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KPMG report: New due date for FBAR; "regulatory pause" leaves reporting rules in place

It has been almost one year since the U.S. Department of the Treasury's Financial Crimes Enforcement Network (FinCEN) issued proposed changes to the rules for annually reporting foreign financial accounts on FinCEN Form 114, "Report of Foreign Bank and Financial Accounts," (the FBAR) and more than 18 months since Congress acted to align the FBAR filing deadline with the deadline for filing individual income tax returns.

The combination of the statutory change and regulatory amendments (if finalized) will transform the landscape for FBAR reporting, easing reporting requirements for some filers but imposing additional burdens on others. Because the penalties for noncompliance with the FBAR rules can be staggering—up to 100% of the highest amount held in the pertinent foreign financial accounts for **willful** failures—it is critical that owners of foreign financial accounts and individuals holding signatory authority over these accounts remain current on the FBAR rules.

Taxpayers need to be aware of the new filing deadline for calendar year 2016 FBAR reports, current limited exceptions to the annual filing requirements, the possible relief from penalties for previous failures to file, and the scope and current status of proposed changes for future FBAR filings.

Read a **February 2017 report** [PDF 143 KB] prepared by KPMG LLP: *What's News in Tax: The FBAR: New due date, but regulatory pause leaves reporting rules in place*

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