

Financial Crimes Enforcement Network (FinCEN) Year in Review for FY 2023



The mission of FinCEN is to safeguard the financial system from illicit use, combat money laundering and its related crimes including terrorism, and promote national security through the strategic use of financial authorities and the collection, analysis, and dissemination of financial intelligence.

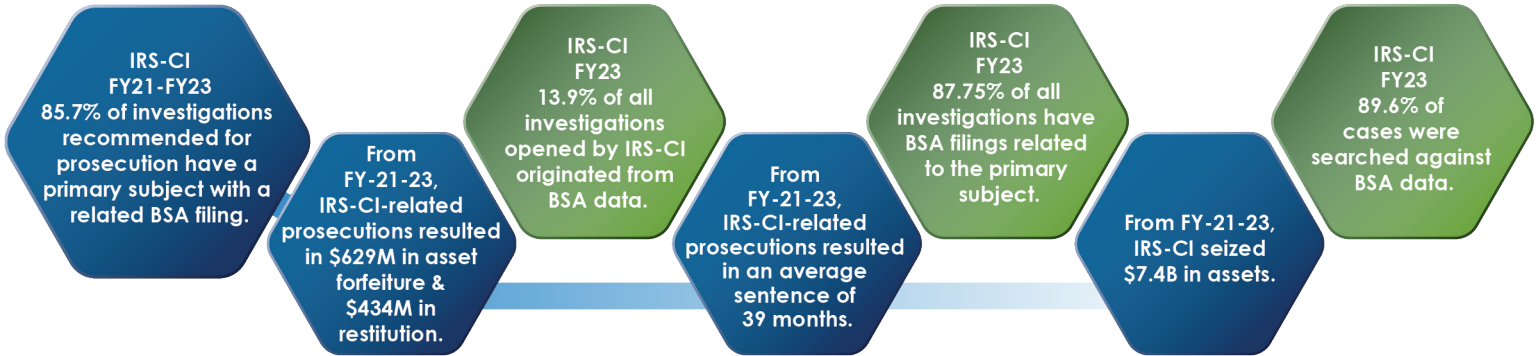


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Bank Secrecy Act (BSA) Data Advances Law Enforcement Mission*

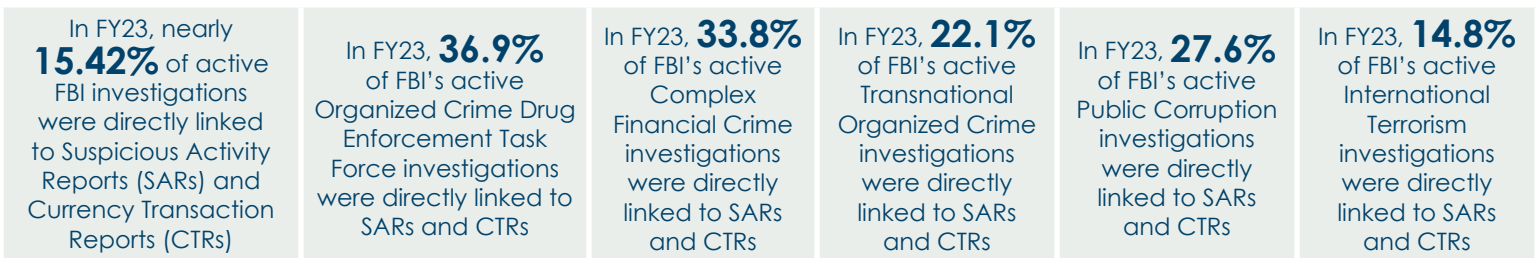
Internal Revenue Service – Criminal Investigation (IRS-CI)

IRS-CI identifies BSA data as a critical element of its complex cases. IRS-CI cited the following statistics:**



Federal Bureau of Investigation (FBI)

FBI Case Program	FBI Subjects with SARs in FY23	SAR Count in FY23	FBI Subjects with CTRs in FY23	CTR Count in FY23
COMPLEX FINANCIAL CRIME PROGRAM	5,320	11,655	2,250	11,368
INTERNATIONAL TERRORISM PROGRAM	325	585	182	860
ORGANIZED CRIME DRUG ENFORCEMENT PROGRAM	3,006	4,700	1,564	6,087
PUBLIC CORRUPTION PROGRAM	1,059	1,823	621	2,430
TRANSNATIONAL ORGANIZED CRIME PROGRAM	1,657	3,164	978	5,890



Homeland Security Investigations (HSI) for FY23



*All statistics are approximate.

