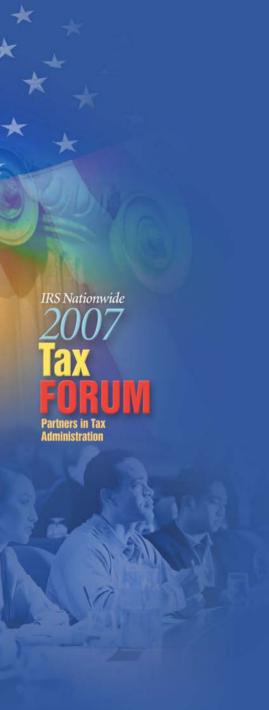




IRS BSA Program

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



Compliance Reviews

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



Examinations of AML Compliance Programs

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



Dealers - Metals, Stones, Jewels

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



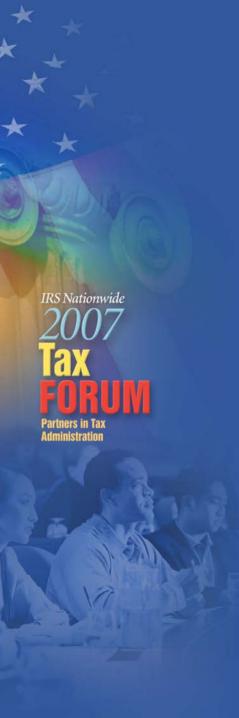
Insurance Industry

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



Money Services Businesses

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



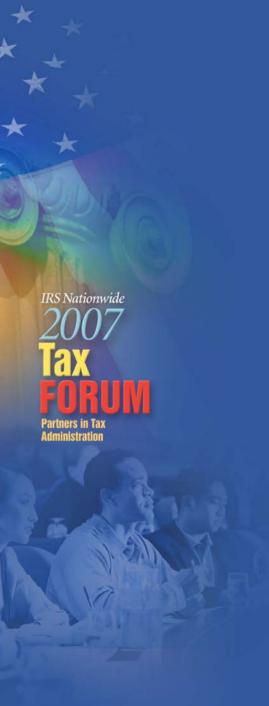
Other MSB Requirements

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



Suspicious Activity Reports

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



FBAR

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

FBARquestions@irs.gov



BSA Resources

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



IRS.gov Outreach & Education Products

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