



**REPORT OF FOREIGN
BANK & FINANCIAL
ACCOUNTS (FBAR)
REFERENCE GUIDE**

This guide is for United States (U.S.) persons who must file the FBAR, and for professionals who prepare and electronically file FBAR reports on behalf of their clients. This guide also helps IRS examiners consistently and fairly administer FBAR examination and penalty programs.

Table of Contents

Introduction	1
Purpose of the FBAR	1
Who Must File the FBAR?	1
Who is a U.S. Person?	1
Financial Account	2
Maximum Account Value	3
Financial Interest	3
Signature or Other Authority	5
Reporting Jointly Held Accounts	5
Modified Reporting Requirements	5
Filing Exceptions	6
Recordkeeping	7
Penalties	8
Procedural and Reporting Information	9
Testing Your Knowledge	11
Exhibit 1, Answers to Testing Your Knowledge	12

Introduction

The Bank Secrecy Act (BSA) gave the Department of the Treasury authority to collect information from U. S. persons who have financial interests in or signature or other authority over financial accounts maintained with financial institutions located outside the United States. This provision of the BSA requires that U.S. persons file a **FinCEN Form 114**, Report of Foreign Bank and Financial Accounts (FBAR), if the aggregate maximum values of the foreign financial accounts exceed \$10,000 at any time during the calendar year. FinCEN Form 114 supersedes Treasury Form TD F 90-22.1 and is available online only through the **BSA E-Filing System**.

In April 2003, the Financial Crimes Enforcement Network (FinCEN) delegated FBAR enforcement authority to the Internal Revenue Service (IRS). The IRS is responsible for:

- Investigating possible civil violations;
- Assessing and collecting civil penalties; and
- Issuing administrative rulings.

Purpose of the FBAR

U.S. persons maintain overseas financial accounts for a variety of legitimate reasons including convenience and access. Foreign financial institutions may not be subject to the same reporting requirements as domestic financial institutions. The FBAR is used by the U.S. government to identify persons who may be using foreign financial accounts to circumvent U.S. law. FBAR information can help identify or trace funds used for illicit purposes or identify unreported income maintained or generated abroad.

Who Must File the FBAR?

A U.S. person must file an FBAR if they have a financial interest in or signature or other authority over any financial account(s) outside the U.S. and the aggregate amount(s) in the account(s) exceeds **\$10,000 at any time during the calendar year**.

Who is a U.S. Person?

A “U.S. person” means:

- A citizen or resident of the United States;
- An entity created, organized, or formed in the United States or under the laws of the United States, any State, the District of Columbia, the Territories and Insular Possessions of the United States, or the Indian Tribes. An “entity” includes but is not limited to, a corporation, partnership, trust, and limited liability company; or
- An estate formed under the laws of the United States.

Disregarded Entities: U.S. persons that are disregarded entities for tax purposes may need to file an FBAR. The federal tax treatment of an entity doesn’t affect the entity’s requirement to file an FBAR. FBARs are required under a Bank Secrecy Act provision of Title 31, not under any provision of Title 26 (Internal Revenue Code).

U.S. Resident: To determine if a person is a resident of the United States, apply the residency tests in Section 7701(b)(1)(A)(i)-(iii) of Title 26 of the United States Code (USC). When applying the residency tests, the United States includes the States, the District of Columbia, all U.S. territories and possessions (i.e. American Samoa, the Commonwealth of the Northern Mariana Islands, the Commonwealth of Puerto Rico, Guam, and the U.S. Virgin Islands), and the Indian lands defined in the Indian Gaming Regulatory Act.

Example: Matt is a citizen of Argentina. He has been physically present in the U.S. every day of the last three years. Because Matt is considered a resident under 26 USC Section 7701(b), he is a U.S. person for FBAR purposes.

Example: Kyle is a permanent legal resident of the U.S. Kyle is a citizen of the United Kingdom. Under a tax treaty, Kyle is a tax resident of the United Kingdom and elects to be taxed as a resident of the United Kingdom. Kyle is a U.S. person for FBAR purposes. Tax treaties with the U.S. do not affect FBAR filing obligations.