** M = Million



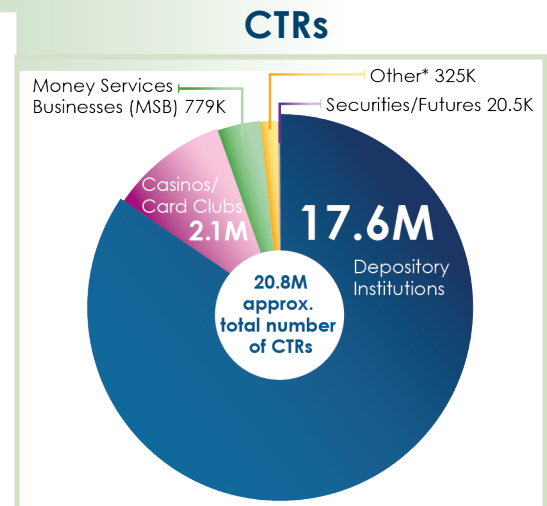
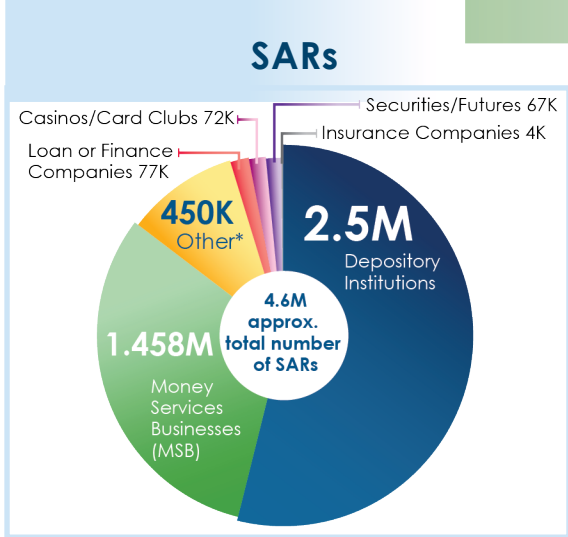
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Reports Pursuant to the BSA

Reporting Financial Institutions and Other E-Filers

FinCEN receives reports from **294,000** registered financial institutions and other e-filers.

FY23 Filings	SARs	CTRs	Currency and Other Monetary Instrument Reports	Reports of Cash Payments >\$10K Received in a Trade or Business	Foreign Bank and Financial Accounts
Approximate Total for FY23	4.6M	20.8M	143,200	421,500	1.6M
Average Daily Filings	12,600	57,000	390	1,150	4,380



*The "other" category includes filings by depository institution holding companies; dealers in precious metals, precious stones, or jewels; operators of credit card systems; and housing government sponsored enterprises.

SARs: The top 10 filers of SARs filed approximately **48%** of all FY23 SARs.

CTRs: The top 10 filers of CTRs filed approximately **39%** of all FY23 CTRs.

FY23 SAR Activity Type

	Other Suspicious Activities	Fraud	Money Laundering	Structuring	Identification Documentation	Cyber Event	Gaming Activities	Mortgage Fraud	Securities/Futures/Options	Terrorist Financing	Insurance
Approx. Total Filings*	3.174M	1.753M	1.629M	1.316M	386K	55K	51K	36K	11K	1.5K	1.7K

Authorized Access to BSA Data

Collectively, **472** federal, state, and local law enforcement, regulatory, and national security agencies have access to BSA reports and FinCEN Query, and over **25,000** authorized personnel have access to BSA data.

