

Supporting Statement
FinCEN Currency Transaction Report
OMB Control Number 1506-0064

1. Circumstances Necessitating Collection of Information.

The collection of the information contained on the Bank Secrecy Act Currency Transaction Report (FinCEN Report 112) is authorized by statute (31 U.S.C. 5313(a)) and required by regulation (31 CFR 1010.311 and 1010.313). The regulation requires the reporting of transactions in currency by, through, or to a financial institution in excess of \$10,000 during a single day.

Financial institutions as defined in 31 U.S.C. 5312(a)(2) and 31 CFR 1010.100 are subject to the currency transaction reporting requirement. This collection is required under 31 CFR 1010.311, §1020.311, §1021.311, §1022.311, §1023.311, §1024.311, §1026.311, and §1010.313, §1020.313, §1021.313, §1022.313, §1023.313, §1024.313, and §1026.313. The Bank Secrecy Act Currency Transaction Report (FinCEN Form 112) is the form financial institutions use to comply with the currency transaction reporting requirements.

2. Method of Collection and use of data.

The information collected under this requirement is made available to appropriate agencies and organizations as disclosed in FinCEN's Privacy Act System of Records Notice relating to BSA Reports¹.

3. Use of Improved Information Technology to Reduce Burden.

Currently, 100% of these forms are filed using automated technology. FinCEN is working with industry (BSA filers) and FinCEN stakeholders to transition to an industry standard XML file format. This will improve the filers ability to incorporate future changes.

4. Efforts to Identify Duplication.

There is no similar information available; thus, there is no duplication.

5. Methods to Minimize Burden on Small Businesses or other Small Entities.

¹ Department of the Treasury bureaus such as FinCEN renew their System of Records Notices every three years unless there is cause to amend them more frequently. FinCEN's System of Records Notice for BSA Reports System was most recently published at <https://www.federalregister.gov/documents/2014/04/14/2014-08254/privacy-act-of-1974-as-amended-system-of-records-notice>.

FinCEN has actively encouraged filing institutions to avail themselves of existing filing exemptions whenever applicable. However, FinCEN Report 112 provides valuable information to law enforcement, appropriate agencies and organizations, and regulatory enforcement authorities in their efforts to combat money laundering and other financial crimes. Without these collections from entities of all sizes, the government's efforts to counter financial crimes would be negatively impacted.

6. Consequences to the Federal Government of not collecting the Information.

This collection of information occurs after a financial institution's customer conducts a currency transaction in excess of \$10,000 during a single day. A financial institution must file FinCEN Report 112 for each transaction in currency involving either currency received (Cash In) or currency disbursed (Cash Out) of more than \$10,000 during a single day. Were this collection to be reduced in frequency, the information collected would be of lesser use to law enforcement personnel.

7. Special Circumstances Requiring Data Collection Inconsistent with Guidelines.

There are no special circumstances.

8. Consultation with Individuals Outside of the Agency on Availability of Data, Frequency of Collection, Clarity of Instructions and Forms, and Data Elements.

The Paperwork Reduction Act 60-day notice was published on February 2, 2016, (See 81 FR 5518). The notice proposed renewing the ICR and updating the FinCEN CTR Report 112 to the industry standard XML file format. FinCEN received 10 public comments from respondents in response to this notice. The comments are posted and summarized in the additional comments section. The revised/updated report will be available for reporting in September 2017. Filing institutions will be provided 9 months to affect the changeover to the new XML file format. Aligning FinCEN's and the financial industries data deployment schedules resulted in a delay of this update project.

9. Payments and Gifts.

No payments or gifts were made to respondents.

10. Assurance of Confidentiality of Responses.

Information collected on FinCEN Report 112 is made available, in accordance with strict safeguards, to appropriate criminal law enforcement, appropriate agencies and organizations, regulatory, and taxation personnel solely in the official performance of their duties.

11. Justification of Sensitive Questions.

No sensitive questions are asked.

12. Estimated Annual Hourly Burden.

Frequency: As required.

Estimated Number of Respondents: 82,225 (Includes casinos and card clubs, depository institutions, broker-dealers in securities, futures commission merchants, introducing brokers in commodities, money services businesses, and mutual funds).²

Estimated Number of Annual Responses: 15,195,195.³

Estimate of Burden: Reporting average of 20 minutes per response; recordkeeping average of 20 minutes per response for a total of 40 minutes.

Estimate of Total Annual Burden on Respondents: 10,130,130 hours.

Estimates were based on time taken to read the instructions and complete the form.

13. Estimated Annual Cost to Respondents for Hour Burdens.

10,130,130 hours X \$24.90⁴ per hour = \$252,240,237

14. Estimated Annual Cost to the Federal Government.

15,195,195 X \$0.10⁵ per filing = \$1,519,519.

15. Reason for Change in Burden.

The adjustments contained in item 12 stem from a decrease in the frequency of reporting by financial institutions.

16. Plans for Tabulation, Statistical Analysis, and Publication.

² The following OMB Control numbers have been reduced to a burden of one (1) hour each in order to maintain the rule active: 1506-0004 (Banks, MSB's, b-d in securities, FCM-IBC, insurance), and 1506-0005 for casinos and card clubs.

³ Numbers are based on actual 2016 filings as reported by the BSA E-Filing System as of 12/31/2016. This number reflects the total number of filings for the FinCEN CTR.

⁴ Bureau of Labor Statistics, U.S. Department of Labor, *Employer Costs for Employee Compensation*, March 2017, Table 9 (Private industry, goods-producing and service-providing industries, by occupational group), All Workers in Private Industry – Office and Administrative Support, <https://www.bls.gov/news.release/ecec.t09.htm>

⁵ Contract cost per BSA report/form filed.

This collection of information will not be published.

17. Request not to Display Expiration Date of OMB Control Number.

To avoid having to reprint the form to show a new date, FinCEN is requesting permission not to display the OMB expiration date on the Form.

18. Exceptions.

Not applicable.