

INSIGHTS

MSBA Quarterly Newsletter

July 10, 2025

It's our 10th Anniversary!

As we mark our 10th year, the MSBA has completed its most challenging legislative season ever. Over the past six months, we've confronted 29 bills across 18 states aiming to tax remittances or impose burdensome citizenship or ID requirements on our members' services. We are proud to report that no legislation has passed at the state level this year. Our efforts continue as we remain committed to educating on the benefits of our services and opposing harmful remittance taxes.

A Walk-Through MSBA's State Advocacy Work in 2025

In-Person Testimony

The MSBA testified in-person in opposition to state remittance taxes in five states: Ohio, Utah, Tennessee, Kansas, and Alabama. MSBA protects individual companies from becoming targets. We are ready to travel when necessary.



Coalition Letters

We helped to coordinate a coalition of trade groups to oppose state remittance tax bills and submitted letters of opposition. In May, we also sent a letter to Congress opposing the proposed Federal Remittance Tax.

29 Bills, 18 States

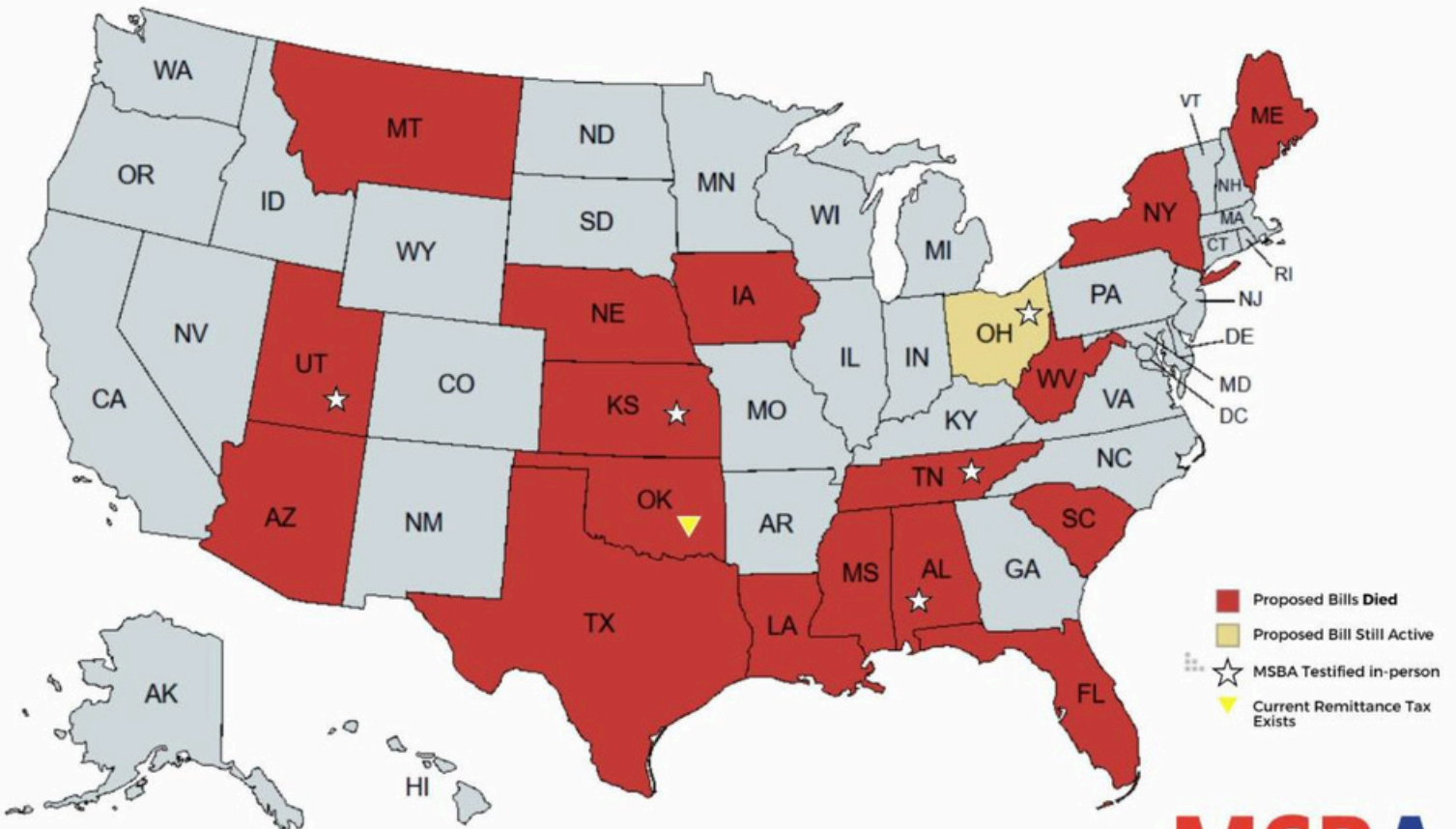
Our work has paid off. Currently, Oklahoma is the only state with a remittance tax, which was passed in July 2009.