In FY23, authorized users conducted over **2.3 million** searches using FinCEN Query.

*An individual SAR may have more than one SAR activity type and therefore, the sum total of the corresponding table exceeds the total number of SAR filings.

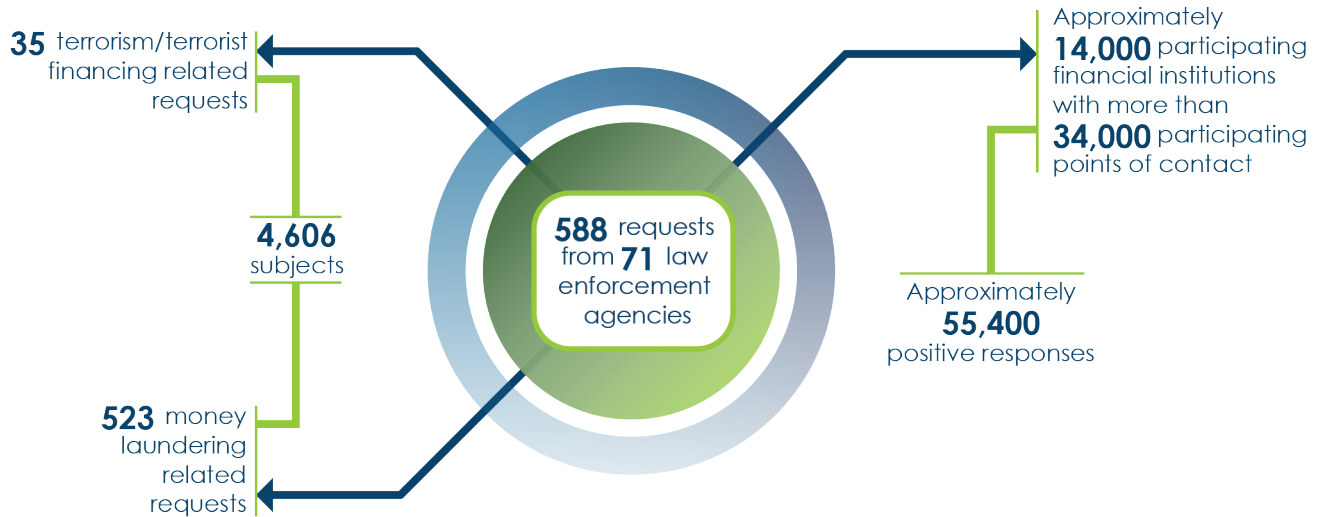


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314(a) and 314(b) Information Sharing Programs

Section 314(a) Requests

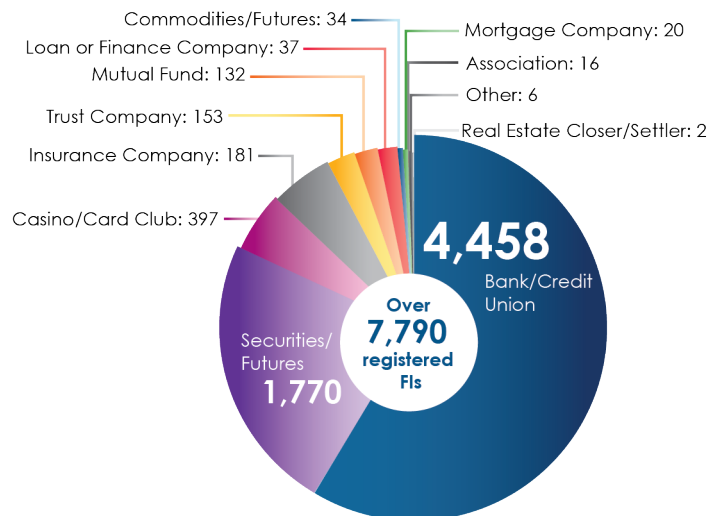
Section 314(a) enables federal, state, local, and certain foreign law enforcement agencies, through FinCEN, to reach out to financial institutions to locate accounts and transactions of persons that are reasonably suspected based on credible evidence of terrorism or money laundering.



