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(Original Signature of Member)

119TH CONGRESS  
1ST SESSION

**H. R.** \_\_\_\_\_

To limit the imposition of excise taxes and fees on money transmitting businesses, and for other purposes.

\_\_\_\_\_  
IN THE HOUSE OF REPRESENTATIVES

Mr. LICCARDO introduced the following bill; which was referred to the Committee on \_\_\_\_\_

\_\_\_\_\_  
**A BILL**

To limit the imposition of excise taxes and fees on money transmitting businesses, and for other purposes.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “Remittance Expense  
5       Minimization and Integrity for Transfers Act” or the  
6       “REMIT Act of 2025”.

7       **SEC. 2. FINDINGS.**

8       The Congress finds the following:

1           (1) Remittances are essential cross-border flows  
2       of funds from diaspora community members who  
3       sent money or goods from wherever they reside to  
4       their home countries. While typically only a few hun-  
5       dred dollars per transaction, the total remittance  
6       market is estimated by the International Monetary  
7       Fund to be over \$500,000,000,000 globally. These  
8       funds are so significant to the recipient countries  
9       that they can make up percentages of their Gross  
10      Domestic Product and are significant factors in the  
11      elimination of poverty and the stabilization of econo-  
12      mies.

13          (2) A 2016 report from Government Account-  
14      ability Office found that fines on remittances did not  
15      stop the flow of remittances, but rather led to con-  
16      sumers using unregulated transfer methods.

17          (3) In a May 2023 report, the Congressional  
18      Research Service corroborated that many alternative  
19      remittance systems, also known as Informal Value  
20      Transfer Systems (IVTS), lack of documentation  
21      and their anonymity and informality can make them  
22      attractive for money laundering, terrorist financing,  
23      and other illegal purposes.

24          (4) A July 5, 2022 Department of the Treasury  
25      Financial Crimes Enforcement Network reiterated

1       longstanding financial-crime concerns about IVTS  
2       and that IVTS are being used to fund attempted  
3       terrorist attacks, including against the United  
4       States.

5           (5) The 2024 National Money Laundering Risk  
6       Assessment by the U.S. Department of the Treasury  
7       highlighted that drug traffickers are turning to pro-  
8       fessional money launderers to launder their ill-gotten  
9       proceeds. In particular, drug traffickers use Chinese  
10      Money Laundering Organizations (CMLOs), which  
11      employ IVTS, among other means, to move value  
12      across borders without needing to use the U.S. fi-  
13      nancial system. While CMLOs provide money laun-  
14      dering services for Transnational Criminal Organiza-  
15      tions, their primary objective is to acquire and sub-  
16      sequently sell United States Dollars (and other for-  
17      eign currencies) using IVTS schemes to assist Chi-  
18      nese nationals seeking to evade the Chinese govern-  
19      ment's currency controls. CMLOs operating in the  
20      United States increasingly need access to significant  
21      amounts of USD to satisfy the demand for IVTS  
22      services by cartels, Chinese nationals, and other cus-  
23      tomers of their services.

24           (6) To obtain dollars, CMLOs work with South  
25      American drug cartels and also anyone who needs

1       their underground cross-border money transfer serv-  
2       ices.

3           (7) CMLOs are just one example of the organi-  
4       zations that would benefit from the increased de-  
5       mand created by any attempt to limit licit movement  
6       of remittances across borders.

7   **SEC. 3. EXCISE TAXES AND FEES.**

8       (a) IN GENERAL.—Notwithstanding any other provi-  
9       sion of law, it is not permissible for the Federal govern-  
10      ment to require a money transmitting business to pay an  
11      excise tax or fee unless the Secretary of the Treasury has  
12      certified to Congress, including the Committee on Finan-  
13      cial Services of the House of Representatives and the  
14      Committee on Banking, Housing, and Urban Affairs of  
15      the Senate that such excise tax or fee—

16           (1) will not increase the potential for money  
17      laundering or other financial crime activities; and

18           (2) will not impose an undue burden on any  
19      money transmitting business.

20      (b) MONEY TRANSMITTING BUSINESS DEFINED.—In  
21      this section, the term “money transmitting business”  
22      means a licensed sender of money or any other person who  
23      engages as a business in the transmission of currency,  
24      funds, or value that substitutes for currency, including any  
25      person who engages as a business in an informal money

1 transfer system or any network of people who engage as  
2 a business in facilitating the transfer of money domesti-  
3 cally or internationally outside of the conventional finan-  
4 cial institutions system.