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Cash payment report helps government combat money laundering

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Federal law requires a person to report cash transactions of more than \$10,000 by filing IRS [Form 8300](#), Report of Cash Payments Over \$10,000 Received in a Trade or Business. The information on the form helps law enforcement combat money laundering, tax evasion, drug dealing, terrorist financing and other criminal activities.

Who is covered

By law, a “person” is an individual, company, corporation, partnership, association, trust or estate. For example, dealers in jewelry, furniture, boats, aircraft or automobiles; pawnbrokers; attorneys; real estate brokers; insurance companies and travel agencies are among those who typically need to file Form 8300.

Tax-exempt organizations are also “persons” and may need to report certain transactions. A tax-exempt organization doesn’t have to file Form 8300 for a charitable cash contribution. Note, however, that under a separate requirement, a donor often must obtain a written acknowledgement of the contribution from the organization. See [Publication 526](#), Charitable Contributions, for details. But the organization must report noncharitable cash payments on Form 8300. For example, an exempt organization that receives more than \$10,000 in cash for renting part of its building must report the transaction.

What’s cash

For Form 8300 reporting, cash includes coins and currency of the United States or any foreign country. It’s also a cashier’s check (sometimes called a treasurer’s check or bank check), bank draft, traveler’s check or money order with a face amount of \$10,000 *or less* that a person receives for:

- A designated reporting transaction or
- Any transaction in which the person knows the payer is trying to avoid a report.

Note that under a separate reporting requirement, banks and other financial institutions report cash purchases of cashier’s checks, treasurer’s checks and/or bank checks, bank drafts, traveler’s checks and money orders with a face value of *more than* \$10,000 by filing currency transaction reports.

A designated reporting transaction is the retail sale of tangible personal property that’s generally suited for personal use, expected to last at least one year and has a sales price of more than \$10,000. Examples are sales of automobiles, jewelry, mobile homes and furniture.

A designated reporting transaction is also the sale of a collectible, such as a work of art, rug, antique, metal, stamp or coin. It is also the sale of travel and entertainment, if the total price of all items for the same trip or entertainment event is more than \$10,000.

Reporting cash payments

A person must file Form 8300 if they receive cash of more than \$10,000 from the same payer or agent:

- In one lump sum.
- In two or more related payments within 24 hours. For example, a 24-hour period is 11 a.m. Tuesday to 11 a.m. Wednesday.
- As part of a single transaction or two or more related transactions within 12 months.

Examples of reporting situations:

Automobile dealerships.

- If a husband and wife purchased two cars at one time from the same dealer, and the dealer received a total of \$10,200 in cash, the dealer can view the transaction as a single transaction or two related transactions. Either way, it calls for only one Form 8300.
- A dealership doesn't file Form 8300 if a customer pays with a \$7,000 wire transfer and a \$4,000 cashier check. A wire transfer is not cash.
- A customer purchases a car for \$9,000 cash. Within 12 months, the customer pays the dealership cash of \$1,500 for accessories for that car. The dealer doesn't need to file Form 8300, unless they knew or had reason to know the transactions were connected.

Taxi company. Weekly lease payments in cash from a taxi driver to a taxi company within 12 months is considered the same transaction. The taxi company needs to file Form 8300 when the total amount exceeds \$10,000. Then, if the company receives more than \$10,000 cash in additional payments from the driver within 12 months, the company must file another Form 8300.

Landlords. Landlords need to file Form 8300 once they've received more than \$10,000 in cash for a lease during the year. But a person not in the trade or business of managing or leasing real property, such as someone who leases their vacation home for part of the year, doesn't need to report a cash receipt of more than \$10,000.

Bail-bonding agent. A bail-bonding agent must file Form 8300 when they receive more than \$10,000 in cash from a person. This applies to payments from persons who have been arrested or anticipate arrest. The agent needs to file the form even though they haven't provided a service when they received the cash.

Colleges and universities. Colleges and universities must file Form 8300, if they receive more than \$10,000 in cash in one or more transactions within 12 months.

Home builders. Home builders and contractors need to file Form 8300 if they receive cash of more than \$10,000 for building, renovating or remodeling.

When to file Form 8300

A business must file Form 8300 within 15 days after the date the business received the cash. If a business receives later payments toward a single transaction or two or more related transactions, the business should file Form 8300 when the total amount paid exceeds \$10,000. Each time payments aggregate more than \$10,000, the business must file another Form 8300.

How to file

A person can file Form 8300 electronically using the Financial Crimes Enforcement Network's [BSA E-Filing System](#). E-filing is free, quick and secure. Filers will receive an electronic acknowledgement of each submission.

Those who prefer to mail Form 8300 can send it to Internal Revenue Service, Federal Building, P.O. Box 32621, Detroit, MI 48232. Filers can confirm the IRS received the form by sending it via certified mail with return receipt requested or calling the Detroit Federal Building at 866-270-0733.

Taxpayer identification number

Form 8300 requires the taxpayer identification number (TIN) of the person paying with cash. If they refuse to provide it, the business should inform the person that the IRS may assess a penalty.

If the business is unable to obtain the customer's TIN, the business should file Form 8300 anyway. The business needs to include a statement with Form 8300 that explains why the form doesn't have a TIN. The business should keep records showing it requested the customer's TIN and give the records to the IRS upon request.

Informing customers about Form 8300 filing

The business must give a customer written notice by Jan. 31 of the year following the transaction that it filed Form 8300 to report the customer's cash transaction.

The government doesn't offer a specific format for the customer statement, but it must:

- Be a single statement aggregating the value of the prior year's transactions,
- Have the name, address and phone number of the person who needs to file the Form 8300 and
- Inform the customer the business is reporting the payment to the IRS.

A business can give a customer who only had one transaction during the year a copy of the invoice or Form 8300 as notification if it has the required information. The government doesn't recommend using a copy of Form 8300 because of sensitive information on the form, such as the employer identification number or Social Security number of the person filing the Form 8300.

A business may voluntarily file Form 8300 to report a suspicious transaction below \$10,000. In this situation, the business doesn't let the customer know about the report. The law prohibits a business from informing a customer that it marked the suspicious transaction box on the form.

More information:

- [Publication 1544, Reporting Cash Payments of Over \\$10,000](#)
- [IRS Form 8300 Reference Guide](#)
- [Guidance for the Insurance Industry on Filing Form 8300](#)
- [Form 8300 and Reporting Cash Payments of Over \\$10,000](#)
- [FAQs for Indian Tribal Governments regarding Non-Casino Cash Transactions Over \\$10,000 - Form 8300](#)