs, Attention: Currency Transportation Reports, Washington, D.C. 20226. They shall be on forms to be prescribed by the Secretary and all information called for in such forms shall be furnished.

(c) Reports required to be filed by § 103.23(b) shall be filed with the Commissioner of Customs within 30 days after receipt of the currency or other monetary instruments. They may be filed with the Customs officer in charge at any port of entry or departure, or by mail addressed to the Commissioner of Customs, Attention: Currency Transportation Reports, Washington, D.C. 20226. They shall be on forms to be prescribed by the Secretary and all information called for in such forms shall be furnished.

(d) Forms to be used in making the reports required by §§ 103.22 and 103.23 may be obtained from any Internal Revenue office; in addition, forms to be used in making the reports required by § 103.23 may be obtained from any office of the Bureau of Customs.

§ 103.26 Identification required.

Before effecting any transaction with respect to which a report is required under the first paragraph of § 103.22, a financial institution shall verify and record the identity, and record the account number on its books or the social security or taxpayer identification number, if any, of a person with whom or for whose account such transaction is to be effected. Verification of identity for a customer of the financial institution depositing or withdrawing funds may be by reference to his account or other number on the books of the institution. Verification of identity in any other case may be by examination, for example, of a driver's license, passport, alien identification card, or other appropriate document normally acceptable as a means of identification.

Subpart C—Records Required To Be Maintained

§ 103.31 Determination by the Secretary.

The Secretary hereby determines that the records required to be kept by this subpart have a high degree of usefulness in criminal, tax, or regulatory investigations or proceedings.

tained by persons having financial interests in foreign financial accounts.

Records of accounts required by § 103.24 to be reported on a Federal income tax return shall be retained by each person having a financial interest in any such account. Such records shall contain the name in which each such account is maintained, the number or other designation of such account, the name and address of the foreign bank or other person with whom such account is maintained, the type of such account, and the maximum value of each such account during the reporting period. Such records shall be retained for a period of 5 years and shall be kept at all times available for inspection as authorized by law. In the computation of the period of 5 years, there shall be disregarded any period beginning with a date on which the taxpayer is indicted or information instituted on account of the filing of a false or fraudulent Federal income tax return or failing to file a Federal income tax return, and ending with the date on which final disposition is made of the criminal proceeding.

§ 103.33 Records to be made and retained by financial institutions.

Each financial institution shall retain either the original or a microfilm or other copy or reproduction of each of the following:

(a) A record of each extension of credit in an amount in excess of \$5,000, except an extension of credit secured by an interest in real property, which record shall contain the name and address of the person to whom the extension of credit is made, the amount thereof, the nature or purpose thereof, and the date thereof;

(b) A record of each advice, request, or instruction received regarding a transaction which results in the transfer of funds, or of currency, other monetary instruments, checks, investment securities, or credit, of more than \$10,000 to a person, account, or place outside the United States;

(c) A record of each advice, request, or instruction given to another financial institution or other person located within or without the United States, regarding a transaction intended to result in the transfer of funds, or of currency, other monetary instruments, checks, investment securities, or credit, of more than \$10,000 to a person, account or place outside the United States;

§ 103.34 Additional records to be made and retained by banks.

(a) With respect to each deposit or share account opened with a bank after June 30, 1972, by a person residing or doing business in the United States or a citizen of the United States, such bank shall secure and maintain a record of the taxpayer identification number of the person maintaining the account; or in the case of an account of one or more individuals, such bank shall secure and maintain a record of the social security

cial interest in that account.

(b) Each bank shall, in addition, retain either the original or a microfilm or other copy or reproduction of each of the following:

(1) Each document granting signature authority over each deposit or share account;

(2) Each statement, ledger card or other record on each deposit or share account, showing each transaction in, or with respect to, that account;

(3) Each check, clean draft, or money order drawn on the bank or issued and payable by it, except those drawn on accounts which can be expected to have drawn on them an average of at least 100 checks per month over the calendar year or on each occasion on which such checks are issued, and which are (i) dividend checks, (ii) payroll checks, (iii) employee benefit checks, (iv) insurance claim checks, (v) medical benefit checks, (vi) checks drawn on governmental agency accounts, (vii) checks drawn by brokers or dealers in securities, (viii) checks drawn on fiduciary accounts, (ix) checks drawn on other financial institutions, or (x) pension or annuity checks;

(4) Each item other than bank charges or periodic charges made pursuant to agreement with the customer, comprising a debit to a customer's deposit or share account, not required to be kept, and not specifically exempted, under subparagraph (3) of this paragraph;

(5) Each item, including checks, drafts, or transfers of credit, of more than \$10,000 remitted or transferred to a person, account or place outside the United States;

