

Collecting Identifying Information Required Under the Customer Identification Program Rule

This advisory to insured state non-member banks and savings associations (FDIC-supervised institutions) emphasizes requirements of the Customer Identification Program (CIP) Rule¹ related to collecting identifying information from a customer prior to opening an account.

Background

In 2003, the final CIP Rule was issued for banks, savings associations, credit unions, and certain non-federally regulated banks (collectively “banks”). A written² CIP is required as part of a bank’s Anti-Money Laundering/Countering the Financing of Terrorism (AML/CFT) program and must be appropriate for the bank’s risk profile, complexity, and business activities.

The CIP Rule requires a bank to implement a program that includes risk-based verification procedures that enable the bank to form a reasonable belief that it knows the true identity of its customers.³ These procedures must specify the identifying information that a bank must obtain from each customer prior to opening an account. These procedures must include collecting, at a minimum, the customer’s name, date of birth (for an individual), address, and identification number.⁴ For a U.S. person, the identification number must be a taxpayer identification number (TIN). For a non-U.S. person, one or more of the following is required: a TIN; passport number and country of issuance, alien identification card number; or number and country of issuance of any other government-issued document evidencing nationality or residence and bearing a photograph or similar safeguard.

Summary

The customer information⁵ is required prior to account opening whether the bank establishes the relationship directly with the customer or through a third party. Additionally, the CIP Rule does not allow for an abbreviated collection of any data element. For example, the full TIN must be collected from the customer prior to opening the account.

Collection of this data from the customer prior to account opening applies to all accounts with the exception of credit card accounts. When establishing a credit card account, the bank may obtain a customer’s identifying information from a third-party source prior to extending credit to the customer.⁶

¹ [12 CFR § 326.8\(b\)\(2\)](#).

² [31 CFR § 1020.220](#).

³ [31 CFR § 1020.220\(a\)\(2\)](#).

⁴ An identification number for a U.S. person is a taxpayer identification number (TIN) (or evidence of an application for one consistent with [31 CFR 1020.220\(a\)\(2\)\(i\)\(B\)](#)). TINs are described in section 6109 of the Internal Revenue Code (26 USC 6109) and the IRS regulations implementing that section ([26 CFR Part 301.6109-1](#)) (e.g., Social Security Number, individual taxpayer identification number (ITIN), or employer identification number). When opening an account for a foreign business or enterprise that does not have an identification number, the bank must request alternative government-issued documentation certifying the existence of the business or enterprise.

⁵ [31 CFR 1020.220\(a\)\(2\)\(i\)\(A\)](#)

⁶ [31 CFR 1020.220\(a\)\(2\)\(i\)\(C\)](#).

A bank's CIP must also contain procedures for verifying the identity of the customer and describe when the bank will verify customer identity through documentary methods, non-documentary methods, or a combination of both.⁷

A bank's CIP may include procedures specifying when a bank will rely⁸ on the performance by another financial institution of the procedures of the bank's CIP with respect to any customer of the bank that is opening, or has opened, an account or has established a similar formal banking or business relationship with the other financial institution to provide or engage in services, dealings, or other financial transactions, provided that:

- (i) Such reliance is reasonable under the circumstances;
- (ii) The other financial institution is subject to a rule implementing 31 U.S.C. 5318(h) and is regulated by a Federal functional regulator; and
- (iii) The other financial institution enters into a contract requiring it to certify annually to the bank that it has implemented its anti-money laundering program, and that it will perform (or its agent will perform) the specified requirements of the bank's CIP.

To summarize, a bank is required to collect certain information from the customer prior to account opening regardless of method used to open the account.

To gain an understanding of the issues related to the TIN collection, FinCEN is seeking information and comment from banks and interested parties regarding the CIP Rule's TIN collection requirement through a [*Request for Information: Customer Identification Program Rule Taxpayer Identification Number Collection Requirement*](#).⁹

⁷ [31 CFR 1020.220\(a\)\(2\)\(ii\)](#)

⁸ [31 CFR 1020.220\(a\)\(6\)](#)

⁹ [FinCEN Request for Information: Customer Identification Program Rule Taxpayer Identification Number Collection Requirement](#), published March 29, 2024.