Our Work is Not Done.

We will continue to track and monitor state and federal bills with remittance tax proposals and do everything to educate and inform on the detrimental effects.

Proposed State Remittance Taxes in 2025



Federal Remittance Tax in the One Big Beautiful Bill

The MSBA has been committed to advocating against the Federal Remittance Tax since the beginning of May prior to the bill's introduction. The bill was passed on July 3, 2025, and signed by the President on July 4, 2025.



What is next?

The MSBA will submit comments on the Regulations from the Secretary of the Treasury and provide an in-depth FAQ on the bill for MSBA members.

Federal Remittance Tax Bill Timeline



MAY 9, 2025

MSB Group (ETA, FTA, TMSRT, INFIn, MSBA) sends letter to House Ways & Means urging **no remittance tax** in upcoming bill.



MAY 12, 2025

House introduces bill proposing:

- 5% remittance tax
- Mandatory qualified remittance provider registration
- Citizenship proof required for refundable credit (U.S. citizens only)
- Reporting sender details (name, address, SSN) to Treasury



MAY 22, 2025

House passes bill, sends to Senate. Freedom Caucus demands remittance tax to curb illegal immigration.



JUNE 9, 2025

Senator Eric Schmitt calls for **15% remittance tax**.

MSBA begins coalition-building to remove tax and develops **targeted talking points**.

[See Joint Trade Coalition Letter.](#)



JUNE 17, 2025

Senate releases 2nd bill draft:

- Tax lowered to 3.5%
- Exempts FIs and transactions via debit/credit cards & bank accounts
- Removes special registration requirement
- Only SSN required for refundable tax credit



JUNE 28, 2025

Senate final bill released:

- **1% tax on cash-sourced remittances**
- Clarifies “physical” cash (excludes digital wallets)
- Refundable credit removed (no SSN collection)
- Treasury to draft regulations for collection



JULY 1, 2025

Senate passes bill, sends to House.

Freedom Caucus demands higher tax and exclusion for U.S. citizens. Last minute outreach to keep Senate and 1% language.



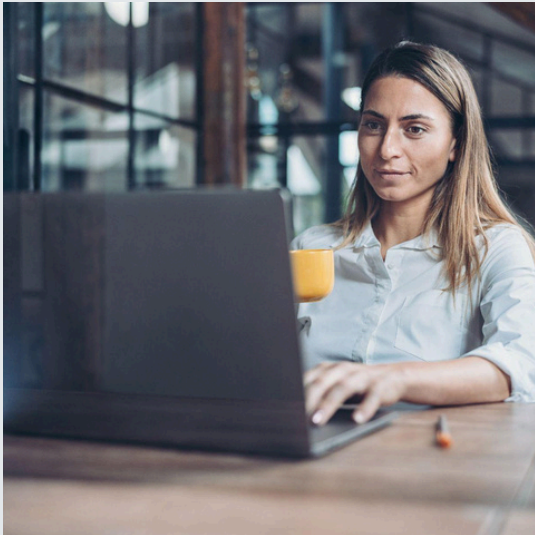
JULY 3, 2025

House passes bill and sends to President for signature.

