

## Foreign Bank and Financial Accounts Reporting — Overview

**Objective.** *Assess the bank’s compliance with statutory and regulatory requirements for the reporting of foreign bank and financial accounts.*

Each person<sup>142</sup> (including a bank) subject to U.S. jurisdiction with a financial interest in, or signature or other authority over, a bank, a securities, or any other financial account in a foreign country must electronically file a Report of Foreign Bank and Financial Accounts (FBAR) through the BSA E-Filing System if the aggregate value of these financial accounts exceeds \$10,000 at any time during the calendar year.<sup>143</sup> The term “financial account” generally includes, among other things, accounts in which assets are held in a commingled fund and the account owner holds an equity interest in the fund, (e.g., a mutual fund), as well as debit card and prepaid card accounts. A bank must file an FBAR on its own accounts that meet this definition; additionally, the bank may be obligated to file these forms for customer accounts in which the bank has a financial interest or over which it has signature or other authority.

An FBAR must be filed on or before June 30 of each calendar year for foreign financial accounts where the aggregate value exceeded \$10,000 at any time during the previous calendar year.

FinCEN issued a final rule that became effective March 28, 2011 regarding reports of foreign financial accounts.<sup>144</sup> Subsequently, FinCEN announced further extensions of time for certain FBAR filings in light of ongoing questions regarding the filing requirement and its application to individuals with signature authority over but no financial interest in certain types of accounts. On February 14, 2012, FinCEN issued Notice 2012-1 to extend the filing date for certain individuals with signature authority over but no financial interest in one or more foreign financial accounts. The FBAR filing deadline for U.S. persons with only signature authority over (but not financial interest in) a foreign financial account was extended to June 30, 2015.

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<sup>142</sup> As defined in 31 CFR 1010.100 (mm), the term “person” means 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, an Indian Tribe (as that term is defined in the Indian Gaming Regulatory Act), and all entities cognizable as legal personalities.

IRS guidance further states that the term “United States person” includes U.S. citizens; U.S. residents; entities, including but not limited to, corporations, partnerships, or limited liability companies, created or organized in the United States or under the laws of the United States; and trusts or estates formed under the laws of the United States. Refer to the [IRS FBAR Reference Guide](#). See also [BSA Electronic Filing Requirements For Report of Foreign Bank and Financial Accounts \(FinCEN Form 114\)](#) Release Date June 2014 (v1.3) Effective October 2013 for the 2013 or earlier filing requirement.

<sup>143</sup> 31 CFR 1010.350.

<sup>144</sup> Refer to [76 Fed. Reg. 10234](#) (February 24, 2011).