(6) A record of each remittance or transfer of funds, or of currency, other monetary instruments, checks, investment securities, or credit, of more than \$10,000 to a person, account or place outside the United States;

(7) Each check or draft in an amount in excess of \$10,000 drawn on or issued by a foreign bank, purchased, received for credit or collection, or otherwise acquired by the bank;

(8) Each item, including checks, drafts or transfers of credit, of more than \$10,000 received directly and not through a domestic financial institution, by letter, cable or any other means, from a person, account or place outside the United States;

(9) A record of each receipt of currency, other monetary instruments, checks, or investment securities, and of each transfer of funds or credit, of more than \$10,000 received on any one occasion directly and not through a domestic financial institution, from a person, account or place outside the United States; and

(10) Records prepared or received by a bank in the ordinary course of business, which would be needed to reconstruct a demand deposit account and to trace a check deposited in such account through its domestic processing system

check. This subparagraph shall be applicable only with respect to demand deposits.

§ 103.35 Additional records to be made and retained by brokers and dealers in securities.

(a) With respect to each brokerage account opened with a broker or dealer in securities after June 30, 1972, by a person residing or doing business in the United States or a citizen of the United States, such broker or dealer shall secure and maintain a record of the taxpayer identification number of the person maintaining the account; or in the case of an account of one or more individuals, such broker or dealer shall secure and maintain a record of the social security number of an individual having a financial interest in that account.

(b) Every broker or dealer in securities shall, in addition, retain either the original or a microfilm or other copy or reproduction of each of the following:

(1) Each document granting signature or trading authority over each customer's account;

(2) Each record described in § 240.17a-3(a) (1), (2), (3), (5), (6), (7), (8), and (9) of Title 17, Code of Federal Regulations;

(3) A record of each remittance or transfer of funds, or of currency, checks, other monetary instruments, investment securities, or credit, of more than \$10,000 to a person, account or place outside the United States;

(4) A record of each receipt of currency, other monetary instruments, checks, or investment securities and of each transfer of funds or credit, of more than \$10,000 received on any one occasion directly and not through a domestic financial institution, from any person, account or place outside the United States.

§ 103.36 Nature of records and retention period.

(a) Wherever it is required that there be retained either the original or a microfilm or other copy or reproduction of a check, draft, monetary instrument, investment security, or other similar instrument, there shall be retained a copy of both front and back of each such instrument or document, except that no copy need be retained of the back of any instrument or document which is entirely blank or which contains only standardized printed information, a copy of which is on file.

(b) Records required by this subpart to be retained by financial institutions may be those made in the ordinary course of business by a financial institution. If no record is made in the ordinary course of business of any transaction with respect to which records are required to be retained by this subpart, then such a record shall be prepared in writing by the financial institution.

(c) Records which are required by § 103.34(b) (10) to be retained by banks shall be retained for a period of 2 years. All other records which are required by this subpart to be retained by financial institutions shall be retained for a period

or store, such a way as to be accessible within a reasonable period of time, taking into consideration the nature of the record, and the amount of time expired since the record was made.

§ 103.37 Person outside the United States.

For the purposes of this subpart, a remittance or transfer of funds, or of currency, other monetary instruments, checks, investment securities, or credit to the domestic account of a person whose address is known by the person making the remittance or transfer, to be outside the United States, shall be deemed to be a remittance or transfer to a person outside the United States, except that, unless otherwise directed by the Secretary, this section shall not apply to a transaction on the books of a domestic financial institution involving the account of a customer of such institution whose address is within approximately 50 miles of the location of the institution, or who is known to be temporarily outside the United States.

Subpart D—General Provisions

§ 103.41 Dollars as including foreign currency.

Wherever in this part an amount is stated in dollars, it shall be deemed to mean also the equivalent amount in any foreign currency.

§ 103.42 Photographic or other reproductions of Government obligations.

Nothing herein contained shall require or authorize the microfilming or other reproduction of

(a) Currency or other obligation or security of the United States as defined in 18 U.S.C. 8, or

(b) Any obligation or other security of any foreign government,

the reproduction of which is prohibited by law.

§ 103.43 Availability of information.

The Secretary may make any information set forth in any reports received pursuant to this part available to any other department or agency of the United States upon the request of the head of such department or agency, made in writing and stating the particular information desired, the criminal, tax, or regulatory investigation or proceeding in connection with which the information is sought, and the official need therefor.

§ 103.44 Disclosure.

All reports required under this part and all records of such reports are specifically exempted from disclosure under section 552 of title 5, United States Code.

§ 103.45 Exceptions, exemptions, modifications, and reports.

