

2023

2022



# BASIC GUIDE FOR THE IRS VISIT



## Dear Agent:

The “Internal Revenue Service-IRS” has the authority to review certain financial entities, including Money Services Business (MSB). All of this, to determine the accomplishment of the requirements of the “Bank Secrecy Act-BSA” (31 CFR 103.56 (b) (8)).

In order to support that delegacy, IRS agents often visit agencies in every state in which we operate. These visits are announced through a letter that the IRS sends approximately twenty (20) days before their visit. The revision that the IRS performs includes all the activity of your agency in a period of six (6) months prior to the date of the visit.

We request that the same day that you receive the letter from the IRS you send it to us by email at [irs@viamerikas.com](mailto:irs@viamerikas.com) or by fax to the number 1 (800) 490 8147, directed to the Compliance Department in order to give you support and guidance for the IRS visit. Also, to provide you some documents and/or information you might require.

What are the important aspects, documents, among other information that you have to consider and should have not only to be correctly prepared for this visit but also in every moment?

**1.** According to the established in the Bank Secrecy Act (BSA), modified by the US PATRIOT Act from 2001 (“PATRIOT Act”) and in agreement to the regulations issued by the U.S Department of The Treasury (31 CFR 1022.210), your agency must establish, accomplish, and maintain an effective anti-money laundering program (“AML Program”).

The AML Program must be written and should:

- a.** Include policies, reasonable procedures and internal controls designed to ensure the accomplishment of the BSA.
- b.** Delegate a Legal Compliance Officer, responsible of ensuring that the Agency and its employees fulfill permanently the regulations of the BSA and the “AML Program”
- c.** To provide information and training to the appropriate staff; and,
- d.** Ensure the independent revision that has the objective of supervising and maintaining the effectiveness of the “AML Program”.

Even though you already have a copy of the AML Program of the money transfer companies, check cashing companies and/or money orders companies that you work with, your agency must have its own “AML Program”.

**2.** Records and documents that are going to be requested:

- a.** Statements of your agency’s bank account
- b.** If applicable, proof of the deposits you have made to the money transfer companies or money orders companies that you work with.

- c.** Daily and monthly reconciliations needed to identify and rebuild the cash transactions placed by your clients.
- d.** If applicable, the record of all the money orders sold and which amount is equal or superior to \$3,000, where the name, the address, the Social Security Number (when applicable) and a valid identification document of the buyer when the transaction was made can be verified.
- e.** Relation of the cancelled money orders in the six (6) months period that the agent is going to revise.
- f.** If applicable, copy of the receipts of all the remittances sent and which amount is equal or superior to \$3,000, along with the Social Security Number (when applicable) and one or two valid identification documents of the moment when the transaction was made.
- g.** If applicable, copy of all the checks cashed and/or processed and which amount is equal or superior to \$3,000, along with the Social Security Number (when applicable) and one or two valid identification documents of the moment when the transaction was made. The number and the type of the identification document depend on the policies of the money transfer companies you work with and/or on your own policies.
- h.** Database of all the transactions made by your agency in the six (6) months period that is going to be revised. In the case of Viamericas, this information is going to be sent by us directly to the IRS agent.

## NOTE:

- Some IRS agents might require all the documents and records related to a transaction which amount is lower than \$3,000.

- Regarding the identification documents, it is very important that you consider that the USA federal regulations for transactions (remittances, money orders, check cashing) of \$3,000 or more, you will obtain and retain a record of:

- ✓ Sender's name and address, and
- ✓ Type of identification reviewed and the number of the identification document, and
- ✓ Sender's taxpayer identification number (e.g., social security number ("SSN") or employer identification number ("ITN")); or,
- ✓ If the sender does not have a SSN or ITN, the agent must make a notation of the lack thereof and must obtain and retain an alien identification number or passport number and country of issuance.

**3.** Copy of the following reports, required by the Bank Secrecy Act-BSA that have been prepared by your agency (if applicable):

- a.** Currency Transactions Report – CTR
- b.** Suspicious Activity Report – SAR
- c.** Report of International Transaction of Currency or Monetary Instrument – CMIR
- d.** Report of Foreign Bank and Financial Accounts – FBAR.

To have more details about these reports, please refer to the Viamericas Legal Compliance Manual that was given to you at the moment of setting up our money transfer services in your agency.

**4.** Registration of your agency as MSB

**5.** Copy of all the agreements of the companies you work for (money transfer, money orders, check cashing)

## NOTE:

- This document only intends to serve you as a general guidance in your training for the IRS agents visit and it is not a legal advice.
- This document **IS NOT** officially part of the visit, and its content might vary significantly with the specific requirements that the IRS might have in every case in the development of its legal authority.
- This document was created based on the information we receive from the agents that have been visited by the IRS in the past, so it is not has to be considered as an extensive list of all the information required by the IRS. We suggest you read all the official correspondence that you receive from the IRS and verify that you accomplish all the specified requirements.
- Viamericas does not guarantee the applicability of this guide and disclaims all the responsibility of its use, highlighting that does not assume any responsibility for any damage, cost, expense, fine, penalty or any other charge related to your IRS visit process. Viamericas recommends you take advice from an appropriate professional when you are visited by the IRS, if you consider it necessary.