

Australian Remittance and Currency Providers Association Ltd
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Manager
Black Economy Division
The Treasury
Langton Crescent PARKES ACT 2600

Wednesday, 14 August 2019

Dear Manager,

Re: *Currency (Restrictions on the Use of Cash) Bill 2019*

Australian Remittance and Currency Providers Association (ARCPA) Submission into the Exposure draft legislation for an economy-wide cash payment limit of \$10,000/-

With reference to our earlier submission on the 11th of August 2019, please add the following to our submission, these were views expressed by our members post the sydney hearing. ARCPA endorses these views:

Arguments for why AUSTRAC registered remittance businesses should be exempt from the cash payment limit:

- AUSTRAC registered remittance businesses should be exempt from the cash payment limit; just as foreign exchange business will be. Many registered remittance businesses can only accept cash as a form of payment given the de-banking of AUSTRAC-registered businesses that has occurred from around 2013. Many do not have access to bank accounts to accept payment in the form of bank transfer, and those with bank accounts do not have certainty as to how long they will be kept. Those without bank accounts will be required to use cash in transit businesses to manage their business operations and application of the cash payment limit will mean that legitimate remittance businesses will not have a legitimate way to accept payment for their remittance services.
- AUSTRAC registered remittance businesses should be exempt from the cash payment limit and should continue to report the threshold transaction report (TTR) as the intelligence gained from the reports is critical for the remittance business, AUSTRAC and other agencies in allowing them to form suspicions and reporting these via the suspicious matter report. AUSTRAC registered remittance businesses are businesses that are required to properly collect Know Your Customer (KYC) information and also identified suspicious transactions including those that are structured to avoid such reporting as TTRs.

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Other considerations to consider for the draft bill:

- Series – better clarification and examples should be provided to determine when a series occurs
- Supply – better clarification and examples should be provided to determine when a supply, especially considering payments for aggregated customers/products/services as well as international jurisdictions where Australian businesses are based, have operations (e.g. subsidiaries, outpost) or have partners it works with .
- Structured payments – consideration of when payments or acceptance of payments are structured to avoid the cash payment limit; and if this identification occurs what mechanisms are in place to report this structuring behaviour. We would consider those AUSTRAC registered remittance businesses well placed to identify and report on structured

We thank you for your attention.

Very sincerely yours,

For and on behalf of AUSTRALIAN REMITTANCES AND CURRENCY PROVIDERS ASSOCIATION LTD.

A handwritten signature in blue ink, appearing to read 'Ramanathan Karuppiah'. The signature is fluid and cursive, written over a white background.

RAMANATHAN KARUPPIAH
Director – Members Certification
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0404335811