(a) The Secretary, in his sole discretion, may by written order or authorization make exceptions to, grant exemptions from, impose additional record-keeping or reporting requirements authorized by statute, or otherwise modify, the requirements of this part. Such ex-

ceptions, exemptions, requirements or modifications may be conditional or unconditional, may apply to particular persons or to classes of persons, and may apply to particular transactions or classes of transactions. They shall, however, be applicable only as expressly stated in the order or authorization, and they shall be revocable in the sole discretion of the Secretary.

(b) The Secretary shall have authority to further define all terms used herein.

§ 103.46 Enforcement.

(a) Responsibility for assuring compliance with the requirements of this part is delegated as follows:

(1) To the Comptroller of the Currency, with respect to national banks and banks in the District of Columbia;

(2) To the Board of Governors of the Federal Reserve System, with respect to State bank members of the Federal Reserve System;

(3) To the Federal Home Loan Bank Board, with respect to insured building and loan associations, insured savings and loan associations, and insured institutions as defined in section 401 of the National Housing Act;

(4) To the Administrator of the National Credit Union Administration, with respect to Federal credit unions;

(5) To the Federal Deposit Insurance Corporation, with respect to all other banks except agents of foreign banks which agents are not supervised by State or Federal bank supervisory authorities;

(6) To the Securities and Exchange Commission, with respect to brokers and dealers in securities;

(7) To the Commissioner of Customs with respect to §§ 103.23 and 103.48;

(8) To the Commissioner of Internal Revenue except as otherwise specified in this section.

(b) Overall responsibility for coordinating the procedures and efforts of the agencies listed herein and assuring compliance with this part, is delegated to the Assistant Secretary (Enforcement, Tariff and Trade Affairs, and Operations). Periodic reports shall be made by each such agency to the Assistant Secretary, with copies to the General Counsel of the Treasury Department and to the Commissioner of Internal Revenue.

§ 103.47 Civil penalty.

(a) For any willful violation of any requirement of this part, the Secretary may assess upon any domestic financial institution, and upon any partner, director, officer or employee thereof who willfully participates in the violation, a civil penalty not exceeding \$1,000.

(b) For any failure to file a report required under § 103.23 or for filing such a report containing any material omission or misstatement, the Secretary may assess a civil penalty up to the amount of the currency or monetary instruments transported, mailed or shipped, less any amount forfeited under § 103.48.

§ 103.48 Forfeiture of currency or monetary instruments.

Any currency or other monetary instruments which are in the process of

any transportation with respect to which a report is required under § 103.23 are subject to seizure and forfeiture in the United States if such report has not been filed as required in § 103.25, or contains material omissions or misstatements. The Secretary may, in his sole discretion, remit or mitigate any such forfeiture in whole or in part upon such terms and conditions as he deems reasonable.

§ 103.49 Criminal penalty.

(a) Any person who willfully violates any provision of this part may, upon conviction thereof, be fined not more than \$1,000 or be imprisoned not more than 1 year, or both. Such person may in addition, if the violation is of any provision authorized by title I of Public Law 91-508 and if the violation is committed in furtherance of the commission of any violation of Federal law punishable by imprisonment for more than 1 year, be fined not more than \$10,000 or be imprisoned not more than 5 years, or both.

(b) Any person who willfully violates any provision of title II of Public Law 91-508, or of this part authorized thereby, where the violation is either

(1) Committed in furtherance of the commission of any other violation of Federal law, or

(2) Committed as part of a pattern of illegal activity involving transactions exceeding \$100,000 in any 12-month period, may, upon conviction thereof, be fined not more than \$500,000 or be imprisoned not more than 5 years, or both.

(c) Any person who knowingly makes any false, fictitious or fraudulent statement or representation in any report required by this part may, upon conviction thereof, be fined not more than \$10,000 or be imprisoned not more than 5 years, or both.

§ 103.50 Enforcement authority with respect to transportation of currency or monetary instruments.

(a) If the Secretary has reason to believe that currency or monetary instruments are in the process of transportation and with respect to which a report required under § 103.23 has not been filed or contains material omissions or misstatements, he may apply to any court of competent jurisdiction for a search warrant. Upon a showing of probable cause, the court may issue a warrant authorizing the search of any or all of the following:

(1) One or more designated persons.

(2) One or more designated or described places or premises.

(3) One or more designated or described letters, parcels, packages, or other physical objects.

(4) One or more designated or described vehicles. Any application for a search warrant pursuant to this section shall be accompanied by allegations of fact supporting the application.

(b) This section is not in derogation of the authority of the Secretary under any other law or regulation.

Effective date. This part shall become effective July 1, 1972.

[FR Doc.72-5171 Filed 4-4-72;8:47 am]

IV. CURRENCY AND FOREIGN TRANSACTIONS REPORTING FORMS

U.S. Information Return on Foreign Bank, Securities, and Other Financial Accounts

▶ Attach to your tax return.