Section 314(b)

Section 314(b) permits registered financial institutions to share information with one another in order to identify money laundering or terrorist activity, and to report any identified suspicious activity to FinCEN.

Section 314(b) In FY23	
7,790	314(b) registered financial institutions
1,300	Financial institutions referenced 314(b) in SAR narratives
26,400+	SARs that referenced 314(b)
42	Terrorism-related SARs referenced 314(b)

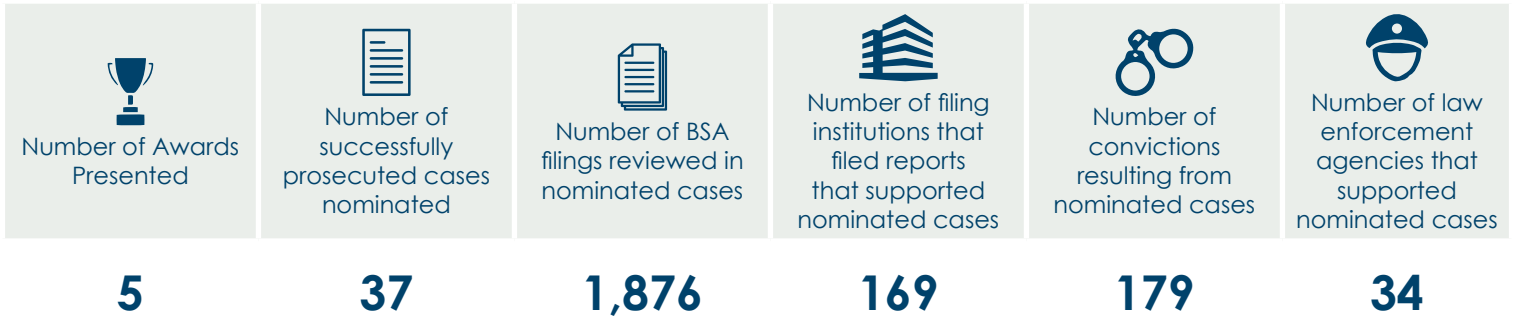




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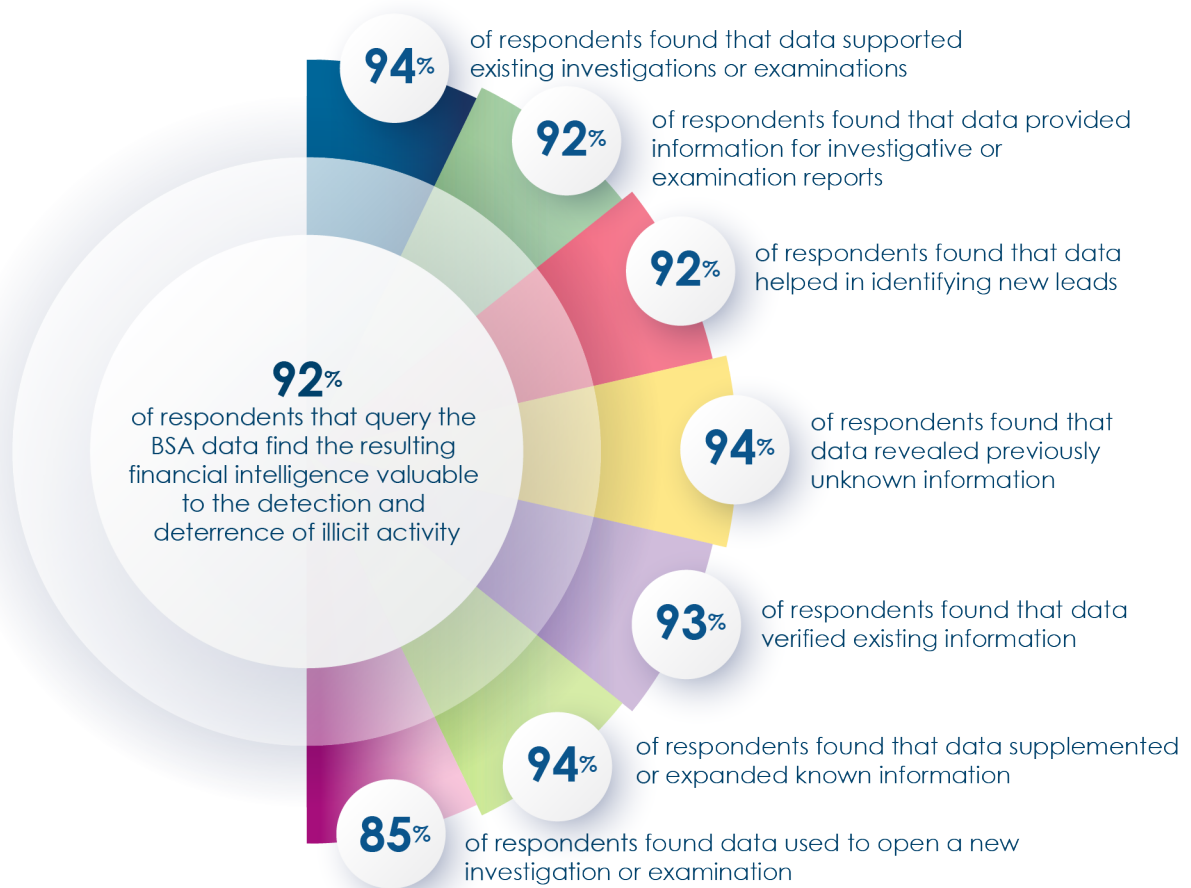
FinCEN's Law Enforcement Awards Program