Financial Account

Financial accounts include:

- Bank accounts such as savings and checking accounts, and time deposits,
- Securities accounts, such as brokerage accounts, securities derivatives accounts, or other financial instruments accounts;
- Commodity futures or options accounts;
- Insurance or annuity policies with a cash value (such as a whole life insurance policy);
- Mutual funds or similar pooled funds (i.e. a fund available to the public with a regular net asset value determination and regular redemptions), and;
- Any other accounts maintained in a foreign financial institution or with a person performing the services of a financial institution.

Example: Canadian Registered Retirement Savings Plan (RRSP), Canadian Tax-Free Savings Account (TFSA), Mexican individual retirement accounts (Fondos para el Retiro) and Mexican Administradoras de Fondos para el Retiro (AFORE) are foreign financial accounts reportable on the FBAR.

Example: Foreign hedge funds and private equity funds are not reportable on the FBAR.

Example: A foreign account holding virtual currency is not reportable on the FBAR (unless it's a reportable account under 31 C.F.R. 1010.350 because it holds reportable assets besides virtual currency). These funds aren't reportable at this time, per FBAR regulations issued by FinCEN February 24, 2011, but [FinCEN Notice 2020-2](#) indicates FinCEN's intention to propose amending the regulations to include virtual currency as a type of reportable account under 31 CFR 1010.350.

A financial account maintained with a financial institution located outside of the U.S. is a foreign financial account. It is the location of the account, not the nationality of the financial institution, that determines whether an account is "foreign" for FBAR purposes. An account is "foreign" for FBAR purposes if it's located outside the following places:

- The States of the United States, including the District of Columbia;
- U.S. territories and possessions, such as:
 - Commonwealth of the Northern Mariana Islands
 - American Samoa
 - Guam

- Commonwealth of Puerto Rico
- U.S. Virgin Islands
- Trust Territory of the Pacific Islands
- Indian lands as defined in the Indian Gaming Regulatory Act.

Example: An account maintained with a branch of a U.S. bank physically located in Germany is a foreign financial account.

Example: An account maintained with a branch of a French bank physically located in Texas isn't a foreign financial account.

Example: Ed, a U.S. citizen, purchased securities of a French company through a securities broker located in New York. Ed doesn't need to report these securities because he purchased the securities through a financial institution located in the U.S.

Maximum Account Value

The maximum value of an account is a reasonable approximation of the greatest value of currency and non-monetary assets in the account during the calendar year. U.S. persons may rely on periodic account statements issued at least quarterly to determine the maximum value of the account if the statements fairly reflect the maximum account value during the calendar year. To determine the maximum value of a foreign financial account, first determine the maximum account value in the currency of the account. Then, convert the maximum account value for each account into U.S. dollars using the exchange rate on the last day of the calendar year.

Example: A foreign financial account located in Japan would typically be valued in yen. Determine the maximum value of the account in yen. Next, convert the maximum value of the account into U.S. dollars.

When converting between a foreign currency and U.S. dollars, use the [Treasury Reporting Rates of Exchange](#) for the last day of the calendar year. If no Treasury Financial Management Service rate is available, use another verifiable exchange rate and give the source of that rate. In valuing currency of a country that uses multiple exchange rates, use the rate that would apply if the currency in the account were converted into U.S. dollars on the last day of the calendar year.

Example: Craig, a U.S. person, owns foreign financial accounts X, Y, and Z with maximum account values of \$100, \$12,000 and \$3,000, respectively. Craig must file an FBAR because the aggregate value of the accounts is \$15,100. Craig must report foreign financial accounts X, Y, and Z on the FBAR even though accounts X and Z have maximum account values below \$10,000.