For the calendar year 19..... or other taxable year beginning, 19....., and ending, 19.....

Complete this form showing your relationship during the taxable year to one or more bank, securities or other financial accounts in foreign countries. Use additional sheets if necessary.

Name(s) as shown on return Tax identifying number (Social security number or employer identification number if other than individual)	Check type of return <input type="checkbox"/> Individual <input type="checkbox"/> Partnership <input type="checkbox"/> Corporation <input type="checkbox"/> Small business corporation <input type="checkbox"/> Fiduciary
--	--

NOTE: Ownership of 50% or less of the stock of any corporation which owns one or more foreign accounts is not a "financial interest" in these accounts and need not be reported by the shareholder. Accounts in a U.S. military banking facility operated by a U.S. financial institution are not foreign accounts and need not be reported.

If you wish, you may also submit any other information or explanation not required by this form concerning your interest in or authority over an account.

Part I Check all appropriate boxes. See instruction F for definition of "financial interest." Use additional sheets if necessary.

1. I had signature authority or other authority over one or more foreign accounts, but I had no "financial interest" in such accounts (see instruction I). Indicate for these accounts:
 Name and tax identifying number (if any) of each owner
 Address of each owner
 (Do not complete Part II for these accounts.)
2. I had a "financial interest" in one or more foreign accounts, but the total maximum value of these accounts (see instruction H) did not exceed \$10,000 at any time during the taxable year. (If you checked this box, do not complete Part II.)
3. I had a "financial interest" in 25 or more foreign accounts. (If you checked this box, do not complete Part II.)
4. I had a "financial interest" in one or more but fewer than 25 foreign accounts, and the total maximum value of these accounts (see instruction H) exceeded \$10,000 during the taxable year. (If you checked this box, complete Part II.)

Part II Complete this part ONLY if you checked item 4, and provide information in items 5 through 10 for each account. Please use a separate Form 4683 for each account or use your own schedule to provide this information.

To avoid duplicate reporting on accounts owned by a corporation, partnership, or trust required to file this form, you may follow the procedure in instruction J by checking this box and completing the statement on the back of this form.

5. Name in which account is maintained	6. Name of bank or other person with whom account is maintained
7. Number and other account designation, if any	8. Address of office or branch where account is maintained

9. Type of account. (If not certain of English name for the type of account, give the foreign language name and describe the nature of the account. Attach additional sheets if necessary.)

Savings, demand, or checking Securities Other (specify)

10. Maximum value of account (see instruction H)

Under \$50,000 \$50,000 to \$100,000 Over \$100,000 Unable to determine (attach explanation)

Instructions

A. Who Must File a Return.—Each United States person who has a financial interest in or signature authority or other authority over a bank, securities, or other financial account in a foreign country at any time during a taxable year, must report that relationship for each taxable year. Do this by checking the appropriate box on the Form 1040, 1041, 1065, 1120, 1120L, 1120M, or 1120S you file for the taxable year and by filing with that return an information return on Form 4683 for that year.

B. United States Person.—The term "United States person" means (1) a citizen or resident of the United States, (2) a domestic partnership, (3) a domestic corporation, and (4) a domestic estate or trust.

C. Account in a Foreign Country.—A "foreign country" includes all geographical areas located outside the United States, its possessions, and Puerto Rico.

Report any account maintained with a branch, agency, or other office of a bank (except a military banking facility as defined in instruction D) or broker or dealer in securities that is located in

a foreign country, even if it is a part of a United States bank or other institution. Do not report any account maintained with a branch, agency, or other office of a foreign bank or other institution that is located in the United States, its possessions, or Puerto Rico.

D. Military Banking Facility.—Do not consider as an account in a foreign country an account in an institution known as a "United States military banking facility" (or "United States military finance facility") operated by a United States financial institution un-

(Continued on back)

der designation by the United States Treasury to serve U.S. Government installations abroad, even if the United States military banking facility is located in a foreign country.

E. Bank, Securities, or Other Financial Account.—The term "bank account" means a savings, demand, checking, deposit, loan, or any other account maintained with a person engaged in the business of banking. It includes certificates of deposit.

The term "securities account" means an account maintained with a person who buys, sells, holds, or trades stock or other securities for the benefit of another.

The term "other financial account" means any other account maintained with any person who accepts deposits, exchanges or transmits funds, or acts as a broker or dealer for future transactions in any commodity on (or subject to the rules of) a commodity exchange or association.

