Radford University
Cash Transactions - Reporting Questions & Answers

What is a "transaction" for Form 8300 filing purposes?

A "transaction" occurs when:

- Goods, services, or property are sold;
- Property is rented;
- Cash is exchanged for other cash;
- A contribution is made to a trust or escrow account;
- A loan is made or repaid; or
- Cash is converted to a negotiable instrument, such as a check or a bond.

What is cash for Form 8300 reporting purposes?

The University's activities that will cause a Form 8300 filing are for educational services. Therefore, **only** the following are ***cash*** for Form 8300 reporting purposes:

a. U.S. currency (U.S. dollar bills and coins)
b. Foreign currency (foreign bills and coins, such as euros, British pounds, Chinese *renminbi*, etc.)

The following are examples of **non-cash** transactions:

Example (cashier's check with a face value of **more than $10,000**): A student pays $12,000 for Fall Semester 2023 tuition on 08/15/2023. The student paid the tuition with one *cashier's check* with a face value of $12,000. The $12,000 is not reportable on Form 8300 because a cashier's check is not considered cash for the purposes of educational services.

Example (personal check): A student pays $12,000 for Fall Semester 2023 tuition on 08/15/2023. The student paid the entire tuition with one *personal check*. The $12,000 is not reportable on Form 8300 because a personal check is not considered cash.

Example (U.S. currency, cashier's check, and bank wire): A student owes $15,000 for a Fall Semester tuition, fees, and auxiliary services. The student pays the entire $15,000 Fall Semester bill with the following:

- $2,000 cashier's check
- $10,000 bank wire
- $3,000 US currency cash

Only the $3,000 U.S. currency is cash. The $2,000 cashier's check and the $10,000 bank wire is **not** cash. Since the total amount of cash is less than $10,000, the University does not need to file a Form 8300.

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What transactions require reporting to the IRS on Form 8300, *Report of Cash Payments Over $10,000 Received in a Trade or Business*?

Generally, the University is required to report the receipt of cash **in excess of $10,000** on Form 8300, ***if*** the cash is received in any of the following situations-

- in a single transaction (or two or more connected or unconnected transactions) **within a 24-hour period**;
- in a single transaction (or two or more connected transactions) **within a 12-month period**; and
- in other connected transactions **within a 12-month period** after the date of earlier transaction that caused a Form 8300 filing.

The cash must be received **in the course** of the University's trade or business in order to be a reportable transaction.

Examples

Example (**within a 24-hour period** for a connected or unconnected transaction): A student pays $12,000 cash on 05/15/2023 for both Summer Sessions I and II. Summer Session I and II tuitions are $6,000 each. Although the tuition is paid for two different school periods, the entire $12,000 payment on 05/15/2023 must be reported on Form 8300 because the total cash payment on 05/15/2023 **exceeds $10,000** and was paid **within a 24-hour period**.

Example (**within a 12-month period** for a connected transaction): A student pays $12,000 cash for Fall Semester 2023 on 08/15/2023. The same student pays $9,000 cash and $3,000 non-cash for Spring Semester 2023 on 12/15/2023. Although total cash received from the student equals $21,000 within a 12-month period, only report the $12,000 cash payment on Item 29 of Form 8300 because the cash payment on 08/15/2023-

1. is more than $10,000 **within a 24-hour period**, and
2. is related to the services the University provides for Fall Semester 2023.

The $9,000 cash payment on 12/15/2023 is NOT reported on Form 8300 because the cash payment on 12/15/2023-

1. is **not in excess of $10,000**,
2. is **not connected** to the services the University provides for Fall Semester 2023, and
3. is **not paid within 24 hours** of the $12,000 payment date of 08/15/2023.

Example (**within a 12-month period** for two or more connected transactions): A student pays $12,000 for Fall Semester 2023 in two installments:

1. a $7,000 cash payment on 08/15/2023, and
2. a $5,000 cash payment on 09/15/2023.

Report the total of both cash payments on Form 8300 because the two cash receipts-

1. **exceeded $10,000**,
2. were **within a 12-month period**, and
3. were **connected transactions** for Fall Semester 2023.

For both installment cash payments, record $12,000 ($7,000 + $5,000) on Item 29 of Form 8300. Also check the box in Item 30 to indicate multiple payments.

Example (**within a 12-month period** after filing Form 8300 for a connected transaction): The student pays $11,000 cash on 01/15/2023 for the Spring Semester. The University files Form 8300 for the 01/15/2023 payment before the filing deadline.