Example: Kristin, a U.S. person, owns foreign financial accounts A, B and C with account balances of \$3,000, \$1,000 and \$8,000, respectively. Kristin must report accounts A, B and C because the aggregate value of the accounts is over \$10,000. It doesn't matter that no single account exceeded \$10,000.

Example: Diane, a U.S. person, owns a foreign financial account with a maximum value of \$15,000, but the account doesn't produce income. Diane must file an FBAR to report the account. Whether or not an account produces income doesn't affect the requirement to file an FBAR.

Financial Interest

A U.S. person has a financial interest in the following situations:

1. The U.S. person is the owner of record or holder of legal title, regardless of whether the account is maintained for benefit of the U.S. person or for

the benefit of another person, including non-U.S. persons.

2. The owner of record or holder of legal title is a person acting as an agent, nominee, attorney, or a person acting on behalf of the U.S. person with respect to the account.

Example: John is a U.S. citizen. His brother Paul maintains bank accounts in Mexico on behalf of John. The accounts are held in Paul's name, but Paul only accesses the accounts following his brother's instructions. John has a financial interest in the Mexican bank accounts for FBAR reporting purposes. If his brother Paul is a U.S. citizen or resident, Paul must also report the accounts on an FBAR.

3. The owner of record or holder of legal title is a corporation in which a U.S. person owns directly or indirectly:

- more than 50% of the total value of shares of stock, or
- more than 50% of the voting power of all shares of stock.

Example: A Florida corporation that owns 100% of a Spanish company with foreign financial accounts must file an FBAR because the corporation is a U.S. person that directly owns more than 50% of the total value of the shares of stock of the Spanish company, the owner of record or holder of legal title.

Example: A U.S. person who owns 75% of the Florida corporation in the previous example must file an FBAR because they indirectly own more than 50% of the total value of shares of stock of the foreign corporation that owns foreign financial accounts.

4. The owner of record or holder of legal title is a partnership in which the U.S. person owns directly or indirectly:

- an interest in more than 50% of the partnership's profits (distributive share of partnership income taking into account any special allocation agreement), or
- more than 50% of the partnership capital.

5. The owner of record or holder of legal title is a trust of which the U.S. person is the trust grantor and has an ownership interest in the trust for U.S. federal tax purposes. See 26 USC Sections 671- 679 to determine if a grantor has an ownership interest in a trust.

Example: Diana, a U.S. citizen, is a grantor of a Foreign Asset Protection Trust but neither controls trust assets nor receives distributions from the trust. Diana, as grantor and considered owner of trust assets for federal tax purposes, must report the trust's foreign financial accounts on an FBAR.

6. The owner of record or holder of legal title is a trust in which the U.S. person has a present beneficial interest, either directly or indirectly, in more than 50% of the assets of the trust or from which such person receives more than 50% of the trust's current income for the calendar year.

Example: Amy, a U.S. citizen, has only a remainder interest in a trust with a foreign financial account. Amy doesn't need to report the trust's foreign financial account because a remainder interest isn't considered a present beneficial interest for FBAR purposes.

7. The owner of record or holder of legal title is any other entity in which the U.S. person owns directly or indirectly more than 50% of the voting power, total value of equity interest or assets, or interest in profits.

Signature or Other Authority

Signature or other authority is the authority of an individual (alone or in conjunction with another individual) to control the disposition of assets held in a foreign financial account by direct communication (written or otherwise) to the bank or other financial institution that maintains the account.

Example: Megan, a U.S. resident, has power of attorney for her elderly parents' accounts in Canada, but she has never exercised the power of attorney. Megan must file an FBAR if the power of attorney gives her signature authority over the financial accounts. Whether or not Megan ever exercised the authority is irrelevant to the FBAR filing requirement.

Reporting Jointly Held Accounts

If two persons jointly maintain a foreign financial account, or if several persons each own a partial interest in an account, then each U.S. person has a financial interest in that account and each person must report the entire value of the account on an FBAR.

