

New Annual Filing Due Date for FBAR Reports

Beginning in 2017 (reporting for the 2016 calendar year), the annual due date for the Foreign Bank and Financial Accounts (FBAR) is April 15 to coincide with the federal income tax filing season. This date change was mandated by the Surface Transportation and Veterans Health Care Choice Improvement Act of 2015, Public Law 114-41 (the Act).

The FBAR (FinCEN Report 114 previously known as TD F 90-22.1) must be filed by U.S. individuals who have a financial interest in or signature authority over one or more foreign financial accounts if the aggregate value of those accounts exceeds \$10,000 at any time during the calendar year. For 2016 reports, the initial deadline for electronic filing is April 18, 2017.

On December 16, 2016, FinCEN announced that filers failing to meet the FBAR annual due date of April 15 will be granted an automatic extension to October 15 each year. Thus, specific requests for this extension are not required.

Significant penalties can be assessed for failure to file the FBAR: a non-willful failure carries a penalty of \$10,000 per violation, whereas a willful failure to file penalty is the greater of \$100,000 or 50% of the balance in the account at the time of violation.

