



FINANCIAL AND BUSINESS SERVICES POLICIES AND PROCEDURES

Area: Bursar's Office	Number:
Subject: IRS Compliance for Large Dollar Transaction Reporting	Issued: April 1, 2013
Applies To: Students/Parents/Customers	Revised:
Sources: IRS Publication 1544	Page(s): 1 of 1

Purpose:

To establish a procedure for proper identification, documentation and reporting to the IRS of cash payments totaling over \$10,000 in any given transaction or related transactions.

Policy:

The Internal Revenue Service (IRS) requires tax-exempt educational organizations to report cash transactions exceeding \$10,000 (single transaction or accumulated by multiple transactions within a 12 month period) received in the course of a trade or business, even if the income is not subject to the unrelated business income tax. The reporting requirement applies only to cash transactions. Any institution receiving a cash transaction for more than \$10,000 must complete and file IRS Form 8300, Report of Cash Payments over \$10,000 Received in Trade or Business, with the IRS. Exemptions to this regulation are businesses that report these transactions by way of another method. (Please refer to IRS Publication 1544 for important information on reportable transactions.)

The Bursar's Office monitors cash deposits for potential reporting requirements. If reportable cash transactions are determined, the payer is contacted by Bursar's Office staff to gather additional information. Subsequently, IRS form 8300 is completed and filed by the Bursar's Office.