



# Financial Crimes Enforcement Network

*A bureau of the U.S. Department of the Treasury*

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**FOR IMMEDIATE RELEASE**

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## **FinCEN Issues Final Rule on**

### **Foreign Bank and Financial Accounts Report (FBAR) Responsibilities**

VIENNA, Va. – The Financial Crimes Enforcement Network (FinCEN) today issued a [rule](#) that amends the Bank Secrecy Act (BSA) implementing regulations regarding the Report of Foreign Bank and Financial Accounts (FBAR). The FBAR filing requirements, authorized under one of the original provisions of the BSA, have been in place since 1972. The FBAR form is used to report a financial interest in, or signature or other authority over, one or more financial accounts in foreign countries. No report is required if the aggregate value of the accounts does not exceed \$10,000.

On February 26, 2010, FinCEN issued a Notice of Proposed Rulemaking (NPRM) addressing the FBAR rules. The final rule adopts the proposed changes with slight modifications. The preamble to the final rule explains FinCEN's approach to issues raised in comments submitted in response to the NPRM from tax professionals and industry experts. The preamble to the final rule:

- explains whether an account is foreign and therefore reportable as a foreign financial account and addresses the treatment of custodial accounts in this context;
- revises the definition of signature or other authority to more clearly apply to individuals who have the authority to control the disposition of assets in the account by direct communication (whether in writing or otherwise) to the foreign financial institution;
- explains that an officer or employee who files an FBAR because of signature or other authority over the foreign financial account of their employer is not expected to personally maintain the records of the foreign financial accounts of their employer; and

- advises filers that they may rely on provisions of this final rule in order to determine their filing obligation for FBARs in those cases where filing was properly deferred under prior Treasury guidance.

The rule as published in the Federal Register is available on [www.FinCEN.gov](http://www.FinCEN.gov). The IRS will soon publish instructions for completing the FBAR form.

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*F* inCEN's mission is to enhance U.S. national security, deter and detect criminal activity, and safeguard financial systems from abuse by promoting transparency in the U.S. and international financial systems.