2021 Washington Money Transmitters Annual Assessments

Guidance for Virtual Currency Businesses

To assist licensed virtual currency (VC) businesses in reporting the correct Washington money transmission volume in the 2021 annual assessment, *due July 1, 2022*, the Department provides the following guidance and information.

The Department has updated the annual assessment report in an attempt to streamline the process, and to ensure the assessment is consistent with regulatory terminology for calculation and reporting of money transmission volume by VC businesses.

The Department requests Money Transmitters with virtual currency activities report 2021 Washington transmission volume in the AAR categories as listed below. Each activity type is simply reported as a lump-sum total at the USD equivalent value* of the total transmission volumes.

Report under "Other Money Transmission":

- Purchases of VC for USD - customers buying VC with USD.
- Purchases of VC for VC - customers buying VC with other VCs.
- Sales of VC for USD - customers selling their VC in exchange for USD.
- Exchange of VC for VC and/or USD among customers - Facilitated exchanges of VC for VC and/or USD between customers.
- VC received into customer wallets/accounts - receipt of VC into a wallet/account held by the licensee on behalf of a customer.

Report as "Prepaid Access Sales":

- USD received into customer wallets/accounts - receipt of USD into a wallet/account held by the licensee on behalf of a customer.

**For calculating and reporting the 'USD equivalent value' of virtual currency volume which is not involving USD, the rate used for reporting must represent a generally accepted and recognized quoted price in the market for the virtual currency at the time of the transactions.*

Resources:

Additional information on virtual currency regulation in Washington can be found at:
http://www.dfi.wa.gov/bitcoin

The Online Annual Assessment System for Money Transmitters can be found at:
https://dfi.wa.gov/money-services/annual-assessments

An instructional guide for the annual assessment can be found at:
https://dfi.wa.gov/sites/default/files/mt-filings-instructional-guide.pdf