

# Form 8300

## Report of Cash Payments Over \$10,000 Received in a Trade or Business



**John Linstead**

**June 11, 2019**

# Objectives

- Money laundering
- Form 8300 filing requirements
- Transactions
  - Designated reporting transaction
  - Related transaction
  - Multiple payments
- Customer notification requirements
- Penalties for noncompliance

# Money Laundering

- Engaging in financial transactions to disguise
  - Origin
  - True nature
  - Ownership
- Deficit Reduction Act of 1984
  - Mandated cash transactions by trade or business
  - Codified in Title 26, § 6050I

# Form 8300 Filing Requirements

Person in a trade or business who receives more than \$10,000 in cash, from same person (or agent), in a single transaction, or two or more related transactions.

# What Payments Are Reported

- Lump sum of over \$10,000
- Installment payments causing total cash received within one year of initial payment to total more than \$10,000 or
- Other previously unreportable payments causing total cash received in 12-month period to total more than \$10,000

# Cash

- Currency and coins, and
- Cashier's checks, bank drafts, traveler's checks or money orders of \$10,000 or less, received in:
  - a designated reporting transaction, or
  - any transaction in which the recipient knows the payer is trying to avoid reporting transaction on Form 8300.

# Designated Reporting Transaction Retail Sale

- Collectible
- Travel or entertainment activity
- Consumer durable
  - Is ordinarily suitable for personal use
  - Reasonably expected to last at least 1 yr
  - Sales price greater than \$10,000
  - Tangible personal property

# Cash is Not

- A cashier's check, bank draft, traveler's check or money order with a face amount of more than \$10,000
- A check drawn on an individual's personal or business checking account
- A wire transfer



# Related Transactions

- Two or more transactions, occurring
  - within a 24-hour period
  - more than 24 hours apart, if seller knows or has reason to know that each is one of a series of connected transactions
- Treat as one transaction

# Aggregating Transactions

Cash received at different branches or departments are not required to be aggregated if, in normal course of business, the branch or department would not have reason to know the identity of payers making cash payments to other branches or departments.

# Multiple Payments

- Multiple payments occur when the same buyer, or buyer-agent:
  - Makes more than one cash payment
  - On a single transaction or a series of related transactions.
- Report multiple payments when total amount received exceeds \$10,000 in 12-month period

# Customer Identification

- Record document used to verify the customer's identity on Form 8300
- Verification must be made by examination of a document normally accepted as a means of identification when cashing checks (for example, a driver's license, passport, alien registration card, or other official document)



# Filing Form 8300

- Due within 15 days after receiving payment exceeding \$10,000
- If the due date is Saturday, Sunday or holiday, Form 8300 is due on next day that is not a Saturday, Sunday or holiday
- Filed electronically or in paper form
- Copy must be retained for five years

# E-Filing Form 8300

*Form 8300 can be filed electronically through FinCENs BSA E-Filing System*



## BSA E-FILING SYSTEM

FINANCIAL CRIMES ENFORCEMENT NETWORK

BSA Home

Using BSA E-Filing

Supported Forms

Benefits

Costs

System Requirements

Take a Tour

File an Individual FBAR

Become a BSA E-Filer

Frequently Asked Questions

Help

Site Map

[BSA Home](#) > [Using BSA E-Filing](#)

### Types of Forms Supported by BSA E-Filing

- FinCEN Currency Transaction Report (FinCEN Report 112)
- FinCEN Designation of Exempt Person (FinCEN Report 110)
- FinCEN Suspicious Activity Report (FinCEN Report 111)
- FinCEN Registration of Money Services Business (FinCEN Report 107)
- Report of Foreign Bank and Financial Accounts (FinCEN Report 114)
- Report of Cash Payments Over \$10,000 Received in a Trade or Business (FinCEN Form 8300)

When you log into BSA E-Filing, the electronic version of these forms will be available for download. Please note: the Adobe forms available on FinCEN's website ([http://www.fincen.gov/forms/bsa\\_forms/](http://www.fincen.gov/forms/bsa_forms/)) are intended for paper submission only, and

### Hot Topics

- ▶ [Additional E-Filing Method for FBAR Individual Filers](#)
- ▶ [FBAR Electronic Filing Technical Overview](#)
- ▶ [Informational Webinar: FBAR Electronic Filing Technical Overview](#)

### User Quick Links

- ▶ [RMSB Website](#)

