

Entity Name:	Examiner:
TIN:	Date:
Period Beginning:	
Period Ending:	

Initial Interview Questions and Notes – Form 8300
Please record any interview questions or notes below.

Date of Interview:

Location of Interview

1. Person(s) interviewed and their position:
2. Others present during interview:

3. Confirm legal and d.b.a. name.
 EIN of the Trade or Business (IRM 4.26.12.10.5.3):
 Telephone Number of the Trade or Business:
 Business address(es)
 Mailing address
 Owner(s)
 Manager(s)

4. Was appointment letter received?

Have you ever had any prior IRS or state examinations?

What were the results?

5. How did you get started in the business?
 - When did you start the business?
 - What was the original address?
 - How long have you been at the current location?
 - What is the form of the ownership?
 - When was the business incorporated?
 - Names of principal stockholders/corporate officers?
 - Do you have any out of state investors?

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- Did you purchase the equipment needed to grow marijuana with cash?
- What was the total cost to purchase the equipment to grow marijuana?

Do owners have other locations or other businesses?

Business Name, Location, EIN, tel.#	Date Opened	Type of business

- Any subsidiaries or shell companies?
6. Do you lease or own your warehouse space?
- If lease who is the lease holder?
 - How do you make your lease payments?
 - How large is your space (how many square feet)?
 - What is your monthly payment?
7. Do you share your warehouse space with other entities or businesses?
- If so, who?

What are your days and hours of operation?

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How many employees do you have?
What are their names?

How long have they been employed?

8. Nature of the trade or business:

- Type of product sold

- Price of product sold?

- Do you calculate the weight of product by the gram or by the pound (~453 grams in a pound)
- Who monitors the water loss when you dry the product?
- How do you monitor the water loss?
- What is your standard % for water loss?
- How many grams/pounds is your average sale?

- How many plants do you grow per year?
- How many times did you harvest them during the examination period?

- What are your annual sales?

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- Are all sales paid for with cash? If not, what other payment methods do you accept?

9. Customers:

- Do you complete wholesale transactions with dispensaries, or other businesses (brokers)?

- Do you sell both to retail and medical dispensaries?
 - Do you sell to the same dispensaries?

- How many different dispensaries, or other businesses do you sell to?

- Is there certain documentation required when selling to a dispensary?

- Do you complete any retail sales with customers or is it wholesale only?

- How do customers generally pay? (cash, credit, check, money order)?

- Do any customers have terms or make purchases on account (Accounts Receivable)?

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10. How do you track the marijuana you sell from seed to sale? (METRC System)

11. Do you have an electronic point of sale system which tracks payments?

- What type of reports does the point of sale system allow you to generate?

- If so how does this point of sale system relate/reconcile to METRC and the shipping manifests?

- Are all payments recorded in the point of sale system?

- Does the point of sale system record the price per gram/price per pound of the product soled?

12. How long do you maintain documents related to the sale of marijuana?

- METRC
- Invoices
- Shipping Manifests

13. **Competitors in the area:**

- Who are your competitors in the wholesale marijuana industry?

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14. Do you have any business bank accounts? If not, what do you do with your cash?

15. Bank information (IRM 4.26.12.10.5.3)

Bank	Account Number	Type	Function
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- Where do you keep the copies of bank statements, deposit slips, checks cancelled?
- Who prepares deposit slips?
- How often do you prepare bank deposits?
- Who makes the deposits?
- Do deposit slips show cash?
- Do deposit slips show checks?
- What are your depositing days?
- Do you use a courier service to deliver cash to any other locations?
- Do you have any foreign affiliates or bank accounts?

16. If a bank account exists is all of the cash received deposited into the bank account?

17. How do you track the cash you receive from sales?

18. Do you complete a "daily summary cash reconciliation" or similar records?

19. Please explain the records.

20. On average how much cash do you receive per month?

21. Do you have a vault where you keep cash?

22. How much cash do you keep on hand?

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23. What are your expenses? (Electric bill, ect...)?

