

Investment Management Alert

December 27, 2013

New Set of Treasury Forms Apply Starting December 31

The U.S. Department of the Treasury has increased the scope of the “financial institutions” that must file reports on the Form B series of Treasury International Capital (TIC) forms to include hedge funds, private equity funds and investment managers. The expanded reporting requirements start with periods ending on or after December 31, 2013. The Form B series consists of Forms BC, BL-1, BL-2, BQ-1, BQ-2 and BQ-3, which are further described in Appendix A below. In general, the TIC B Forms are intended to gather information on the levels of, and changes in, U.S. international portfolio capital positions. The TIC B Forms require reporting to the U.S. Treasury about loans, short-term securities and other liabilities of the reporting institution to or from foreign residents.¹

U.S. hedge and private equity funds that receive credit from, or extend any type of credit to, a foreign person and U.S. investment managers that could be deemed to hold loans, short-term securities and other liabilities or credits for their U.S. resident clients should consider whether they have claims or liabilities in excess of the thresholds for the relevant form described on Appendix A. Forms BC, BL-1 and BL-2 will each be due within 15 days after the end of each month, and the other forms will be due 20 days following the last day of the calendar quarter. Once a threshold is crossed in one period, the financial institution must continue filing for the remainder of the year.

Financial institutions that previously filed Form CQ-1 or CQ-2 in 2013 will no longer be required to file those forms in 2014.

To view Appendix A, please [click here](#).

¹ Residency is, in general, determined by the jurisdiction of incorporation.

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