### FBAR Filers

- ▶ [File an Individual FBAR](#)
- ▶ [Line Item Instructions For Completing the FBAR](#)
- ▶ [FinCEN Form 114\(a\)](#)
- ▶ [FBAR FAQ's](#)

### Supervisory Users

# Presidentially Declared Disaster

- In the event of a Presidentially declared disaster, the filing of Form 8300 and written notice requirements may be postponed
- IRS News Release will identify the counties included in the disaster area and provide filing guidance, including postponement period



# Notification Requirement

- Written statement must be given to each person required to be named on Form 8300 – on or before Jan. 31 of year following calendar year in which cash is received.
- Statement must include:
  - Business name and address
  - Business contact name and phone number
  - Total amount of reportable cash received
  - That information was reported to IRS

# Suspicious Transactions

- If suspicious transaction, business should check "Suspicious transaction" box on Item 1 of Form 8300
- Business may voluntarily file Form 8300 even if cash transaction involves amount less than \$10,000

# Penalties

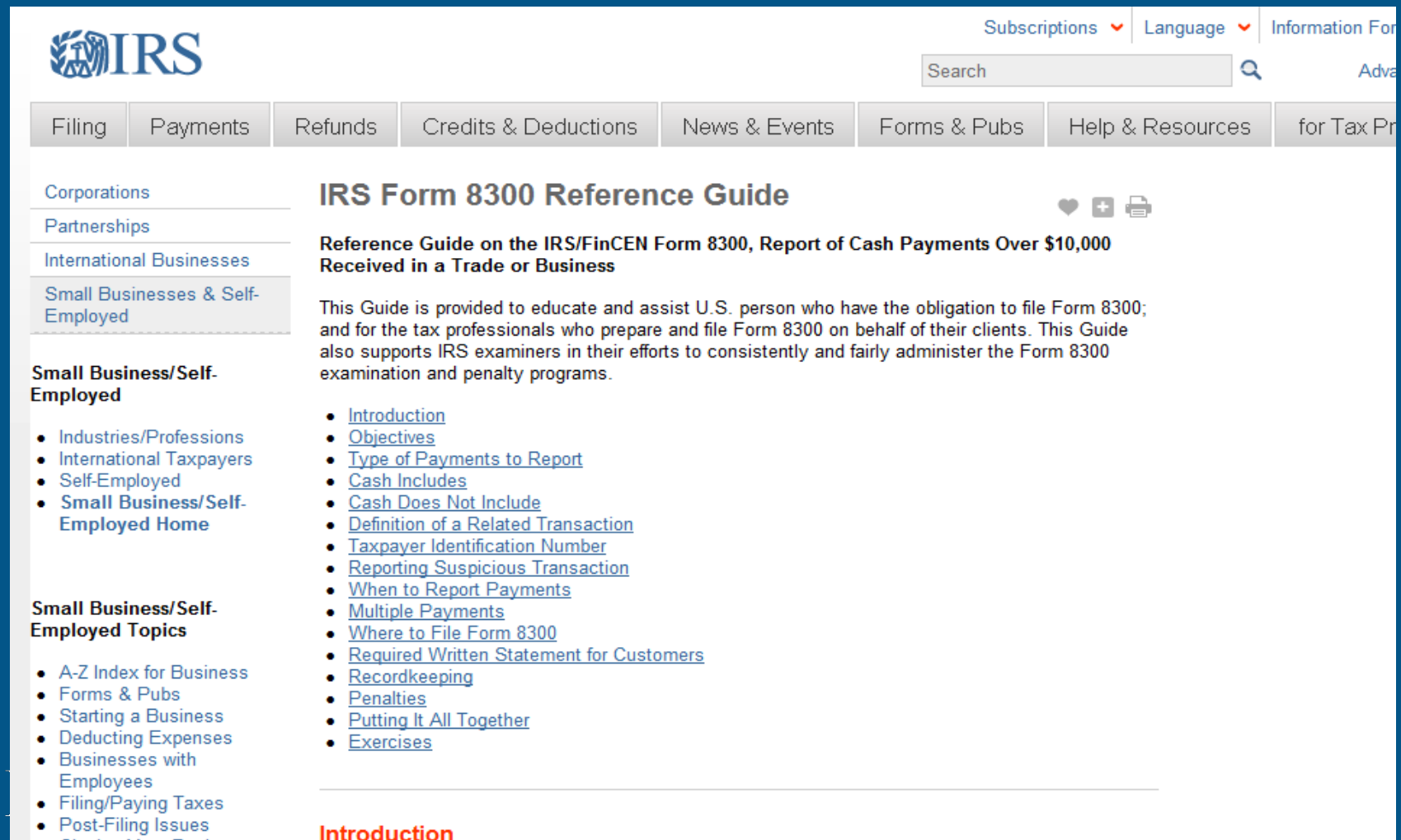
- Civil penalties:
  - Failure to timely file,
  - Failure to include complete and/or correct information,
  - Failure to furnish notification to payer
  - Intentional disregard of filing/furnishing requirements
- Criminal penalties – willful failure to file