F. Financial Interest.—A financial interest in a bank, securities, or other financial account in a foreign country means an interest described in either of the following two paragraphs:

(1) A United States person has a financial interest in each account for which he is the owner of record or has legal title, whether the account is maintained for such person's own benefit or for the benefit of others including non-United States persons. If an account is maintained in the name of two persons jointly, or if several persons each own a partial interest in an account, each of those United States persons has a financial interest in that account.

(2) A United States person has a financial interest in each bank, securities, or other financial account in a foreign country for which the owner of record or holder of legal title is: (a) a person acting as an agent, nominee, attorney, or in some other capacity on behalf of the U.S. person; (b) a corporation in which the United States person owns directly or indirectly more than 50 percent of the voting stock or more than 50 percent of the total value of shares of stock; (c) a partnership in which the United States person owns an interest in more than 50 percent of the profits (distributive share of income); or (d) a

trust in which the United States person either has a present beneficial interest in more than 50 percent of the assets, or from which such person receives more than 50 percent of the current income.

G. Signature or Other Authority Over an Account.—

Signature Authority.—A person has signature authority over an account if he can control the disposition of money or other property in it by delivery of a document containing his signature (or his signature and that of one or more other persons) to the bank or other person with whom the account is maintained.

Other authority exists in a person who can exercise comparable power over an account by direct communication to the bank or other person with whom the account is maintained, either orally or by some other means.

H. Account Valuation.—For items 2, 4, and 10, the maximum value of an account is the largest amount of currency and non-monetary assets that appears on any quarterly or more frequent account statement issued for the applicable taxable year. If periodic account statements are not so issued, the maximum account asset value is the largest amount of currency and non-monetary assets in the account at any time during the taxable year. Convert foreign currency by using the official exchange rate at the end of the taxable year. In valuing currency of a country that uses multiple exchange rates, use the rate which would apply if the currency in the account were converted into United States dollars at the close of the taxable year.

The value of stock, other securities or other non-monetary assets in an account reported on Form 4683 is the fair market value at the end of the taxable year, or if withdrawn from the account, at the time of withdrawal.

For purposes of items 2 and 4, if you had a financial interest in more than one account, each account is to be valued separately in accordance with the foregoing two paragraphs.

If you had a financial interest in one or more but fewer than 25 accounts, and you are unable to determine whether the maximum value of these accounts exceeded \$10,000 at any time during

the taxable year, check item 4 (do not check item 2) and complete Part II for each of these accounts.

I. United States Persons with Only Authority Over but No Interest in an Account.—Except as provided in the following paragraph, you must state the name, address, and tax identifying number (if any) of each owner of an account over which you had authority, but if you check item 1 for more than one account of the same owner, you need identify the owner only once.

If you check item 1 for one or more accounts in which no United States person had a financial interest, you may state on the first line of this item, in lieu of supplying information about the owner, "No U.S. person had any financial interest in the foreign accounts." This statement must be based upon the actual belief of the person filing this form after he has taken reasonable measures to ensure its correctness.

If you check item 1 for accounts owned by a domestic corporation and its domestic and/or foreign subsidiaries, you may treat them as one owner and write in the space provided, the name of the parent corporation, followed by "and related entities," and the tax identifying number and address of the parent corporation.

J. Avoiding Duplicate Reporting.—

If you had a financial interest (as defined in instruction F(2)(b), (c) or (d)) in one or more accounts identified in item 4 which are owned by a domestic corporation, partnership or trust which is required to file Form 4683 with respect to these accounts, in lieu of completing items 5 through 10 for each such account you may check the box in the introduction to Part II and fill in the statement below.

K. Providing Additional Information.—Any person checking one or more boxes of Part I of this form, when requested by the Internal Revenue Service, shall provide information concerning each account reported in Part I that is necessary to determine such person's Federal income tax liability.

L. Penalties.—For criminal penalties for failure to file a return or to supply information, and for filing a false or fraudulent return, see sections 7203 and 7206 of the Internal Revenue Code.

Statement (Pursuant to Instruction J) Relating to a "Financial Interest" in Foreign Accounts Owned by a Domestic Corporation, Partnership or Trust

I had a "financial interest" in one or more foreign accounts owned by a domestic corporation, partnership or trust which is required to file Form 4683.

Name and tax identifying number of each such corporation, partnership or trust

Address of each such corporation, partnership or trust

(Do not complete items 5 through 10 on the front of this form for these accounts.)