Type of expense	Vendor name and contact info	Monthly amount	Type of payment (cash, etc)	Who handles payment

24. Walk-through of typical sales and walk-through of cash sale. Approval procedures and names of employees.

- How are cash payments receipted?

- How are other payments receipted?

- Are invoices generated for sales?

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- How do are sales tracked in the METRC System?

- Are sales tracked shipping manifests?

Describe a cash transaction from beginning to end - key employees for handling cash, customer receipts, posting to CRJ, who prepares deposit slips, makes bank deposits, pays expenses).

- Who is involved - sales persons, cashier, controller, business manager, etc.?

25. What does the interviewee know about IRC §6050I and Form 8300?

- Cover: cash definition, cash equivalents, related transactions, installment payments, due dates, notification letter, structuring, reporting suspicious transactions

- Have you ever heard of any reporting requirements for large cash payments?

26. How was knowledge gained? Where was information received from? Does the trade or business belong to any trade or professional organizations? Did they provide any guidance regarding IRC § 6050I?

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27. Do you have any training documents or F8300 procedures?

- Is training material up to date?
- When was the last update?
- How often are the employees trained?
- How is training conducted?
- Do you have evidence of documented (signed/dated) employee training?

28. What was your most recent F8300 education?

29. When was it?

30. The knowledge of the employee(s) designated by the trade or business to identify and file Form 8300 on reportable transactions (IRM 4.26.12.10.5.3 and IRM 4.26.11.4.5.3).

31. Name the individual(s) who first identify F8300 filing requirements.

32. Who is responsible to prepare F8300? (Names, title, and a description of their duties)

33. Who is responsible to verify for accuracy and completeness F8300?

34. Explain the review process to ensure F8300s are timely filed, accurate, and complete.

35. How do you ensure payments are aggregated properly for F8300 purposes?

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36. Who is responsible to sign F8300?

37. Who is responsible to file F8300?

38. What procedures were used by the trade or business to notify the transactors?

39. How long in the position(s) and did they have previous 8300 compliance positions and/or exposure?

40. Describe internal controls for identifying reportable transactions.

41. What type of internal reports and records are available for you to identify payments that would require filing F8300?

42. Do reports show transaction dates, and separately show cash, cashier's checks, business, personal checks money orders, traveler's checks, wires?

43. Review customer folders (look for copy of invoice/contract, check/cash payment, hand written or computer generated receipt). Document the results in your work papers.

44. Do you request customers to purchase cashier's checks or money orders?

45. Have you ever had customers ask you not to file F8300s?

46. If so, how did you respond?

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47. Does your company ever turn down cash so you don't have to file F8300s?

48. Has your company filed any Form 8300s?

49. Approximately how long has the company been filing F8300s?

50. Prior to receiving the appointment letter, had you ever received a copy of Publication 1544 or Form 8300?

51. Has the IRS ever conducted a Form 8300 compliance review or educational visits?

Yes No

Results?

52. Were all required Form 8300's filed to the knowledge of the trade or business?

Yes No

If no, please explain (IRM 4.26.12.10.5.3 and IRM 4.26.11.4.5.3).

53. Procedures used by the trade or business to notify the customers. (IRM 4.26.12.10.5.3).

Were all annual statements provided to the transactors of the Form 8300?

54. Does the trade or business maintain copies of the filed Form 8300 and the annual statements?

Yes No

How long did the trade or business retain copies of those records (IRM 4.26.12.10.5.3)?

55. What procedures are used to ensure that the information contained in the filed Form 8300 is complete and accurate (IRM 4.26.12.10.5.3)?

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56. Has your company filed any F8300s and then later received a letter from the IRS requiring you to make corrections to any filings? If so explain.

57. If yes, ask for copies of the letters.

*****IF NO PREVIOUS EXAMINATION OR KNOWLEDGE NEED TO PROVIDE EDUCATION*****

IT IS VITAL YOU CLEARLY DOCUMENT THE EDUCATION PROVIDED!!!!

58. Possible outcomes and penalties. Advise of both negligence and intentional disregard.

OFAC:

MCD:

QUESTIONS: