

GENERAL ASSEMBLY OF NORTH CAROLINA
1983 SESSION

CHAPTER 815
HOUSE BILL 945

AN ACT CONCERNING THE REPORTING OF CERTAIN TRANSACTIONS IN
UNITED STATES CURRENCY.

The General Assembly of North Carolina enacts:

Section 1. Chapter 105 of the General Statutes of North Carolina is amended to add a new section as follows:

"§ 105-251.1. Reporting of certain currency transactions.—(a) The purpose of this provision is to require certain reports and records of transactions involving United States currency where such reports have a high degree of usefulness in criminal, tax, or regulatory investigations or proceedings.

(b) As used in this section, the term:

- (1) 'Secretary' means the Secretary of the North Carolina Department of Revenue.
- (2) 'Currency' means currency and coin of the United States.
- (3) 'Department' means the Department of Revenue of the State of North Carolina.
- (4) 'Financial institution' means:
 - a. A State or national bank;
 - b. A trust company;
 - c. A building and loan association, State savings and loan association, or a federal savings and loan association;
 - d. A State or federal credit union; or
 - e. Any other corporation doing business in this State pursuant to the provisions of G.S. 53-1, et. seq.
- (5) 'Person' means natural persons, partnerships, trusts, estates, associations, corporations, and all entities cognizable as legal personalities.

(c)

- (1) Every financial institution shall keep a record of currency transactions in excess of ten thousand dollars (\$10,000) and shall file with the Department within 15 days of the date of such transaction, pursuant to the regulations prescribed by the Secretary, a complete report of such currency transactions in excess of ten thousand dollars (\$10,000).
- (2) The reporting requirements set out in subsection (1) above may be fulfilled by providing to the Department a true and exact copy of all reports of currency transactions in excess of ten thousand dollars

(\$10,000) reported to the Commissioner of the Internal Revenue Service pursuant to 31 U.S.C. §1081 and 31 C.F.R. §103, as those various statutes and regulations were in effect on January 1, 1983.

(d) The Secretary shall prescribe such regulations as he may deem appropriate to carry out the purposes of this section and to provide for exemption of such transactions as the Secretary determines are clearly of a legitimate nature for which mandatory reporting would serve no useful purpose.

(e) The North Carolina State Bureau of Investigation shall, through designation by the Attorney General pursuant to G.S. 105- 259, have access to and shall be authorized to inspect and copy any reports filed with the Department pursuant to this section.

(f)

- (1) For each willful violation of this Article, the Secretary may assess upon any financial institution and upon any director, officer, or employee thereof who willfully participates in the violation a civil penalty not exceeding one thousand dollars (\$1,000).
- (2) In the event of the failure of any person to pay any penalty assessed under this section, a civil action for recovery thereof may, in the discretion of the Secretary, be brought in the name of the State of North Carolina.

(g) Except as provided in subsection (1) below, whoever willfully violates any provision of this Article shall be guilty of a misdemeanor.

- (1) Whoever willfully violates any provision of this Article where the violation is:
 - a. Committed in furtherance of the commission of any other violation of North Carolina law; or
 - b. Committed as part of a pattern of illegal activity involving transactions exceeding one hundred thousand dollars (\$100,000) in any 12- month period

shall be guilty of a Class I felony and, upon conviction thereof, shall be punished by a fine of not more than five hundred thousand dollars (\$500,000) or by imprisonment, or both."

Sec. 2. All laws and parts of laws in conflict with this act are repealed.

Sec. 3. This act shall become effective October 1, 1983.

In the General Assembly read three times and ratified, this the 19th day of July, 1983.