

Any U.S. person with a financial interest in or authority over foreign financial accounts may be required to file a Report of Foreign Bank and Financial Accounts (FBAR). An FBAR is required if the aggregate value of the accounts **exceeds \$10,000** at **any time** during the calendar year. FBARs are due April 15 of the following calendar year, though an automatic extension is allowed.

Definitions

For purposes of FBAR requirements, here are the definitions of some key terms:

- **U.S. person.** This includes U.S. individuals (adults or children), resident aliens, and specific entities, such as corporations, partnerships, trusts, and limited liability companies.
- **Foreign financial account.** An account is considered foreign if maintained in a bank outside the United States, even if the institution is a U.S. bank.
- **Financial interest.** A U.S. person has a financial interest in a foreign financial account if he, she or it is the owner of record or holder of legal title, even if the account is for the benefit of another person. Financial interest may also exist if the owner of record or holder of legal title is one of several entities controlled by or on behalf of a U.S. person.

Penalty amounts

Civil penalties for non-willful violations can exceed \$10,000 per violation. As of January 2024, this amount adjusted for inflation is \$16,117. Civil penalties for willful violations can range from \$100,000 (adjusted for inflation, \$161,166) to 50% of the account balance at the time of the breach.

The FBAR rules can be complex. [Contact us](#) for more information.