A limited exception is available to spouses. The spouse of an individual who files an FBAR doesn't need to file a separate FBAR if the following conditions are met:

- All financial accounts the nonfiling spouse must report are jointly owned with the filing spouse;
- The filing spouse reports the jointly owned accounts on a timely filed FBAR electronically signed (PIN) in item 44, and;
- Both spouses have completed and signed **Form 114a**, Record of Authorization to Electronically File FBARs (maintained with the filer's records).

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

Modified Reporting Requirements

Reporting requirements are modified for reporting:

1. A financial interest in 25 or more foreign financial accounts. A U.S. person with a financial interest in 25 or more foreign financial accounts should check the 'Yes' box in Part I, Item 14a, and record the number of accounts in the space provided. The U.S. person shouldn't complete Part II or Part III of the report but keep records of the information. If the group of entities covered by a consolidated report has a financial interest in 25 or more foreign financial accounts, the reporting parent corporation need only complete Part V (for consolidated reporting), Items 34-42, to identify the account owners; it doesn't need to complete the account information.
2. Signature or other authority over 25 or more foreign financial accounts. A U.S. person who has signature or other authority over 25 or more foreign financial accounts should check the 'Yes' box in Part I, Item 14b, and record the number of accounts in the space provided. Complete Part IV, Items 34-43, for each person for which the filer has signature authority.

Example: Doug has a financial interest in 12 foreign financial accounts and signature authority over 17 foreign financial accounts. Doug must complete the entire FBAR because he has a financial interest in fewer than 25 foreign financial accounts and signature authority over fewer than 25 foreign financial accounts.

3. By U.S. persons employed and residing outside the U.S. A U.S. person who resides outside the U.S., is an officer or employee of an employer who is physically located outside the U.S. and has signature authority over a foreign financial account owned or maintained by the individual's employer only needs to complete Part I, Part IV, Items 34-43, and the signature section of the FBAR.

Example: Julia is a U.S. person who lives in Ireland and is employed by an Irish company. She only needs to complete Part I, Part IV, Items 34-43, and the signature section of the FBAR to report her signature authority over the foreign financial accounts of her employer.

Example: Given the above example, if Julia lived in the U.S., she would not be able to take advantage of the modified reporting requirement and must fill out the FBAR form in its entirety.

Filing Exceptions

The following persons are excepted from the FBAR filing requirement:

- Consolidated FBAR. A U.S. person that's an entity named in a consolidated FBAR filed by a greater than 50% owner doesn't need to file a separate FBAR.
- Individual Retirement Account (IRA) owners and beneficiaries. An owner or beneficiary of an IRA located in the U.S. doesn't need to report a foreign financial account held by or on behalf of the IRA.
- Participants in and beneficiaries of tax-qualified retirement plans. A participant in or beneficiary of a retirement plan described in Sections 401(a), 403(a), or 403(b) of Title 26 of the United States Code (Internal Revenue Code) doesn't need to report a foreign financial account held by or on behalf of the retirement plan.
- Trust beneficiaries. A beneficiary of a trust in which the beneficiary has a financial interest (defined in "Financial Interest" above) doesn't need to report the trust's foreign financial accounts on an FBAR if the trust, trustee of the trust, or agent of the trust is a U.S. person, and files an FBAR disclosing the trust's foreign financial accounts.
- Officers or employees with signature or other authority in certain situations. Individuals who have signature or other authority over, but no financial interest in a foreign financial account don't need to report the account in the following situations:
 1. An officer or employee of a bank examined by the Office of the Comptroller of the Currency, the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, the Office of Thrift Supervision, or the National Credit Union Administration doesn't need to report signature or other authority over a foreign financial account owned or maintained by the bank.
 2. An officer or employee of a financial institution registered with and examined by the Securities and Exchange Commission or Commodity Futures Trading Commission doesn't need to report signature or other authority over a foreign financial account owned or maintained by the financial institution.
 3. An officer or employee of an Authorized Service Provider doesn't need to report signature or other authority over a foreign financial account owned or maintained by an investment company registered with the Securities and Exchange Commission. An Authorized Service Provider is an entity registered with and examined by the Securities and Exchange Commission and serves an investment company registered under the Investment Company Act of 1940.