Currency Transaction Report

File a separate report for each transaction
 (Complete all applicable parts—see instructions)

Part I Identity of person who conducted this transaction with the financial institution

Name (Last, first and middle initial)	Social security number
Number and street	Business, occupation or profession
City or town, State and ZIP code	

Part II Person or organization for whom this transaction was completed (Complete only if different than Part I)

Name	Identifying number
Number and street	Business, occupation or profession
City or town, State and ZIP code	

Part III Description of transaction (If additional space is needed, attach a separate schedule)

1. Nature of transaction (check the applicable boxes)

- | | |
|--|--|
| <input type="checkbox"/> Deposit | <input type="checkbox"/> Check purchased |
| <input type="checkbox"/> Withdrawal | <input type="checkbox"/> Traveler's checks purchased |
| <input type="checkbox"/> Currency exchange | <input type="checkbox"/> Security purchase (specify) |
| <input type="checkbox"/> Check cashed | <input type="checkbox"/> Other (specify) |

- | | | |
|---|---|--|
| 2. Total amount of currency transaction (in U.S. dollars) | 3. Amount in denominations of \$100 or higher | 4. Date of transaction (Month, day and year) |
|---|---|--|

5. If other than U.S. currency is involved, please furnish the following information:

Currency name	Country	Total amount of foreign currency
---------------	---------	----------------------------------

6. If a check was involved in this transaction, please furnish the following information (See instructions):

Date and amount of check	Payee
Drawer of check	Drawee bank and City of location

Part IV Type of identification presented in this transaction

By customers: <input type="checkbox"/> Savings account number..... <input type="checkbox"/> Checking account number..... <input type="checkbox"/> Share account number..... <input type="checkbox"/> Loan account number..... <input type="checkbox"/> Safety deposit box number..... <input type="checkbox"/> Other (specify)	By others: <input type="checkbox"/> Driver's permit. State Number
	<input type="checkbox"/> Passport Country Number
	<input type="checkbox"/> Alien ID card Country Number
	<input type="checkbox"/> Other (specify)

Part V Financial institution reporting the financial transaction

Name and address	Identifying number (see instructions)
	Business activity

Sign here ----- Authorized signature ----- Title ----- Date

General Instructions

This report is required by Treasury Department regulations (31 Code of Federal Regulations 103).

Who Must File.—Beginning July 1, 1972, each financial institution (as described in these instructions) shall file a report of each deposit, withdrawal, exchange of currency or other payment or transfer, by, through, or to such financial institution, which involves a transaction in currency of more than \$10,000.

Exceptions.—Financial institutions are not required to file Form 4789 for transactions:

- (1) with Federal Reserve Banks or Federal Home Loan Banks;
- (2) solely with, or originated by, financial institutions or foreign banks; or
- (3) between a bank and established customers maintaining a deposit relationship with the bank, in amounts which the bank may reasonably conclude do not exceed amounts commensurate with the customary conduct of the customer's business, industry or profession.

However, upon request each bank shall submit a report listing those customers who engage in transactions which were not reported because of the exemption in (3).

When and Where to File.—This report shall be filed on or before the 45th day following the date of the transaction with the Internal Revenue Service Center, 11601 Roosevelt Boulevard, Philadelphia, Pennsylvania 19155. Forms may be obtained from any Internal Revenue Service office.

Identifying Number.—Social security number or employer identification number if other than individual.

Identification Required.—Before any transaction is effected a financial institution shall verify and record the identity, and record the account number on its books or the social security or taxpayer identification number, if any, of a person with whom or for whose account such transaction is to be effected. Verification of identity for a customer of the financial institution depositing or withdrawing funds may be by reference to his account or other number on the books of the institution. Verification of identity in any other case may be by examination, for example, of a driver's license, passport, alien identification card, or other appropriate document normally acceptable as a means of identification.

Penalties.—Civil and criminal penalties are provided for failure to file a report or to supply information, and for filing a false or fraudulent report. See sections 103.47 and 103.49 of the regulations.

Specific Instructions

Part I.—(1) In the address block, enter the permanent address of the person conducting the transaction.

- (2) In the social security block, enter the social security number of the person conducting the transaction. If the person has no number, write "None" in this block.

Part II.—(1) In the name block, individuals should enter their last name, first name and middle initial, if any, in that order. All others should enter their complete organization name.

- (2) In the identifying number block, enter the social security number or employer identification number.

Part III, line 6.—This part should be completed only where a check is cashed or a bank check is purchased with currency.

Part IV.—See instruction "Identification Required," above.

Part V.—Institutions may also enter in the name and address block other identifying information.

Definitions

Bank.—Each agent, agency, branch or office within the United States of a foreign bank and each agency, branch or office within the United States of any person doing business in one or more of the capacities listed below:

- (1) a commercial bank or trust company organized under the laws of any state or of the United States;
- (2) a private bank;
- (3) a savings and loan association or a building and loan association organized under the laws of any state or of the United States;
- (4) an insured institution as defined in section 401 of the National Housing Act;
- (5) a savings bank, industrial bank or other thrift institution;
- (6) a credit union organized under the laws of any state or of the United States; and
- (7) any other organization chartered under the banking laws of any state and subject to the supervision of the bank supervisory authorities of a state.