FinCEN annually gives out awards to recognize successful law enforcement cases that made effective use of BSA reporting. The awards help demonstrate the value to law enforcement of FinCEN reports to the financial industry and the public.



Results from FinCEN's FY23 Portal Query Performance Measure Survey

FinCEN sent a survey to approximately 14,100 FinCEN Portal Query users in FY23 and received 1,518 responses. The results show that respondents found that:



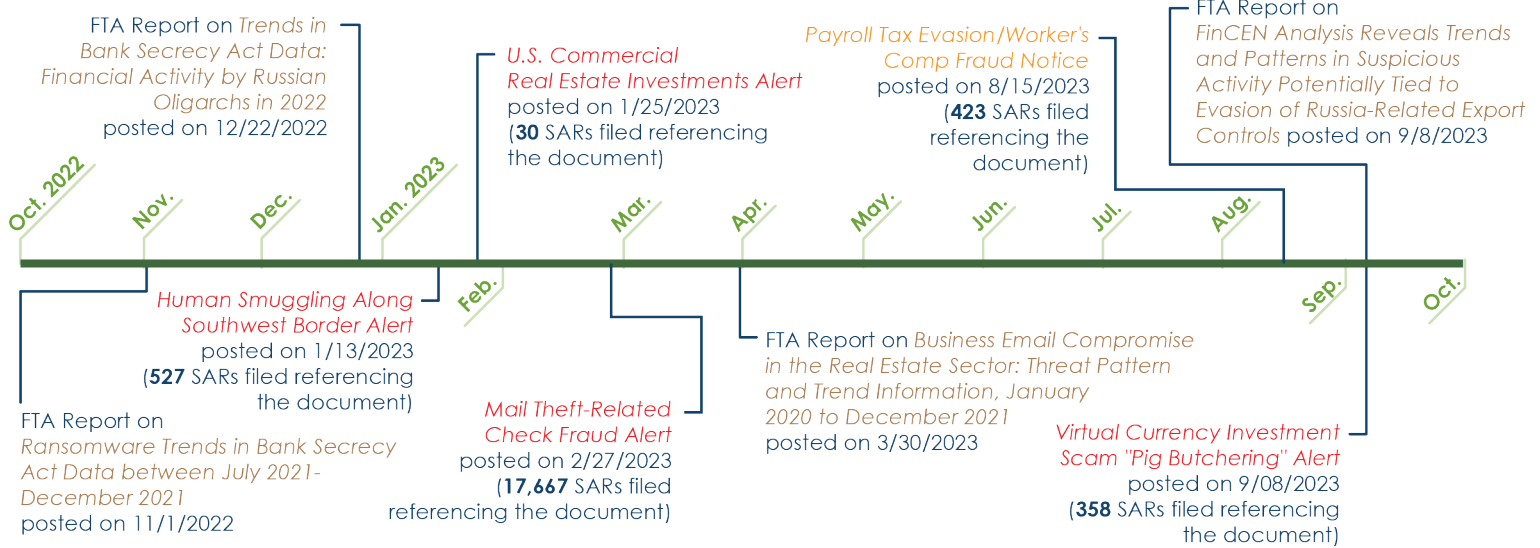


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U.S. Financial Institution Advisory Program and Financial Trend Analysis (FTA)

FinCEN, through its U.S. Financial Institution Advisory Program, issues advisories, alerts, and notices concerning money laundering or terrorist financing threats and vulnerabilities for the purpose of enabling financial institutions to guard against such threats. Pursuant to section 6206 of the Anti-Money Laundering Act of 2020 (AMLA), which requires FinCEN to periodically publish threat pattern and trend information derived from BSA filings, FinCEN published FTA Reports to highlight the value of BSA reporting.

Publications within FY23



FY23 Regulatory Actions and Other Public Guidance



FinCEN Exchange FY23

14 FinCEN Exchanges

FinCEN co-hosted **3** FinCEN Exchanges with other government agencies, including Department of Commerce, the Office of Foreign Assets Control and the Office of Terrorism Financing and Financial Crimes.

Topics/areas of focus: Russia-related; Responsible Innovation in the Digital Ecosystem; Corruption; Generative Artificial Intelligence; Countering the Democratic People's Republic of Korea's Illicit Cyber Activities; Preview of a Jurisdictionally-focused Demand Letter; Drug Trafficking; and Human Smuggling.

Civil Money Penalties Issued **4**

Value of Civil Money Penalties **\$60,780,829**

Rapid Response Program FY23

686 requests

88 foreign jurisdictions

\$100M frozen, which is more than **33%** of funds reported to the Rapid Response Program

