



# GMS Flash Alert



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## United States – FBAR Developments on Due Dates and Automatic Extensions

The U.S. Treasury Department’s Financial Crimes Enforcement Network (FinCEN) recently announced that it will grant individuals who are required to file FinCEN Form 114, *Report of Foreign Bank and Financial Accounts* (the FBAR), but who fail to meet the annual due date of April 15, an automatic extension to October 15 each year.<sup>1</sup> Thus, filers are not required to make a specific request for an extension of time.

FinCEN also announced that the due date for the 2016 calendar year FBAR is April 18, 2017, consistent with the 2016 federal income tax return due date.

(For prior coverage of FBAR developments, see GMS [Flash Alert 2015-097](#) (August 5, 2015).)

### Background

The *Surface Transportation and Veterans Health Care Choice Improvement Act of 2015*<sup>2</sup> changed the FBAR due date from June 30 to April 15 to coincide with the due date for filing an individual income tax return. The Act also contained a provision granting FBAR filers the ability to request a six-month extension to October 15 to file the form.

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### WHY THIS MATTERS

Prior to this announcement, it was unclear as to how an FBAR filer would request an extension. Additionally, since the FBAR is not an IRS form and is filed electronically, prior to this announcement it was uncertain as to whether the FBAR due date would remain April 15 even in years (such as 2017) where April 15 falls on a weekend or legal holiday and the tax return due date is extended.

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## FOOTNOTES:

- 1 See: New Due Date for FBARs: <https://www.fincen.gov/sites/default/files/2016-12/New%20FBAR%20Due%20Date%20Announcement%20%28FINAL%2012-16-16%29.pdf>. The FBAR must be completed online by accessing FinCEN's [BSA E-Filing System](#) Web site.
- 2 See: [H.R. 3236, Surface Transportation and Veterans Health Care Choice Improvement Act of 2015, section 2006\(b\)\(11\)](#).

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### **Watch the latest GMS video “The Importance of Certificates of Coverage When Sending Employees Overseas” – Available now!**

Why should employees being sent on assignment overseas obtain Certificates of Coverage prior to starting work in the host country? What purpose do they serve? How long are they valid for? Are they required for all kinds of assignments (e.g., commuter assignments, short-term, long-term, frequent business traveler)?

In this video, featuring Bob Rothery and Stacy Finch with the KPMG LLP (U.S.) Global Mobility Services practice, we delve further into the nuts and bolts of social security totalization agreements and learn about certificates of coverage, the “detached worker rule,” the application of home versus host country social security rules, in general, to different kinds of assignments, and respective employee and employer obligations and responsibilities.

We invite you to watch this new video, “[The Importance of Certificates of Coverage When Sending Employees Overseas](#),” from KPMG’s GMS practice (app. 8-1/2 minutes).

**The above information is not intended to be "written advice concerning one or more Federal tax matters" subject to the requirements of section 10.37(a)(2) of Treasury Department Circular 230 as the content of this document is issued for general informational purposes only.**

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