Southwest Border Geographical Targeting Order (GTO)

FinCEN issued the Southwest Border GTO on March 11, 2025 with an effective date of April 14, 2025. The GTO required that all currency transactions between \$200 and \$10,000 must be reported via a Currency Transaction Report (CTR) within 15 days in the specific zip codes listed in GTO. MSBs must also verify customer identity and retain these records for five years. The MSBA quickly responded by coordinating the MSB Group of trade associations to advocate against the GTO and highlight its flaws.

[Click Here for more details on GTO](#)



On March 24, 2025, the MSBA held a Special Member Meeting to discuss how to navigate the latest GTO.



On April 7, 2025, the MSBA and other members of the coalition met with FinCEN to discuss concerns with the parameters of the Southwest Border GTO.



Amicus Brief

MSBA filed an Amicus Curiae in California outlining the harm the Southwest Border GTO could cause our members. We believe this was a crucial step to help prevent its expansion.

A Conversation on Family Remittances at the Inter-American Dialogue



Kathy Tomasofsky, Executive Director, MSBA, participated in this event on June 18, 2025, to discuss the proposed Senate bill amendment that would impose a 3.5 percent tax on remittances sent by foreign-born individuals. The goal was to educate stakeholders in a timely manner as the bill was moving quickly.

[Watch Recording](#)

Legislative Tracking Overview

The MSBA tracks all legislation that directly affects the money services industry in order to keep our members informed. For example, as of May 2025, we have tracked 119 bills that would directly affect our members. There were several MTMA bills passed this year as well, bringing the total to 31 states that have passed the MTMA in full or partly. We have created an overview document of our legislative tracking for MSBA Members only.

Recent Meetings & Resources



Licensed Money Transmitter Working Group

MSB Call Report Deep Dive



Monthly Member Meeting June

Emerging Fraud Trends

**These meetings happen the 1st Wednesday of each month (except July)*



FinTech Working Group Meeting: Privacy 101

Welcome New Members!



[TransBridge
Advisors](#)



[The Compliance
Organization](#)



[ZEPZ](#)

Upcoming Events



Join us for our Summer Lunch & Learn Webinars!

Our two-part Summer Lunch & Learn Webinar series is back! We have invited subject matter experts to help our members and participants master the State Examination System (SES).

Date: Wednesday, July 23, 2025

Time: 1:30pm EST

Topic: SES Demonstration by CSBS team

Date: Wednesday, July 30, 2025

Time: 1:30pm EST

Topic: Exam Tips with Compliance Experts and State Regulators

**We are offering these webinars to our members and the industry at no cost.*

[Register Here](#)



The flyer features a large '10' with gold sparkles above a glass of bourbon with ice and the MSBA logo. The MSBA logo includes the text 'Money Services Business Association'. The background is a sunset over water.

Bytes & Bourbon Events at MTRA

Women in Money Transmission Brunch
Tuesday, September 9
10am - 12:30pm
Panel of Women discussing technology in the MSB industry!
*Men are welcomed to attend.

Industry Reception
Tuesday, September 9
5:30 - 7:30pm
Come out and help us celebrate 10 years of the MSBA!

The Biscuit Lounge
Louisville, KY

[Register for Women in Money Transmission Brunch](#)

[Register for Industry Reception](#)

[Register for MTRA Conference](#)

MSBA Daily News

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We Need More Members Like You!

Now more than ever, it's essential that we unite in advocating for our industry. We encourage you to invite your colleagues to consider MSBA membership—we welcome the opportunity to connect and discuss how they can get involved.

We love to hear from our members and the industry. If you have any questions about the contents of our Quarterly Newsletter, please contact us!



Money Services Business Association | 29 Valley View Terrace | Montvale, NJ
07645 US

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