BSA Training for Law Enforcement and Beneficial Ownership-related Outreach

BSA Users Trained: **20,818**

BSA Training Programs Offered (Non-Basic): **515**

BOI Outreach Events: **63**



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Glossary

Bank Secrecy Act (BSA) –

The Currency and Foreign Transactions Reporting Act of 1970—which legislative framework is commonly referred to as the “Bank Secrecy Act” (BSA)—requires U.S. financial institutions to assist U.S. government agencies to detect and prevent money laundering. Specifically, the BSA requires financial institutions to keep records of cash purchases of negotiable instruments, file reports of cash transactions exceeding \$10,000 (daily aggregate amount), and to report suspicious activity that might signify money laundering, tax evasion, or other criminal activities. It was passed by the Congress of the United States in 1970. The BSA is sometimes referred to as an “anti-money laundering” (AML) law or jointly as BSA/AML. The BSA has been amended multiple times, including through the USA Patriot Act of 2001 and the Anti-Money Laundering Act of 2020.

BSA Forms –

Suspicious Activity Reports (SARs)

Certain financial institutions are required to file SARs for certain activity. For example, banks are required to file SARs in the following circumstances:

- Transactions conducted or attempted by, at, or through the financial institution and aggregating \$5,000 or more, if the bank knows, suspects, or has reason to suspect that the transaction:
 - Involves potential money laundering or other illegal activity (e.g., terrorism financing);
 - Is designed to evade the BSA or its implementing regulations; or
 - Has no business or apparent lawful purpose or is not the type of transaction that the particular customer would normally be expected to engage in, and the bank knows of no reasonable explanation for the transaction after examining the available facts, including the background and possible purpose of the transaction.