Currency.—The coin and currency of the United States or of any other country, which circulate in and are customarily used and accepted as money in the country in which issued. It includes United States silver certificates, United States notes and Federal Reserve notes, but does not include bank checks or other negotiable instruments not customarily accepted as money.

Financial Institution.—Each agency, branch or office within the United States of any person doing business in one or more of the capacities listed below:

- (1) a bank;
- (2) a broker or dealer in securities, registered or required to be registered with the Securities and Exchange Commission under the Securities Exchange Act of 1934;
- (3) a person who engages as a business in dealing in or exchanging currency as, for example, a dealer in foreign exchange or a person engaged primarily in the cashing of checks;
- (4) a person who engages as a business in the issuing, selling or redeeming of travelers' checks, money orders, or similar instruments, except one who does so as a selling agent exclusively, or as an incidental part of another business;
- (5) an operator of a credit card system which issues, or authorizes the issuance of, credit cards that may be used for the acquisition of monetary instruments, goods, or services outside the United States.
- (6) a licensed transmitter of funds, or other person engaged in the business of transmitting funds abroad for others.

Person.—An individual, a corporation, a partnership, a trust or estate, a joint stock company, an association, a syndicate, joint venture, or other unincorporated organization or group, and all entities cognizable as legal personalities.

Transaction in Currency.—A transaction involving the physical transfer of currency from one person to another. A transaction which is a transfer of funds by means of bank check, bank draft, wire transfer, or other written order, and which does not include the physical transfer of currency is not a transaction in currency within the meaning of this part.

Report of International Transportation of Currency or Monetary Instruments

This form is to be
 filed with the
 Bureau of Customs

Date of currency or monetary instrument activity 19.....

Part I Person Transporting, Mailing, Shipping, or Receiving a Monetary Instrument
 (Items 5 through 11 are applicable to alien individuals only)

<p>1. Name (last or family, first, and middle) or business name</p>	<p>2. Identifying number (see instructions)</p>	<p>3. Check whether the currency or monetary instrument was:</p> <p>(a) <input type="checkbox"/> Received</p> <p>(b) Shipped or mailed: <input type="checkbox"/> Into the U.S. <input type="checkbox"/> From the U.S.</p> <p>(c) Carried by traveler (check applicable block and enter city): <input type="checkbox"/> Entering the U.S.— City</p> <p><input type="checkbox"/> Leaving the U.S.— City</p>
<p>4. Permanent address in United States or abroad</p>		
<p>5. Address while in the United States</p>		
<p>6. Date of birth (month, day, and year)</p>	<p>7. Alien registration card number, if any</p>	
<p>8. Visa date</p>	<p>9. Place United States visa was issued</p>	
<p>10. Of what country are you a citizen or subject?</p>	<p>11. Passport number and country</p>	
<p>12. Were you acting as an agent, attorney, or in other capacity for anyone in this currency or monetary instrument activity? <input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>If "Yes," please complete the following:</p> <p>(a) Name of person in whose behalf you are acting</p> <p>(b) Complete address of that person</p> <p>(c) Business activity, occupation or profession of that person</p>		

Part II Currency and Monetary Instrument Information (See Instructions)

13. Type and amount of currency and/or monetary instrument:

(a) <input type="checkbox"/> Coins (specify amount)	\$
(b) <input type="checkbox"/> Currency (specify amount)	\$
(c) <input type="checkbox"/> Bearer instrument (specify type and amount)	\$
(d) Total amount (add lines (a), (b) and (c))	\$

14. If other than United States currency is involved, please complete the following:

(a) Currency name

(b) Country

(c) Equivalent in United States dollars (specify amount)

15. Name of person from whom the currency or monetary instrument was received (to be completed by recipients only)

16. If the currency or monetary instrument was mailed, shipped, transported or carried, please complete the following:

(a) Method of shipment

(b) Name of transporter or carrier

Under penalties of perjury, I declare that I have examined this report, and to the best of my knowledge and belief it is true, correct and complete.

Sign Here ► Signature

..... Title (Owner, etc.) Date

048-10-81904-1

Instructions

This report is required by Treasury Department regulations (31 Code of Federal Regulations 103).

Who Must File.—Beginning July 1, 1972, each person who physically transports, mails, or ships, or causes to be physically transported, mailed, or shipped, currency or other monetary instruments in an aggregate amount exceeding \$5,000 on any one occasion from the United States to any place outside the United States, or into the United States from any place outside the United States, shall make a report thereof. A person is deemed to have caused such transportation, mailing or shipping when he aids, abets, counsels, commands, procures or requests it to be done by a financial institution or any other person. A transfer of funds through normal banking procedures which does not involve the physical transportation of currency or monetary instruments is not required to be reported. Also each person who receives in the United States currency or other monetary instruments in an aggregate amount exceeding \$5,000 on any one occasion which have been transported, mailed, or shipped to such person from any place outside the United States with respect to which a report has not been filed shall make a report.