4. An officer or employee of an entity that has a class of equity securities listed (or American depository receipts listed) on any U.S. national securities exchange doesn't need to report signature or other authority over a foreign financial account of that entity.
5. An officer or employee of a U.S. subsidiary doesn't need to report signature or other authority over a foreign financial account of the subsidiary if its U.S. parent has a class of equity securities listed on any U.S. national securities exchange and the subsidiary is included in a consolidated FBAR report of the U.S. parent.
6. An officer or employee of an entity that has a class of equity securities registered (or American depository receipts in respect of equity securities registered) under Section 12(g) of the Securities Exchange Act doesn't need to report signature or other authority over a foreign financial account of that entity.

The following types of foreign financial accounts are excepted from the FBAR filing requirement:

- Certain accounts jointly owned by spouses. The spouse of an individual who files an FBAR doesn't need to file a separate FBAR if certain conditions are met as previously discussed. Refer to "Reporting Jointly Held Accounts."
- Correspondent or nostro accounts (maintained by banks and used solely for bank-to-bank settlements) don't need to be reported.
- Foreign financial accounts of any governmental entity don't need to be reported.

Example: A state administered college or university doesn't need to file an FBAR because it's a governmental entity.

- Foreign financial accounts of any international financial institution (if the U.S. government is a member) doesn't need to be reported. Examples are the World Bank and the International Monetary Fund.
- Financial accounts located in a U.S. Military banking facility. A financial account maintained with a financial institution located on a U.S. military installation doesn't need to be reported, even if that military installation is outside the U.S.

Recordkeeping

Keep records of accounts that need to be reported on the FBAR for, generally, five years from the due date of the report, which is April 15 of the year following the calendar year being reported. The records should contain the following:

- Name in which each account is maintained;
- Number or other designation identifying the account;
- Name and address of the foreign financial institution or other person with whom the account is maintained;
- Type of account; and
- Maximum value of each account during the reporting period.

Keeping a copy of the filed FBAR can help to satisfy the recordkeeping requirements. An officer or employee who files an FBAR to report signature authority over an employer's foreign financial account doesn't need to personally keep records on these foreign financial accounts.

Penalties

Those who must file an FBAR and fail to timely file a complete and correct FBAR may be subject to civil monetary penalties, criminal penalties, or both. When a U.S. person learns they should have filed an FBAR for an earlier year, they should electronically file the late FBAR using the [BSA E-Filing System](#). They can enter the calendar year reported, including past years, on the online FinCEN Form 114. They “explain a late filing” or select “Other” to enter up to 750-characters within a text box to explain the late filing or indicate whether the filing is made in conjunction with an IRS compliance option. If they properly report the foreign financial account on a late-filed FBAR, and the IRS determines the FBAR violation was due to reasonable cause, no penalty will be imposed. For other guidance on circumstances, such as natural disasters, that may prevent timely FBAR filing, see FinCEN guidance, [FIN-2013-G002](#) (June 24, 2013).

Civil monetary FBAR penalties have varying upper limits, but no minimum. These upper limits must be adjusted annually for inflation (Federal Civil Penalties Inflation Adjustment Act of 1990, as further amended by the Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015). Beginning with penalties assessed after August 1, 2016, whose associated violations occurred after November 2, 2015, Title 31 of the Code of Federal Regulations (CFR) section 1010.821, Penalty Adjustment Table, provides the adjusted maximum penalty amounts. The inflation-adjusted civil and criminal penalties that may be asserted for not complying with the FBAR reporting and recordkeeping requirements are summarized below.

Negligent Violation

- **Civil Penalty Authority:** 31 USC 5321(a)(6)(A)
- **Civil Penalty Amount:** Up to the amount in 31 CFR 1010.821
- **Criminal Penalties:** N/A
- **Comments:** Doesn’t apply to individuals.