Currency Transaction Reports (CTRs)

Financial institutions are required to report currency (cash or coin) transactions over \$10,000 conducted by, or on behalf of, one person, as well as multiple currency transactions that aggregate to be over \$10,000 in a single day. These transactions are reported on CTRs.

Currency and Other Monetary Instrument Reports (CMIRs)

Travelers and currency transporters are required to file a CMIR when entering or departing or shipping or receiving from/to the United States an aggregate amount of currency or other monetary instruments exceeding \$10,000.

Report of Cash Payments Over \$10,000 in a Trade or Business (Form 8300)

A trade or business must file Form 8300 if it receives more than \$10,000 in cash in a single transaction or in related transactions.

Report of Foreign Bank and Financial Accounts (FBARs)

A United States person that has a financial interest in or signature authority over foreign financial accounts must file an FBAR if the aggregate value of the foreign financial accounts exceeds \$10,000 at any time during the calendar year.

Financial Institution Advisory Program –

- **Advisories:** A comprehensive overview of an illicit finance threat, often related to broader national security issues. FinCEN began issuing advisories in 1996.
- **Alerts:** A targeted description of a time-sensitive scheme or threat facing U.S. financial institutions. FinCEN began issuing alerts in 2020, initially to raise immediate awareness of a convertible virtual currency scheme.

- **Notices:** A more narrowly focused and targeted summary of a specific illicit finance scheme or threat that is either emerging or, conversely, particularly prevalent but which could be prevented or mitigated by U.S. financial institutions with greater awareness. FinCEN began issuing notices in 2020, initially to address the onset of the COVID-19 Pandemic.

Financial Trend Analysis (FTA) –

FTAs are reports issued pursuant to section 6206 of the Anti-Money Laundering Act of 2020 (AMLA), which requires FinCEN to periodically publish threat pattern and trend information derived from BSA filings. These reports highlight the value of information filed by financial institutions in accordance with the BSA.

FinCEN Exchange –

FinCEN Exchange is a voluntary public-private information-sharing partnership among law enforcement agencies, national security agencies, financial institutions, other relevant private sector entities, and FinCEN to effectively and efficiently combat money laundering, terrorism financing, organized crime and other financial crimes; protect the financial system from illicit use; and promote national security. The objective of FinCEN Exchange is to develop, deliver, and sustain innovative public-private information sharing in order to enable the private sector to better identify risks and provide FinCEN and law enforcement with critical information to disrupt money laundering, terrorism financing, and other financial crimes. FinCEN operates FinCEN Exchange consistent with all relevant legal authorities.

FinCEN Query –

FinCEN Query is a tool designed to facilitate authorized users’ ability to access and analyze BSA data. FinCEN Query allows users to access, query, and analyze BSA data; apply filters and narrow search results; utilize enhanced data; and import lists of data (e.g., names, identification numbers, and addresses).

Rapid Response Program (RRP) –

Through the RRP, FinCEN helps victims and their financial institutions recover funds stolen as the result of certain cyber-enabled financial crime schemes, including business e-mail compromise. This RRP is a partnership among FinCEN, U.S. law enforcement (including the FBI, the U.S. Secret Service, HSI, and the U.S. Postal Inspection Service), and, foreign partner agencies that, like FinCEN, are the financial intelligent units (FIUs) of their respective jurisdictions. FinCEN uses its authority to share financial intelligence rapidly with counterpart FIUs and encourages foreign authorities to interdict the fraudulent transactions, freeze funds, and stop and recall payments using their authorities under their own respective legal and regulatory frameworks.

Section 314(a) –

FinCEN’s regulations under section 314(a) of the USA PATRIOT Act enable federal, state, local, and certain foreign law enforcement agencies, through FinCEN, to reach out to financial institutions to locate accounts and transactions of persons that may be involved in terrorism or significant money laundering.

Section 314(b) –

FinCEN’s regulations under section 314(b) of the USA PATRIOT Act permit financial institutions, upon providing notice to FinCEN, to share information with one another in order to identify and report to the federal government activities that may involve money laundering or terrorist activity.