

119TH CONGRESS
1ST SESSION

H. R. 4274

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

IN THE HOUSE OF REPRESENTATIVES

JULY 2, 2025

Mr. LICCARDO (for himself, Mr. CORREA, Mr. TORRES of New York, Mr. VARGAS, Mr. VICENTE GONZALEZ of Texas, Mr. ESPAILLAT, Mr. GARCÍA of Illinois, and Mr. SUBRAMANYAM) introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committee on Financial Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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 Treas-
25 ury Financial Crimes Enforcement Network reiter-

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

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