After Form 8300 is filed, the student makes the following additional *cash* payments for the Spring Semester:

1. $7,000 cash on 02/15/2023
2. $2,000 cash on 03/15/2023
3. $3,000 cash on 04/15/2023

All the additional payments occur **within 12 months** after the initial 01/15/2023 payment. On 04/15/2023, the University receives cash **in excess of $10,000** after the initial 01/15/2023 payment. The total is $12,000 cash ($7,000 + $2,000 + $3,000) on 04/15/2023. Since the $12,000 cash receipt occurs within 12 months after filing Form 8300, the University must file a Form 8300 for the $12,000 cash received. Record the $12,000 cash payment on Item 29 of Form 8300.

Are charitable contributions subject to Form 8300 reporting?

No. A charitable contribution is not reportable to the IRS because it is **not in the course** of the University's trade or business. This includes auction of property in which the buyers can receive a charitable contribution deduction for their income tax returns.

Where must Form 8300 be filed?

As of January 1, 2024 the Form 8300 must be filed online.

When must Form 8300 be filed?

Form 8300 must be filed with the IRS for each reportable transaction **within 15 days after** the transaction. The Form 8300 postmark date is the day Form 8300 is filed. For instance, if you have a reportable transaction on January 10, 2024, then the Form 8300 must be e-filed by January 25, 2024.

If the Form 8300 due date falls on a weekend or legal holiday, then Form 8300 must be filed by the next business day. For instance, if the Form 8300 due date is on a Saturday and the following Monday is not a legal holiday, then Form 8300 must be e-filed by the following Monday.

When does Part II have to be filled out?

If the individual giving the cash to the University is paying on behalf of someone else, then Part II needs to be filled out. Fill out Part I for the individual paying the cash. Fill out Part II for the beneficiary of the cash payment. For instance, if a parent makes a reportable transaction paying a student's tuition, fill out the parent's information in Part I and the student's information in Part II.

You may skip Part II if the individual named in Part I is conducting the transaction on his or her behalf only.

Example: A student's tuition for Fall Semester 2023 is $12,000. The student's **parent** pays $12,000 cash for Fall Semester 2023 on 08/15/2023. Report the $12,000 cash payment on Form 8300 because the cash payment on 08/15/2023-

1. is more than $10,000 **within a 24-hour period**, and
2. is related to the services the University provides for Fall Semester 2023.

Report the parent's information on Part I, including the parent's identification. Report the student's information on Part II.

Is identification required for Parts I and II?

Yes for Part I. Do not conduct the transaction if proper identification is not provided for Part I. All three items (a, b, and c) must be completed to make sure that Form 8300 will be processed correctly. For example, if the individual has a Utah driver's license, enter "driver's license" in item 14a, "Utah" in item 14b, and the number appearing on the license in item 14c.

Identification for Item 27 in Part II is only required if the beneficiary is a nonresident alien without a TIN or ITIN. For example, if the individual has a Canadian passport, enter "passport" in item 27a, "Canada" in item 27b, and the number appearing on the passport in item 27c.

What type of identification must be used when asking for identifying documents in Items 14 and 27?

The identification (ID) requirements under Treas. Reg. § 1.6050I-1(e)(3)(ii) are different for the following two groups:

1. People with TINs or ITINs (Item 14); and
2. People without TINs or ITINs (Item 27).

Please keep in mind that **if** you know the ID is **invalid**, do not accept the ID. For instance, assume a passport is used as an ID for a transaction conducted on 12/01/2023. The passport's expiration date was 09/01/2023 and has no date of renewal. You cannot accept this passport as ID because it is invalid.

1. People with TINs or ITINs. People with TINs or ITINs are allowed to use IDs normally accepted normally accepted as a means of identification when cashing checks. The following are IDs normally accepted as a means of identification when cashing checks, as long as there is enough information to fill out a, b, & c in Item 14:

- Student IDs
- U.S. state IDs
- Foreign IDs (any language on ID)
- Foreign Consular cards
- Driver's licenses (U.S. state or foreign issued)
- Passports (U.S. and foreign government issued)
- U.S. military IDs
- Alien registration cards
- Debit/Credit cards (must have a credit card brand name, such as Visa, MasterCard,
- etc.) City/Municipal ID cards (example: RD {Radford} City ID Cards)
- Other government-issued ID (U.S. or foreign)
- Employee IDs

2. People without TINs or ITINs. People without TINs or ITINs must use a government-issued ID from the list below. The ID can be in any language, as long as there is enough information to fill out a, b, & c in Item 27. A student ID cannot be used to fill out Item 27.

