



HULL & HULL LLP
Barristers and Solicitors

Assisting Clients in Making Cross-Border Distributions

When assisting clients with the administration of an estate, it is important to familiarize oneself with any specific customs and/or border protection requirements before funds are physically transferred from one jurisdiction to another.

For example, the U.S. Customs and Border Protection website states that, whenever funds exceeding a value of \$10,000.00 (USD) are delivered to the United States from a foreign country, it must be reported by the party sending the money. To do so, a "Report of International Transportation of Currency or Monetary Instruments" should be completed and filed with Customs and Border Protection. The reporting requirement for funds delivered to the United States applies to transfers of funds in the form of coins, currency notes, traveller's cheques, money orders, and bank drafts delivered by mail, courier, personal delivery, or other means. It also applies to delivery of assets on behalf of another individual, such as a lawyer doing so on behalf of a client. It does not apply, however, where assets are transferred in a manner that does not involve physically transporting money over the border, such as wire transfers through financial institutions, in which case the financial institution is responsible for reporting the transfer.

In addition to reporting requirements of the United States, it is also important to consider the corresponding Canadian customs requirements relating to the transfer of assets in excess of \$10,000.00 (CAD). If money is sent by mail, Canada Post should be consulted regarding the necessary reporting requirements. If money is delivered instead by courier, the courier is responsible for filing another reporting form, while the individual sender remains responsible for providing the courier with the general reporting form.

United States Border Protection and the Canada Border Services Agency both have the authority to seize funds and charge penalties if reporting obligations are not satisfied by the person sending funds across the border. When in doubt, it is advisable to consult the relevant border protection agencies to ensure that the failure to report will not prejudice your client, the estate, and/or its beneficiaries.