



Details on reporting foreign bank and financial accounts

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The law requires U.S. persons to report their overseas financial accounts because foreign financial institutions may not be subject to the same reporting requirements as domestic institutions. Civil and criminal penalties may apply for failures to properly file their Report of Foreign Bank and Financial Account (FBAR) when required. The IRS provides these details to help filers prepare and file their FBAR.

Who needs to report

Since 1970, the Bank Secrecy Act (BSA) requires U.S. persons to file a [FBAR](#) if they have:

1. Financial interest in, signature authority or other authority over one or more accounts, such as bank accounts, brokerage accounts and mutual funds, in a foreign country, and
2. The aggregate value of all foreign financial accounts exceeds \$10,000 at any time during the calendar year.

A U.S. person is a citizen or resident of the United States or any domestic legal entity such as a partnership, corporation, limited liability company, estate or trust.

A foreign country includes any area outside the United States, the District of Columbia, Indian lands (as defined in the [Indian Gaming Regulatory Act](#)) and the following U.S. territories and possessions:

- American Samoa,
- Guam,
- Northern Mariana Islands,
- Puerto Rico,
- Trust Territories of the Pacific Islands and
- United States Virgin Islands.

How and when to report

Those required to report their foreign accounts should file the FBAR electronically using the Financial Crimes Enforcement Network's [BSA E-Filing System](#). The FBAR is due April 15. Those who don't meet the April 15 due date must file by October 15, the automatically extended due date for the FBAR. They don't need to request the extension. If they don't have all their information to file by the extended due date, they should file as complete a report as possible by October 15 and later amend the report when they have more information. See [FinCEN's website](#) for further information. Taxpayers should not file the FBAR with their federal individual, business, trust or estate tax returns.

Individuals unable to e-file their FBAR must contact the Financial Crimes Enforcement Network's Resource Center at 800-949-2732 or FRC@fincen.gov to request an alternative filing method. Callers from outside the United States can contact the helpline at 703-905-3975.

Jointly owned accounts. If two people jointly own a foreign financial account, or if several people each own a partial interest in an account, then each person has a financial interest in that account, and each person must report the entire value of the account on an FBAR.

Exception for spouses. Spouses don't need to file separate FBARs if they complete and sign [Form 114a, Record of Authorization to Electronically File FBARs](#), and:

1. All reportable financial accounts of the non-filing spouse are jointly owned with the filing spouse, and
2. The filing spouse reports all accounts jointly owned with the non-filing spouse on a timely filed FBAR.

Otherwise, both spouses must file separate FBARs, and each spouse must report the entire value of the jointly owned accounts.

The e-filing system will not allow both spouses' signatures on the same electronic form – only the filing spouse signs in the system. Taxpayers don't submit Form 114a with the FBAR; they keep it for their records.

Children. Generally, a child is responsible for filing their own FBAR. If a child can't file their own FBAR for any reason, such as age, the child's parent or guardian must file it for them. If the child can't sign their FBAR, a parent or guardian must sign it.

Accounts not reported on FBAR

Individuals don't need to report foreign financial accounts held in individual retirement accounts (described in Internal Revenue Code Sections 408 and 408A) and tax-qualified retirement plans (described in IRC Sections 401(a), 403(a) or 403(b)) on the FBAR. The [FBAR instructions](#) list other exceptions.

How to report the value of foreign financial accounts

FBAR filers need to reasonably figure and report the greatest value of currency or non-monetary assets in their accounts during the calendar year. They may rely on their periodic account statements issued at least quarterly if the statements accurately show the greatest account value during the year.

Filers figure the greatest value in the currency of the account. If not already in U.S. dollars, they convert that value into U.S. dollars using the Treasury Bureau of the Fiscal Service [exchange rate on the last day of the calendar year](#). If the Treasury Bureau of the Fiscal Service rate isn't available, they may use another valid exchange rate and give the source of the rate. For example, the value of an account located in Japan may be shown on the account statements in Japanese yen. Filers would figure the greatest value of the account in yen and then convert it into U.S. dollars.

The Financial Crimes Enforcement Network (FinCEN) website has steps for [Reporting Maximum Account Value](#).

Comparison of Form 8938 and FBAR requirements

In addition to the annual Report of Foreign Bank and Financial Accounts (FBAR) requirements outlined above, certain U.S. taxpayers must also file [Form 8938, Statement of Specified Foreign Financial Assets](#). Accounts reported on Form 8938 are ones they often need to report on the FBAR, too. Unlike the FBAR, taxpayers file Form 8938 with their federal income tax returns.

Depending on a taxpayer's situation, they may need to file Form 8938 or the FBAR or both, and may need to report certain foreign accounts on both forms. Taxpayers can find a [comparison of Form 8938 and FBAR requirements](#) on IRS.gov.

Amending an FBAR

Those who need to correct a filed FBAR must file a new FBAR with the corrected information and mark the new FBAR as "Amended." Fill it out completely, even fields that don't need correction. They can e-file the amended FBAR using the BSA E-Filing System or contact FinCEN for an alternative filing method if they're unable to e-file.

If they e-file the amended FBAR, check the "Amended" box on FinCEN Form 114. The Prior Report BSA Identifier field will activate, and they'll enter the BSA ID number from the original FBAR. If they e-filed the original FBAR, they'll find the BSA ID number in the acknowledgement email FinCEN sent to them. If they can't locate the BSA ID number or if they paper-filed the original FBAR, they need to enter all zeros in the Prior Report BSA Identifier field.

Filing late FBARs

If a U.S. person learns that they should have filed an FBAR for a previous year, they should electronically file the late FBAR as soon as possible. The BSA E-Filing System allows them to enter the calendar year they're reporting, including past years. It also offers them an option to explain the reason for the late filing or show if it's part of an IRS compliance option.

Penalties for failure to file an FBAR

Those who don't file an FBAR when required may be subject to significant civil and criminal penalties. Criminal violations of FBAR rules can result in a fine and/or five years in prison. The U.S. government adjusts the penalty amounts annually for inflation.



The IRS will not penalize those who properly report a foreign financial account on a late-filed FBAR, and the IRS finds they have reasonable cause for late filing.

Recordkeeping

Those who must file an FBAR must keep records of accounts for generally five years from the FBAR due date, including:

- Name on each account,
- Account number or other designation,
- Name and address of the foreign bank or other person who keeps the account,
- Type of account, and
- Greatest value of each account during the reporting period.

They should also keep copies of filed FBARs.

Officers or employees who file an FBAR to report signature authority over an employer's foreign financial account don't need to personally keep records on their employer's accounts.

FBAR help

For general questions about FBAR filing, call 866-270-0733 (toll-free inside the U.S.) or 313-234-6146 (not toll-free for callers outside the U.S.) Monday through Friday, 8 a.m. to 4:30 p.m. Eastern Time.

For technical questions about the BSA E-filing System, email questions to bsaefilinghelp@fincen.gov or call the BSA E-Filing Help Desk at 866-346-9478. It's open Monday through Friday from 8 a.m. to 6 p.m. Eastern Time.

For questions about BSA regulations or to request an electronic filing exemption to paper-file, contact FinCEN's Resource Center at 800-949-2732 or FRC@fincen.gov. Callers from outside the United States can contact the helpline at 703-905-3975.

For more information, visit [Report Foreign Bank and Financial Accounts](#) on FinCEN's website.