# Resources

- IRS.gov
- FinCEN.gov
- Form 8300 and Pub. 1544, (English/Spanish)
  - Order by phone, dial 800-829-3676
  - Online at IRS.gov
- Form 8300 Questions
  - Email questions to [8300questions@irs.gov](mailto:8300questions@irs.gov)
  - General questions, dial 866-270-0733
  - E-filing questions, dial 866-346-9478


# IRS Form 8300 Reference Guide

(Available on [IRS.gov](https://www.irs.gov))



The screenshot shows the IRS website interface. At the top, there is a navigation bar with the IRS logo on the left and links for Subscriptions, Language, and Information For on the right. Below this is a search bar and a horizontal menu with categories: Filing, Payments, Refunds, Credits & Deductions, News & Events, Forms & Pubs, Help & Resources, and for Tax Pr. The main content area is titled 'IRS Form 8300 Reference Guide' and includes a sub-header 'Reference Guide on the IRS/FinCEN Form 8300, Report of Cash Payments Over \$10,000 Received in a Trade or Business'. A paragraph of text explains the guide's purpose. A list of links is provided, including Introduction, Objectives, Type of Payments to Report, Cash Includes, Cash Does Not Include, Definition of a Related Transaction, Taxpayer Identification Number, Reporting Suspicious Transaction, When to Report Payments, Multiple Payments, Where to File Form 8300, Required Written Statement for Customers, Recordkeeping, Penalties, Putting It All Together, and Exercises. On the left side, there is a sidebar with a tree view of categories: Corporations, Partnerships, International Businesses, and Small Businesses & Self-Employed. Under 'Small Business/Self-Employed', there are sub-categories like Industries/Professions, International Taxpayers, Self-Employed, and Small Business/Self-Employed Home. Another section 'Small Business/Self-Employed Topics' lists various topics like A-Z Index for Business, Forms & Pubs, Starting a Business, Deducting Expenses, Businesses with Employees, Filing/Paying Taxes, and Post-Filing Issues.

Subscriptions ▾ Language ▾ Information For

Search  Adv

Filing Payments Refunds Credits & Deductions News & Events Forms & Pubs Help & Resources for Tax Pr

Corporations

Partnerships

International Businesses

Small Businesses & Self-Employed

## IRS Form 8300 Reference Guide

Reference Guide on the IRS/FinCEN Form 8300, Report of Cash Payments Over \$10,000 Received in a Trade or Business

This Guide is provided to educate and assist U.S. person who have the obligation to file Form 8300; and for the tax professionals who prepare and file Form 8300 on behalf of their clients. This Guide also supports IRS examiners in their efforts to consistently and fairly administer the Form 8300 examination and penalty programs.

- [Introduction](#)
- [Objectives](#)
- [Type of Payments to Report](#)
- [Cash Includes](#)
- [Cash Does Not Include](#)
- [Definition of a Related Transaction](#)
- [Taxpayer Identification Number](#)
- [Reporting Suspicious Transaction](#)
- [When to Report Payments](#)
- [Multiple Payments](#)
- [Where to File Form 8300](#)
- [Required Written Statement for Customers](#)
- [Recordkeeping](#)
- [Penalties](#)
- [Putting It All Together](#)
- [Exercises](#)

**Small Business/Self-Employed**

- Industries/Professions
- International Taxpayers
- Self-Employed
- Small Business/Self-Employed Home

**Small Business/Self-Employed Topics**

- A-Z Index for Business
- Forms & Pubs
- Starting a Business
- Deducting Expenses
- Businesses with Employees
- Filing/Paying Taxes
- Post-Filing Issues

**Introduction**



# Contact information

John Linstead

513-975-6429

[john.h.linstead@irs.gov](mailto:john.h.linstead@irs.gov)