Pattern of Negligent Activity

- **Civil Penalty Authority:** 31 USC 5321(a)(6)(B)
- **Civil Penalty Amount:** Up to the amount in 31 CFR 1010.821
- **Criminal Penalties:** N/A
- **Comments:** Doesn’t apply to individuals. Applies in addition to 31 USC 5321(a)(6)(A) penalty.

Non-Willful Violation

- **Civil Penalty Authority:** 31 USC 5321(a)(5)(B)
- **Civil Penalty Amount:** Up to the amount in 31 CFR 1010.821
- **Criminal Penalties:** N/A
- **Comments:** Applies to all U.S. persons.

Willful Violation

- **Civil Penalty Authority:** 31 USC 5321(a)(5)(C)
- **Civil Penalty Amount:** Up to the greater of:
 - the amount in 31 CFR 1010.821, or
 - 50% of the amount in the account at the time of the violation.

- **Criminal Penalties:**

- Knowingly and Willfully Filing False FBAR: Up to \$10,000 or 5 years or both. 18 USC 1001; 31 CFR 1010.840(d)
- Failure to File FBAR or Retain Required Records: Up to \$250,000 or 5 years or both. 31 USC 5322(a); 31 CFR 1010.840(b). If violating certain other laws too, this penalty increases to up to \$500,000 or 10 years or both. 31 USC 5322(b); 31 CFR 1010.840(c)

- **Comments:** Applies to all U.S. persons.

It's possible to assert civil penalties for FBAR violations in amounts that exceed the balance in the foreign financial account. Civil and criminal penalties may be imposed together. 31 USC Section 5321(d).

Note regarding civil penalty assessment before August 1, 2016: For violations occurring on or before November 2, 2015, the IRS may assess a civil penalty not to exceed \$10,000 per violation for non-willful violations that are not due to reasonable cause. For willful violations, the penalty may be the greater of \$100,000 or 50% of the balance in the account at the time of the violation, for each violation.

Procedural and Reporting Information

Fulfilling the Reporting Requirement: Filers report their foreign accounts by: (1) completing and timely filing the FBAR electronically; and (2) answering FBAR-related questions on federal tax and information returns such as:

- Form 1040, Schedule B, questions 7a and 7b;
- Form 1041, "Other Information" section, question 3;
- Form 1065, Schedule B, question 8; or
- Form 1120, Schedule N, questions 6a and 6b.

Due Date: The FBAR is a calendar year report and must be received by the Department of the Treasury on or before April 15th of the year following the calendar year being reported. Before the Surface Transportation and Veterans Health Care Choice Improvement Act of 2015, the filing deadline for calendar year 2015 and earlier reports was June 30th, with no provision for requesting an extension of time to file an FBAR. For FBARs due for calendar year 2016 and subsequent years, the Act mandated the FBAR filing due date change to April 15th and provided for a maximum six-month extension of the filing deadline. To implement the statute with minimal burden to the public, FinCEN will grant filers failing to meet the FBAR annual due date of April 15th an automatic extension to October 15th each year. Filers don't need to specifically request this extension.

If a filer doesn't have all information available to file the FBAR by the automatic extension date of October 15th, the filer should file as complete an FBAR as possible and amend it when more or new information becomes available. Refer to the [electronic filing instructions](#) for information on filing amended FBARs.

Where to File an FBAR: Don't file the FBAR with the Federal tax return. Electronic filing of FBARs became mandatory July 1, 2013. File FBARs through the [BSA E-Filing System](#). Electronic filing is a quick and secure way for individuals to file FBARs. Filers will receive an acknowledgment of each submission.

Resources for FBAR Filers: Get help with completing the FBAR Monday through Friday, 8 a.m. to 4:30 p.m. Eastern Time at 866-270-0733 (toll-free inside the United States) or 313-234-6146 (not toll-free, for callers outside the United States). Get help with technical questions about electronic filing at BSAEfilinghelp@fincen.gov or through the BSA E-Filing Help Desk at 866-346-9478 Monday through Friday from 8 a.m. to 6 p.m. Eastern Time. Direct questions about BSA Regulations to FinCEN's Resource Center at 800-949-2732 or 703-905-3975 if calling from outside the United States, or FRC@fincen.gov.

