

IMPORTANT NOTICE FOR FINANCIAL INSTITUTIONS

Updated Zip Code Validations for BSA Reports

As part of a joint effort to improve the quality of Bank Secrecy Act (BSA) data, FinCEN and the IRS have recently updated the validation of zip code fields to cover city, state, and zip code. The validation has been enhanced to verify that the city and state are consistent with the first five (5) digits of a U.S. zip code as assigned by the U.S. Postal Service (USPS). This is a change from the previous cross-validation of state and the first three (3) digits of the U.S. zip code. The accuracy of the zip code field is particularly important to law enforcement agencies as many query based on their geographic location. This validation is being applied to all BSA E-Filing and paper submissions.

The validation errors occur when an institution's spelling of the city name, the state abbreviation, and the first five (5) digits of the zip code does not exactly match the official listing within the USPS directory (see www.usps.gov). For example, a Currency Transaction Report (CTR) listing Ft. Collins, CO, 80521 would generate these errors because the official city name within the USPS directory is "Fort Collins".

As a result of this enhanced validation, a number of institutions using the BSA E-Filing system to file CTRs may receive acknowledgement messages indicating certain filing code errors (for example, error codes 113—city, 115—state, and 117—zip code). In addition, there continues to be limited validations on street address, such as when the street address contains punctuation (error code 122) and/or the street number or name is blank (error code 112). All these errors are considered secondary, not primary, errors within the BSA E-Filing system. Financial institutions should note that filings with these errors are not being rejected and do not need to be corrected. However, to avoid receiving these errors, institutions may wish to spell out the entire city name or include the full street name and number.

For further questions regarding this notice, please contact the BSA E-Filing Help Desk at 1-866-346-9478 (Option 2) or BSAEFilingHelp@fincen.gov. The Help Desk is available Monday through Friday, 8 a.m. to 6 p.m. Eastern Standard Time. For a complete list of all BSA E-Filing error codes, please refer to the BSA E-Filing specifications found at www.fincen.gov/forms/bsa_forms/.