Exceptions.—The following persons are not required to file reports: (1) a Federal reserve bank, (2) a bank, a foreign bank, or a broker or dealer in securities in respect to currency or other monetary instruments mailed or shipped through the postal service or by common carrier, (3) a person who is not a citizen or resident of the United States in respect to currency or other monetary instruments mailed or shipped from abroad to a bank or broker or dealer in securities through the postal service or by common carrier, (4) a common carrier of passengers in respect to currency or other monetary instruments in the possession of its passengers, (5) a common carrier of goods in respect to shipments of currency or monetary instruments not declared to be such by the shipper, (6) a travelers' check issuer or its agent in respect to the transportation of travelers' checks prior to their delivery to selling agents for eventual sale to the public, nor by (7) a person engaged as a business in the transportation of currency, monetary instruments and other commercial papers with respect to the transportation of currency or other monetary instruments overland between established offices of banks or brokers or dealers in securities and foreign banks.

When and Where to File:

A. Recipients.—Each person who receives currency or other monetary instru-

ments shall file Form 4790, within 30 days after receipt, with the Customs officer in charge at any port of entry or departure or by mail with the Commissioner of Customs, Attention: Currency Transportation Reports, Washington, D.C. 20226.

B. Shippers or Mailers.—If the currency or other monetary instrument does not accompany the person entering or departing the United States, Form 4790 may be filed by mail on or before the date of entry, departure, mailing, or shipping with the Commissioner of Customs, Attention: Currency Transportation Reports, Washington, D.C. 20226.

C. Travelers.—Travelers shall file Form 4790 at the time of entry into the United States or the time of departure from the United States with the Customs officer in charge at any Customs port of entry or departure.

An additional report of a particular transportation, mailing, or shipping of currency or other monetary instruments, is not required if a complete and truthful report has already been filed. However, no person otherwise required to file a report shall be excused from liability for failure to do so if, in fact, a complete and truthful report has not been filed. Forms may be obtained from any Internal Revenue or Bureau of Customs office.

Penalties.—Civil and criminal penalties are provided for failure to file a report, supply information, and for filing a false or fraudulent report. In addition, the currency or monetary instrument may be subject to seizure and forfeiture. See sections 103.47, 103.48 and 103.49 of the regulations.

Definitions

Bank.—Each agent, agency, branch or office within the United States of a foreign bank and each agency, branch or office within the United States of any person doing business in one or more of the capacities listed:

- (1) a commercial bank or trust company organized under the laws of any state or of the United States;
- (2) a private bank;
- (3) a savings and loan association or a building and loan association organized under the laws of any state or of the United States;
- (4) an insured institution as defined in section 401 of the National Housing Act;

- (5) a savings bank, industrial bank or other thrift institution;
- (6) a credit union organized under the laws of any state or of the United States; and
- (7) any other organization chartered under the banking laws of any state and subject to the supervision of the bank supervisory authorities of a state.

Foreign Bank.—A bank organized under foreign law, or an agency, branch or office located outside the United States of a bank. The term does not include an agent, agency, branch or office within the United States of a bank organized under foreign law.

Broker or Dealer in Securities.—A broker or dealer in securities, registered or required to be registered with the Securities and Exchange Commission under the Securities Exchange Act of 1934.

Identifying Number.—Individuals should enter their social security number, if any. However, aliens who do not have a social security number should enter passport or alien registration number. All others should enter their employer identification number.

Investment Security.—An instrument which: (1) is issued in bearer or registered form; (2) is of a type commonly dealt in upon securities exchanges or markets or commonly recognized in any area in which it is issued or dealt in as a medium for investment; (3) is either one of a class or series or by its terms is divisible into a class or series of instruments; and (4) evidences a share, participation or other interest in property or in an enterprise or evidences an obligation of the issuer.

Monetary Instruments.—Coin or currency of the United States or of any other country, travelers' checks, money orders, investment securities in bearer form or otherwise in such form that title thereto passes upon delivery, and negotiable instruments (except warehouse receipts or bills of lading) in bearer form or otherwise in such form that title thereto passes upon delivery. The term does not include bank checks made payable to the order of a named person which have not been endorsed or which bear restrictive endorsements.

Person.—An individual, a corporation, a partnership, a trust or estate, a joint stock company, an association, a syndicate, joint venture, or other unincorporated organization or group, and all entities cognizable as legal personalities.