

## Currency Transaction Reporting — Overview

**Objective.** *Assess the bank's compliance with statutory and regulatory requirements for the reporting of large currency transactions.*

A bank must electronically file a Currency Transaction Report (CTR) for each transaction in currency<sup>82</sup> (deposit, withdrawal, exchange, or other payment or transfer) of more than \$10,000 by, through, or to the bank. Certain types of currency transactions need not be reported, such as those involving “exempt persons,” a group which can include retail or commercial customers meeting specific criteria for exemption. Refer to the core overview section, “Currency Transaction Reporting Exemptions,” page 86, for further guidance.

### Aggregation of Currency Transactions

Multiple currency transactions totaling more than \$10,000 during any one business day are treated as a single transaction if the bank has knowledge that they are by or on behalf of the same person. Transactions throughout the bank should be aggregated when determining multiple transactions.<sup>83</sup>

In cases where multiple businesses share a common owner, the presumption is that separately incorporated entities are independent persons. The currency transactions of separately incorporated businesses should not automatically be aggregated as being on behalf of any one person simply because those businesses are owned by the same person. Financial institutions should determine, based on information obtained in the ordinary course of business, whether multiple businesses that share a common owner are being operated independently depending on all the facts and circumstances.<sup>84</sup>

However, if a financial institution determines that these businesses (or one or more of the businesses and the private accounts of the owner) are not operating separately or independently of one another or their common owner (e.g., the businesses are staffed by the same employees and are located at the same address, the bank accounts of one business are repeatedly used to pay the expenses of another business, or the business bank accounts are repeatedly used to pay the personal expenses of the owner) the financial institution may determine that aggregating the businesses' transactions is appropriate because the transactions were made on behalf of a single person.

If a financial institution determines that the businesses are independent, then it should not aggregate the separate transactions of these businesses. Alternatively, once a financial institution determines that the businesses are not independent of each other or their common owner, then the transactions of these businesses should be aggregated going forward.

<sup>82</sup> Currency is defined as coin and paper money of the United States or any other country as long as it is customarily accepted as money in the country of issue.

<sup>83</sup> Refer to the [FinCEN Web site](#).

<sup>84</sup> Refer to FinCEN's guidance, [Currency Transaction Report Aggregation for Businesses with Common Ownership](#), (FIN-2012-G001) (March 16, 2012).

Types of currency transactions subject to reporting requirements individually or by aggregation include, but are not limited to, denomination exchanges, individual retirement accounts (IRA), loan payments, automated teller machine (ATM) transactions, purchases of certificates of deposit, deposits and withdrawals, funds transfers paid for in currency, monetary instrument purchases, and certain transactions involving armored car services.<sup>85</sup>

Banks are strongly encouraged to develop systems necessary to aggregate currency transactions throughout the bank. Management should ensure that an adequate system is implemented that appropriately reports currency transactions subject to the BSA requirement.

## Filing and Record Retention

FinCEN developed a new electronic Bank Secrecy Act Currency Transaction Report (BCTR) that replaced FinCEN CTR Form 104. The BCTR provides a uniform data collection format that can be used across multiple industries. As of April 1, 2013, the BCTR is mandatory and must be filed through FinCEN's BSA E-Filing System. The BCTR does not create or otherwise change existing statutory and regulatory expectations for banks.

The BCTR includes a number of additional data elements pertaining to the financial services involved. Certain fields in the BCTR are marked as "critical" for technical filing purposes; this means the BSA E-Filing System does not accept filings in which these fields are left blank. For these items, the bank must either provide the requested information or check the "unknown" box that is provided with each critical field. Banks should provide the most complete filing information available consistent with existing regulatory expectations, regardless of whether or not the individual fields are deemed critical for technical filing purposes.<sup>86</sup>

Other than the critical fields, the addition of the new and expanded data elements does not create an expectation that banks will revise internal programs, or develop new programs, to capture information that reflects the expanded lists.

A completed BCTR must be electronically filed with FinCEN within 15 calendar days after the date of the transaction. The bank must retain copies of CTRs for five years from the date of the report (31 CFR 1010.306(a)(2)). The bank can retain hard copies or copies in electronic format.

Refer to Appendix T ("BSA E-Filing System") for additional information.

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<sup>85</sup>For additional information on CTR filing requirements for transactions conducted through armored car services, refer to FIN-2013-R001, [Treatment of Armored Car Service Transactions Conducted on Behalf of Financial Institution Customers or Third Parties for Currency Transaction Report Purposes](#), July 12, 2013.

<sup>86</sup> Refer to [Filing FinCEN's new Currency Transaction Report and Suspicious Activity Report](#), FIN-2012-G002, March 29, 2012.

## **CTR Backfiling**

If a bank has failed to file CTRs on reportable transactions, the bank should begin filing CTRs from that point forward and should contact FinCEN's Regulatory Helpline<sup>87</sup> to request a determination on whether the backfiling of unreported transactions is necessary.

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<sup>87</sup> Please direct all inquiries to the FinCEN Resource Center by calling the toll-free number (800) 767-2825 or (703) 905-3591 or by e-mailing [FRC@fincen.gov](mailto:FRC@fincen.gov).