- Passport
- Alien identification card
- Foreign Consular cards
- Other official document evidencing nationality or residence

The following are **not** IDs for Form 8300 purposes:

- Social Security cards
- Any insurance cards
- Membership cards (e.g. gym cards, Costco cards, etc.)

How do we respond to Items 28, 29, and 30 on Form 8300 if filing is triggered by two or more payments?

Item 28
Record the date when the cash received exceeded $10,000.

Item 29
Record the total of the multiple payments connected to the same transaction.

Item 30
Check the box to indicate multiple payments.

Example: You are filing a Form 8300 because a student pays $12,000 for Fall Semester 2023 in the following two installments:

1. a $7,000 cash payment on 08/15/2023, and
2. a $5,000 cash payment on 09/15/2023.

The cash payments exceeded $10,000 within a 12-month period on 09/15/2023. When you file Form 8300, record 09/15/2023 on Item 28.

The total of the cash payments equals $12,000. Record $12,000 on Item 29.

Check the box on Item 30 to indicate multiple payments.

When should Item 31 on Form 8300 be filled out?

Item 31 is for the value of the services provided ***if*** it **does not equal** the cash receipts recorded on Item 29. So if the value of the services provided is the same as the cash receipts, leave Item 31 blank.

Example: A student's tuition for Fall Semester 2023 totals $12,000. The student pays the entire $12,000 Fall Semester 2023 tuition on 08/15/2023 with the following:

- $6,000 U.S. currency
- $5,000 foreign currency
- $1,000 personal check

The $6,000 U.S. currency is cash. The $5,000 foreign currency is cash. The 1,000 personal check is **not** cash. Therefore, cash receipt totals $11,000 while tuition totals $12,000. As a result,

- record $11,000 in Item 29, and
- $12,000 in Item 31.

If U.S. currency is included in Item 32a on Form 8300, does the amount of $100 bills need to be included?

Yes. For example, assume a $15,000 cash receipt includes $5,000 in U.S. currency. If $4,000 of the $5,000 in U.S. currency received by the University is in $100 bills, then record $5,000 in Item 32a and $4,000 in "(Amount in $100 bills or higher $ .00)" to the right of Item 32a.

If the University receives foreign currency and has to file Form 8300, how is foreign currency recorded in Item 32b on Form 8300?

Show foreign currency amounts in the U.S. dollar equivalent at a fair market rate of exchange available to the public. Record the U.S. dollar equivalent on the left side of Item 32b. Record the country the foreign currency comes from on the right side of Item 32b that says "(Country)."Cashiers should determine the U.S. dollar equivalent of the foreign currency while the transaction is in progress. Cashiers should provide the following to the campus tax department:

- the amount of foreign currency,
- the U.S. dollar equivalent of the foreign currency,
- the exchange rate used to determine the U.S. dollar equivalent of the foreign currency,
- the source used to convert the foreign currency into the U.S. dollar equivalent, and
- the date and time of the foreign currency conversion.

Many foreign currency conversion websites exist, such as financial news websites. An example of a foreign currency conversion website is http://www.x-rates.com/.

Example: A foreign student's tuition for Fall Semester 2023 is $12,000. The student goes to the cashier's office to pay the tuition on 09/15/2023. The student can only pay the tuition in Euros. The cashier goes to http://www.x-rates.com/ to determine the Euro equivalent of the $12,000 tuition on 09/15/2023 at 04:00PM. The equivalent Euro amount is €9,347.93. The student pays €9,500 in foreign currency. Record $12,000 on Item 32b and write Euro in "(Country)."

Which box must be checked for Part III, Item 33 on Form 8300?

Most of the reportable transactions are payments for business services, such as tuition or medical bills. Therefore, check box d, "Business services provided." Also provide a description of the services in Item 34.

Which Employer Identification Number (EIN) should be used for Part IV, Item 36?

Use the campus EIN.

When must the University provide a statement to people named on Form 8300?

By January 31st of the year following the calendar year in which the **cash is received**. For example, assume the University receives cash exceeding $10,000 on December 28, 2023 and files Form 8300 on January 5, 2024. While the University filed Form 8300 in calendar year 2024, the University **received the cash** in calendar year 2023. Therefore, the University must provide the statement to the person named on Form 8300 by January 31, 2024. The University should keep a copy of this statement for its own records.

