

**The University of Michigan**  
**Financial Operations**  
**Corporate Reporting, Taxes, and Disbursement Operations**  
**6044 Wolverine Tower, 1287**

To: Foreign Bank Account Authorized Signer  
From: Ed Jennings, Tax Manager  
Subject: Tax Notice

The management of University Bank Accounts is the responsibility of the Treasurer's Office. This requires the responsibility of authorized signers on any bank account to be delegated by the Treasurer ([SPG 519.01](#)).

As a means to keep you current with certain tax reporting requirements, I write to inform you that your signature authority over one or more University foreign bank accounts will impact the filing of your U.S. Individual Income Tax Return, Form 1040, and may require you to file a form with the Department of Treasury, Form TD F 90-22.1.

Based on the Jobs Creation Act of 2004 and subsequent correspondence with the Internal Revenue Service (IRS), it has been determined that employees of large educational institutions who have signature authority over foreign bank accounts held in the name of their employer must

[\[1\]](#)

disclose this fact on their U.S. Individual Income Tax Returns, Form 1040. Further, they are required to file a [Form TD F 90-22.1](#), Report of Foreign Bank and Financial Accounts (Report) with the Department of Treasury, by June 30 of this year. Failure to comply may trigger a penalty of up to \$10,000 for non-willful violations and \$100,000 for willful violations.

For your convenience, we, in conjunction with the Treasurer's Office, provide a sample [Schedule B](#) exhibit as a working example to assist you with disclosing this information on your individual income tax return. You are required to indicate that you have the appropriate signature authority and must list the countries accordingly. We suggest that you use the recommended language indicating your limited use and involvement with these accounts. Please note that this exhibit does not take into account your personal financial situation.

Please contact me at (734) 763-3282 or [ejenning@umich.edu](mailto:ejenning@umich.edu) if you have questions.

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Please note that the Tax Council for the National Association of College and University Business Officers (NACUBO) will continue through the medium of Information Reporting Program Advisory Committee (IRPAC) to press the Treasury Department to include large educational institutions as part of the exception from filing that is available for large corporations.