Testing Your Knowledge

1. True or False: All foreign financial accounts of U.S. persons must be reported to the Department of the Treasury.
2. Which of the following is a U.S. person? (Select all that apply)
 - A. U.S. Citizen
 - B. U.S. Limited liability company
 - C. U.S. partnership
 - D. U.S. trust or estate
 - E. All of the above
3. True or False: A life insurance policy with cash value is a type of foreign financial account that may be reportable on an FBAR.
4. True or False: A U.S. person doesn't need to file an FBAR if the foreign financial account generates no interest or dividend income.
5. True or False: If a person has a foreign account in 2016 that they need to report, the FBAR is due June 30, 2017.
6. Generally, how long should U.S. persons keep records of the accounts they must report on the FBAR?
 - A. 3 years
 - B. 5 years
 - C. 7 years
 - D. 10 years
7. Does a U.S. person need to file an FBAR for their Eurodollar account in the Cayman Islands if the account exceeds \$10,000?
8. A New York corporation owns 100% of a foreign corporation that has foreign financial accounts exceeding \$10,000 during the year. The New York corporation will file an FBAR reporting the foreign company's accounts. Does a shareholder who owns 65% of the New York corporation's stock need to file an FBAR?
9. True or False: Accounts in U.S. military banking facilities, operated by a U.S. financial institution to serve U.S. Government installations abroad, don't need to be reported on an FBAR.

(See Exhibit 1 for answers to Testing Your Knowledge.)

Exhibit 1, Answers to Testing Your Knowledge

1. False. U.S. persons must only report a financial interest in or signature or other authority over foreign financial accounts if the aggregate maximum values of the accounts exceed \$10,000 at any time during the calendar year.
2. E. All of the above. A U.S. person is a:
 - Citizen or resident of the United States;
 - An entity created, organized, or formed in the United States or under the laws of the United States, any State, the District of Columbia, the Territories and Insular Possessions of the United States, or the Indian Tribes. The term "entity" includes but is not limited to, a corporation, partnership, trust, and limited liability company; or
 - An estate formed under the laws of the United States.
3. True. A financial account includes a securities, brokerage, savings, demand, checking, deposit, time deposit or other account maintained with a financial institution (or other person performing the services of a financial institution). A financial account also includes a commodity futures or options account; an insurance policy with cash value, such as a whole life insurance policy; an annuity policy with cash surrender value and shares in a mutual fund or similar pooled fund (i.e. a fund available to the general public with a regular net asset value determination and regular redemptions).
4. False. A U.S. person must file an FBAR whether or not the foreign financial account generates any income.
5. False. The Surface Transportation and Veterans Health Care Choice Improvement Act of 2015 mandated the standard FBAR due date change to April 15th beginning with 2016 calendar year reports due in 2017. Before this mandate, the FBAR deadline for calendar year 2015 reports and earlier was June 30th of the year after the accountholder meets the more than \$10,000 threshold.
6. B. 5 years. Keep records of accounts that must be reported on the FBAR for, generally, five years from the due date of the FBAR. The records should contain the following:
 - Name in which each account is maintained;
 - Number or other designation identifying the account;
 - Name and address of the foreign financial institution or other person with whom the account is maintained;
 - Type of account; and
 - Maximum value of each account during the reporting period.
7. Yes. The Cayman Islands account is a foreign account.
8. Yes. The New York corporation's 65% shareholder indirectly owns more than 50% of the total value of the shares of stock of the foreign corporation that has foreign financial accounts in excess of \$10,000.
9. True. U.S. persons don't need to report accounts in U.S. military banking facilities, operated by a U.S. financial institution to serve U.S. Government installations abroad.