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Should the University provide a written or electronic statement to people named on Form 8300?

The statement to people named on Form 8300 can be under a written format or an electronic format. However, if an electronic format is used, the people receiving the statements **must agree to** the electronic format.

How long must Form 8300 be kept?

Keep a copy of each Form 8300 for 5 years from the date you file it.

How do I file an amended return?

If you are amending a report, check box 1a. Complete the form in its entirety (Parts I-IV) and include the amended information. Do not attach a copy of the original report.

Does Form 8300 have to be filed if I suspect suspicious transactions?

No. Filing a Form 8300 to report a suspicious transaction is voluntary if you suspect that a person is attempting to cause Form 8300 not to be filed, or to file a false or incomplete form. If you want to report a suspicious transaction, you can

- check box 1b when filing Form 8300,
- call your local IRS Criminal Investigation Division, or
- call the FinCEN Financial Institution Hotline at 1-866-556-3974.

A Form 8300 filed for suspicious transactions does not have to exceed $10,000.

What if a nonresident alien does not have a TIN or ITIN?

Leave the "Taxpayer Identification Number" of the nonresident alien blank and attach a statement explaining why the TIN or ITIN is not included. Also make sure to record the nonresident alien's identification.

What if the individual has a TIN, but refuses to provide the TIN?

First, inform the person required to provide the TIN that he or she is subject to a $50 penalty imposed by the Internal Revenue Service under section 6723 [26 USCS § 6723] if he or she fails to furnish his or her TIN. If you have requested but are not able to get a TIN for one or more of the parties to a transaction within 15 days following the transaction, you must file Form 8300 and attach a statement explaining why the TIN is not included. You are not required to check box 1b, but you may choose to do so if you suspect the person is attempting to cause Form 8300 not to be filed, or to file a false or incomplete form.

If a TIN is not obtained after filing Form 8300, you must **annually** solicit the person for his or her TIN until either the TIN is provided or if 5 years pass after the Form 8300 is filed. The first annual solicitation must be made on or before December 31 of the year Form 8300 was filed. For a Form 8300 filed in December, the first annual solicitation must be made on or before January 31 of the following year. You must maintain contemporaneous records showing the solicitation was properly made and provide such contemporaneous records to the IRS upon request.

If the TIN is provided after Form 8300 is filed, file an amended Form 8300. Be sure to check box 1a.

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Cash Transactions - Reporting Procedures

The following procedures have been established to ensure the University's compliance with the Form 8300 reporting requirements. Please review the Questions & Answers to determine if there is a Form 8300 filing requirement.

Date of action	Action Required	Who is responsible
Transaction Day	Gather the information required in Parts I, II (if applicable), and III of Form 8300 before the customer(s) leaves. ➢ You can use a locally developed spreadsheet to record this information. ➢ Download the most recent version of Form 8300 from the IRS website at http://www.irs.gov/pub/irs-pdf/f8300.pdf. ➢ Email Form 8300 information to the Tax Compliance by the end of the transaction day.	Cashier's Office (Bursar)
Within 48 hours of Transaction	Review Form 8300 information. If the information appears to be incomplete or incorrect, contact Bursar Office for additional information relating to the transaction. Email/mail cash payer a memo of RU responsibilities for Form 8300 reporting.	Tax Compliance-Controller's Office
By the 15th day subsequent to the transaction	File Form 8300 with IRS/FICEN electronically. https://bsaefiling1.fincen.treas.gov/PublicAccess	Tax Compliance-Controller's Office
By January 31 of each year	Prepare and furnish end-of-year statements to all payers and beneficiaries who were identified on Forms 8300 (and reported to the IRS) during the immediately preceding calendar year.	Tax Compliance-Controller's Office
For at least five years from the date of filing Form 8300	Maintain a copy of the completed Form 8300.	Tax Compliance-Controller's Office

For further information pertaining to Form 8300 reporting requirements, please refer to IRS Publication 1544, *Reporting Cash Payments over $10,000* at http://www.irs.gov/pub/irs-pdf/p1544.pdf.

In addition, you may also refer "FAQs Regarding Reporting Cash Payments of Over $10,000 (Form 8300)" at http://www.irs.gov/Businesses/Small-Businesses-&-Self-Employed/FAQs-Regarding-Reporting-Cash-Payments-of-Over-$10,000-(Form-8300).

If you have any questions regarding these procedures or the referenced documents, please feel free to contact Radford University Tax Compliance at (540) 831-5821.