



April 10, 2015

Mr. John Koskinen  
Commissioner of Internal Revenue  
1111 Constitution Avenue, NW  
Room 3000 IR  
Washington, DC 20224

Re: **Memorandum of Understanding and Delegation of Authority to Examine Nonfinancial Trades and Businesses**

Dear Commissioner Koskinen:

The Financial Crimes Enforcement Network (“FinCEN”), a bureau within the U.S. Department of the Treasury, administers and enforces the Bank Secrecy Act (the “BSA”), 12 U.S.C. § 1829(b), 12 U.S.C. §§ 1951-1959, 31 U.S.C. §§ 5311-5314, and 31 U.S.C. §§ 5316-5332, pursuant to a delegation by the Secretary of the Treasury (“Secretary”).

The Internal Revenue Service (“IRS”) is a bureau of the Department of the Treasury charged with the principal responsibility for enforcing and administering the federal tax laws. This agreement between FinCEN and the IRS states the terms and conditions under which FinCEN delegates to the IRS the authority to examine nonfinancial trades or businesses for compliance with the requirements set forth in the BSA and its implementing regulations.

1. **Definitions; Purpose; Legal Authority.**

(a) **Definitions.** For purposes of this agreement, the following definitions shall apply:

“Commissioner” means the Commissioner of Internal Revenue;

“Nonfinancial trade or business” has the meaning assigned to the term at 31 U.S.C. § 5312(a)(4); and

“Form 8300” refers to the report used by nonfinancial trades or businesses to comply with the requirements of 31 U.S.C. § 5331 and 26 U.S.C. § 6050I, also known as the Report of Cash Payments Over \$10,000 Received in a Trade or Business.

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(b) **Purpose.** The Secretary has found compliance on the part of nonfinancial trades or businesses with the BSA to be highly useful in criminal, tax and regulatory investigations and proceedings, and in the conduct of intelligence or counterintelligence activities to protect against international terrorism. The purpose of this agreement is to enhance compliance with these requirements.

(c) **Source of Authority.** Under 31 U.S.C. § 310 and Treasury Order 180-01, FinCEN has the authority to enforce compliance with the BSA, which includes the authority to examine nonfinancial trades or businesses for compliance with the requirements of the BSA and its implementing regulations. Treasury Order 180-01 allows FinCEN to redelegate this authority to the Commissioner.

2. **Delegation of Authority.**

(a) **Examinations and Investigations.** In addition to the authorities delegated in 31 C.F.R. § 1010.810(b)(8), (c)(2), and (g), FinCEN delegates to the Commissioner the authority under 31 U.S.C. § 5318(a)(3) and (b) to examine nonfinancial trades or businesses for compliance with the requirements of the BSA and the requirements of 31 C.F.R. Chapter X, and to investigate possible civil violations of these requirements by nonfinancial trades or businesses. The Commissioner may employ the summons power under 31 U.S.C. § 5318(a)(4) and (b) with respect to these examinations or civil investigations.

(b) **Scope of Delegation.** Nothing in this delegation affects FinCEN's authority under 31 U.S.C. § 310 and Treasury Order 180-01 with respect to any provision of the BSA or its implementing regulations. This delegation to the Commissioner includes the authority to further delegate authority to any officer or employee within the IRS. Nothing in this delegation may be read to diminish any authority delegated to the Commissioner in 31 C.F.R. § 1010.810 or the Memorandum of Agreement between FinCEN and IRS that is referenced in subsection 1010.810(g). Nothing in this delegation may be construed as delegating authority that has been delegated in 31 C.F.R. § 1010.810 to an agency other than the Commissioner or the IRS.

(c) **Information to be provided to FinCEN.** The Memorandum of Understanding between FinCEN and the IRS dated April 25, 2005 ("the April 25, 2005, MOU") shall remain in full force and effect. Information obtained in examinations or civil investigations involving compliance with the requirements of 31 C.F.R. Chapter X or potential violations of 31 C.F.R. Chapter X will be provided to FinCEN, in accordance with the terms of the April 25, 2005, MOU. Disclosures made pursuant to the April 25, 2005, MOU will be made in accordance with all applicable laws, including 26 U.S.C. § 6103 of the Internal Revenue Code. The IRS has the authority, under Title 26, to conduct Form 8300 compliance examinations of all trades and businesses. The delegation of authority to the IRS in this MOU includes the authority to conduct Form 8300 compliance examinations under Title 31. This is intended to enable the IRS to share the results of such examinations to a greater extent with FinCEN and other federal and state governmental agencies, for purposes consistent with the BSA.

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3. Ratification.

To the extent that any action heretofore taken consistent with this Memorandum of Understanding and Delegation of Authority may require ratification, it is hereby approved and ratified.

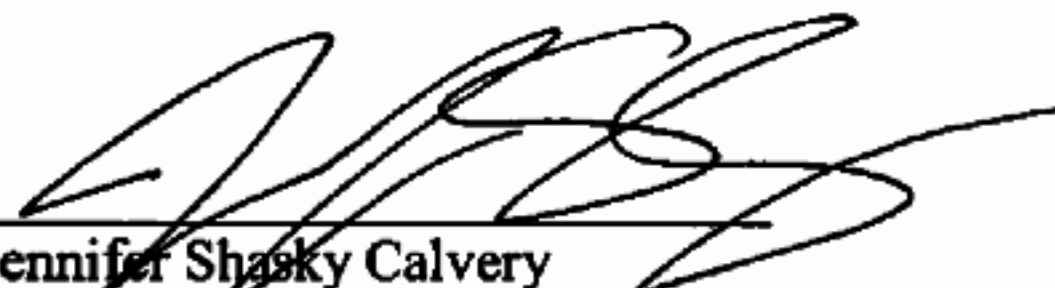
4. Effective Date; Termination.

(a) Effective date. This agreement shall become effective as of the first Monday immediately following the date on which it is signed on behalf of the IRS.

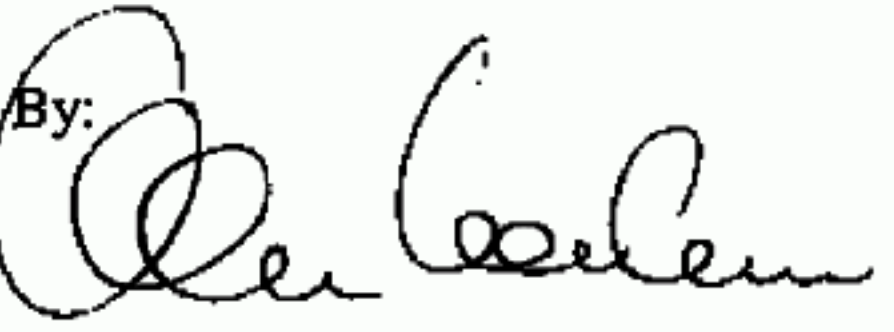
(b) Termination. This agreement may be terminated by either party upon 30 days' written notice to the other.

Kindly acknowledge the agreement of the IRS to the terms stated above, and your authorization to make such agreement on its behalf, by signing the enclosed copy of this agreement in the space indicated below and returning it to FinCEN, whereupon this document shall become an agreement between the IRS and FinCEN.

Sincerely,

  
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Jennifer Shasky Calvery  
Director

INTERNAL REVENUE SERVICE

By: 

John Koskinen  
Commissioner

4-21-2015  
Date: