

30 days of the date of mailing of the penalty notice, the matter may be referred for administrative collection measures by the Department of the Treasury or to the United States Department of Justice for appropriate action to recover the penalty in a civil suit in a federal district court.

Subpart H—Procedures**§ 594.801 Procedures.**

For license application procedures and procedures relating to amendments, modifications, or revocations of licenses; administrative decisions; rulemaking; and requests for documents pursuant to the Freedom of Information and Privacy Acts (5 U.S.C. 552 and 552a), see part 501, subpart E, of this chapter.

[68 FR 53660, Sept. 11, 2003]

§ 594.802 Delegation by the Secretary of the Treasury.

Any action that the Secretary of the Treasury is authorized to take pursuant to Executive Order 13224 of September 23, 2001, and any further Executive orders relating to the national emergency declared therein, and any action that the Secretary of the Treasury is authorized to take pursuant to Presidential Memorandum of October 11, 2017: Delegation of Certain Functions and Authorities under the Countering America's Adversaries Through Sanctions Act of 2017 or any further Presidential action relating to Title I of the Countering America's Adversaries Through Sanctions Act of 2017 (Pub. L. 115-44), Presidential Memorandum of January 15, 2019: Delegation of Functions and Authorities Under the Hizballah International Financing Prevention Act of 2015, as Amended, and the Hizballah International Financing Prevention Amendments Act of 2018, and Presidential Memorandum of May 24, 2019: Delegation of Functions and Authorities Under the Sanctioning the Use of Civilians as Defenseless Shields Act, may be taken by the Director of the Office of Foreign Assets Control or by any other person to whom the Sec-

retary of the Treasury has delegated authority so to act.

[82 FR 50314, Oct. 31, 2017, as amended at 87 FR 39339, July 1, 2022]

Subpart I—Paperwork Reduction Act**§ 594.901 Paperwork Reduction Act notice.**

For approval by the Office of Management and Budget (“OMB”) under the Paperwork Reduction Act of 1995 (44 U.S.C. 3507) of information collections relating to recordkeeping and reporting requirements, licensing procedures (including those pursuant to statements of licensing policy), and other procedures, see 501.901 of this chapter. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid control number assigned by OMB.

PART 596—TERRORISM LIST GOVERNMENTS SANCTIONS REGULATIONS**Subpart A—Relation of This Part to Other Laws and Regulations**

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Subpart I—Paperwork Reduction Act

596.901 Paperwork Reduction Act notice.

AUTHORITY: 18 U.S.C. 2332d; 22 U.S.C. 7201-7211; 31 U.S.C. 321(b).

SOURCE: 61 FR 43463, Aug. 23, 1996, unless otherwise noted.

Subpart A—Relation of This Part to Other Laws and Regulations

§ 596.101 Relation of this part to other laws and regulations.

(a) This part is separate from, and independent of, the other parts of this chapter with the exception of part 501 of this chapter, the recordkeeping and reporting requirements and license application and other procedures of which apply to this part. Differing foreign policy and national security contexts may result in differing interpretations of similar language among the parts of this chapter. Except as otherwise authorized in this part, no license or authorization contained in or issued pur-

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suant to those other parts authorizes any transaction prohibited by this part. Except as otherwise authorized in this part, no license or authorization contained in or issued pursuant to any other provision of law or regulation authorizes any transaction prohibited by this part. See § 596.503.

(b) No license or authorization contained in or issued pursuant to this part relieves the involved parties from complying with any other applicable laws or regulations.

[61 FR 43463, Aug. 23, 1996, as amended at 62 FR 45112, Aug. 25, 1997]

Subpart B—Prohibitions

§ 596.201 Prohibited financial transactions.

Except as authorized by regulations, orders, directives, rulings, instructions, licenses, or otherwise, no United States person, on or after the effective date, knowing or having reasonable cause to know that a country is designated under section 6(j) of the Export Administration Act, 50 U.S.C. App. 2405, as a country supporting international terrorism, shall engage in a financial transaction with the government of that country.

Note to § 596.201: The name of each country that has been designated under section 6(j) of the Export Administration Act, 50 U.S.C. App. 2405, as a country supporting international terrorism is published in the FEDERAL REGISTER by the Department of State, and a complete list of countries currently so designated can be found via the Web site of the Department of State at <http://www.state.gov/j/ct/>.

[80 FR 34054, June 15, 2015]

§ 596.202 Evasions; attempts; conspiracies.

Any transaction for the purpose of, or which has the effect of, evading or avoiding, or which facilitates the evasion or avoidance of, any of the prohibitions set forth in this part, is hereby prohibited. Any attempt to violate the prohibitions set forth in this part is hereby prohibited. Any conspiracy formed for the purpose of engaging in a transaction prohibited by this part is hereby prohibited.

Subpart C—General Definitions**§ 596.301 Donation.**

The term *donation* means a transfer made in the form of a gift or charitable contribution.

§ 596.302 Effective date.

The term *effective date* refers to the effective date of the applicable prohibitions and directives contained in this part which is 12:01 a.m. EDT, August 22, 1996.

§ 596.303 Financial institution.

The term *financial institution* shall have the definition given that term in 31 U.S.C. 5312(a)(2) or the regulations promulgated thereunder, as from time to time amended.

NOTE: The breadth of the definition precludes its reproduction in this section.

§ 596.304 Financial transaction.

The term *financial transaction* shall have the meaning set forth in 18 U.S.C. 1956(c)(4), as from time to time amended. As of the effective date, this term includes:

- (a) A transaction which in any way or degree affects interstate or foreign commerce;
- (1) Involving the movement of funds by wire or other means; or
- (2) Involving one or more monetary instruments; or
- (3) Involving the transfer of title to any real property, vehicle, vessel, or aircraft; or
- (b) A transaction involving the use of a financial institution which is engaged in, or the activities of which affect, interstate or foreign commerce in any way or degree.

§ 596.305 General license.

The term *general license* means any license or authorization the terms of which are set forth in this part.

§ 596.306 License.

Except as otherwise specified, the term *license* means any license or authorization contained in or issued pursuant to this part.

§ 596.307 Monetary instruments.

The term *monetary instruments* shall have the meaning set forth in 18 U.S.C. 1956(c)(5), as from time to time amended. As of the effective date, this term includes coin or currency of the United States or of any other country, travelers' checks, personal checks, bank checks, and money orders, or investment securities or negotiable instruments, in bearer form or otherwise in such form that title thereto passes upon delivery.

§ 596.308 Person; entity.

- (a) The term *person* means an individual or entity.
- (b) The term *entity* means a partnership, association, corporation, or other organization.

§ 596.309 Specific license.

The term *specific license* means any license or authorization not set forth in this part but issued pursuant to this part.

§ 596.310 Terrorism List Government.

The term *Terrorism List Government* includes:

- (a) The government of a country designated under section 6(j) of the Export Administration Act, as well as any political subdivision, agency, or instrumentality thereof, including the central bank of such a country;
- (b) Any entity owned or controlled by such a government.

§ 596.311 Transaction.

The term *transaction* shall have the meaning set forth in 18 U.S.C. 1956(c)(3), as from time to time amended. As of the effective date, this term includes a purchase, sale, loan, pledge, gift, transfer, delivery, or other disposition, and with respect to a financial institution includes a deposit, withdrawal, transfer between accounts, exchange of currency, loan, extension of credit, purchase or sale of any stock, bond, certificate of deposit, or other monetary instrument, use of a safe deposit box, or any other payment, transfer, or delivery by, through, or to a financial institution, by whatever means effected.

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§ 596.312 **United States.**

The term *United States* means the United States, including its territories and possessions.

§ 596.313 **United States person.**

The term *United States person* means any United States citizen or national, permanent resident alien, juridical person organized under the laws of the United States, or any person in the United States.

Subpart D—Interpretations

§ 596.401 **Reference to amended sections.**

Except as otherwise specified, reference to any section of this part or to any regulation, ruling, order, instruction, direction, or license issued pursuant to this part refers to the same as currently amended.

§ 596.402 **Effect of amendment.**

Any amendment, modification, or revocation of any section of this part or of any order, regulation, ruling, instruction, or license issued by or under the direction of the Director of the Office of Foreign Assets Control does not, unless otherwise specifically provided, affect any act done or omitted to be done, or any civil or criminal suit or proceeding commenced or pending prior to such amendment, modification, or revocation. All penalties, forfeitures, and liabilities under any such order, regulation, ruling, instruction, or license continue and may be enforced as if such amendment, modification, or revocation had not been made.

§ 596.403 **Transactions incidental to a licensed transaction.**

Any transaction ordinarily incident to a licensed transaction and necessary to give effect thereto is also authorized.

§ 596.404 **Financial transactions transferred through a bank of a Terrorism List Government.**

For the purposes of this part only, a financial transaction not originated by a Terrorism List Government, but transferred to the United States through a bank owned or controlled by

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a Terrorism List Government, shall not be deemed a financial transaction with the government of a country supporting international terrorism pursuant to § 596.201.

Subpart E—Licenses, Authorizations and Statements of Licensing Policy

§ 596.500 **Licensing procedures.**

For provisions relating to licensing procedures, see part 501, subpart E, of this chapter. Licensing actions taken pursuant to part 501 of this chapter with respect to the prohibitions contained in this part are considered actions taken pursuant to this part.

[68 FR 53660, Sept. 11, 2003]

§ 596.501 **Effect of license or authorization.**

(a) No license or other authorization contained in this part, or otherwise issued by or under the direction of the Director of the Office of Foreign Assets Control, authorizes or validates any transaction effected prior to the issuance of the license, unless specifically provided in such license or other authorization.

(b) No regulation, ruling, instruction, or license authorizes a transaction prohibited under this part unless the regulation, ruling, instruction, or license is issued by the Office of Foreign Assets Control and specifically refers to a part in 31 CFR chapter V. No regulation, ruling, instruction, or license referring to this part authorizes any transactions prohibited by any provision of this chapter unless the regulation, ruling, instruction or license specifically refers to such provision.

(c) Any regulation, ruling, instruction or license authorizing any transaction otherwise prohibited under this part has the effect of removing a prohibition or prohibitions contained in this part from the transaction, but only to the extent specifically stated by its terms. Unless the regulation, ruling, instruction or license otherwise specifies, such an authorization does not create any right, duty, obligation, claim, or interest in, or with respect

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to, any property which would not otherwise exist under ordinary principles of law.

§ 596.502 Exclusion from licenses and authorizations.

The Director of the Office of Foreign Assets Control reserves the right to exclude any person, property, or transaction from the operation of any license, or from the privileges therein conferred, or to restrict the applicability thereof with respect to particular persons, property, transactions, or classes thereof. Such action is binding upon all persons receiving actual or constructive notice of such exclusion or restriction.

§ 596.503 Financial transactions with a Terrorism List Government otherwise subject to 31 CFR chapter V.

United States persons are authorized to engage in financial transactions with a Terrorism List Government that is subject to regulations contained in parts of 31 CFR chapter V other than this part to the extent and subject to the conditions stated in such other parts, or in any regulations, orders, directives, rulings, instructions, or licenses issued pursuant thereto.

§ 596.504 Certain financial transactions with Terrorism List Governments authorized.

(a) United States persons are authorized to engage in all financial transactions with a Terrorism List Government that is not otherwise subject to 31 CFR chapter V, except for a transfer from a Terrorism List Government:

(1) Constituting a donation to a United States person; or

(2) With respect to which the United States person knows (including knowledge based on advice from an agent of the United States Government), or has reasonable cause to believe, that the transfer poses a risk of furthering terrorist acts in the United States.

(b) Nothing in this section authorizes the return of a transfer prohibited by paragraph (a)(2) of this section.

§ 596.505 Certain transactions related to stipends and scholarships authorized.

(a) United States persons are authorized to engage in all financial trans-

actions with respect to stipends and scholarships covering tuition and related educational, living and travel expenses provided by the Government of Syria to Syrian nationals who are enrolled as students in an accredited educational institution in the United States. Representations made by an accredited educational institution concerning the status of a student maybe relied upon in determining the applicability of this section.

(b) Nothing in this section authorizes a transaction prohibited by § 596.504(a)(2).

[61 FR 67944, Dec. 26, 1996, as amended at 86 FR 27274, May 20, 2021]

§ 596.506 [Reserved]**§ 596.507 Official business of the United States Government.**

All transactions prohibited by this part that are for the conduct of the official business of the United States Government by employees, grantees, or contractors thereof are authorized.

[87 FR 78481, Dec. 21, 2022]

§ 596.508 Official business of certain international organizations and entities.

(a) Except as provided in paragraph (b) of this section, all transactions prohibited by this part that are for the conduct of the official business of the following entities by employees, grantees, or contractors thereof are authorized:

(1) The United Nations, including its Programmes, Funds, and Other Entities and Bodies, as well as its Specialized Agencies and Related Organizations;

(2) The International Centre for Settlement of Investment Disputes (ICSID) and the Multilateral Investment Guarantee Agency (MIGA);

(3) The African Development Bank Group, the Asian Development Bank, the European Bank for Reconstruction and Development, and the Inter-American Development Bank Group (IDB Group), including any fund entity administered or established by any of the foregoing;

(4) The International Committee of the Red Cross and the International

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Federation of Red Cross and Red Crescent Societies; and

(5) The Global Fund to Fight AIDS, Tuberculosis, and Malaria, and Gavi, the Vaccine Alliance.

(b) This section does not authorize funds transfers initiated or processed with knowledge or reason to know that the intended beneficiary of such transfers is a person blocked pursuant to this part, other than for the purpose of effecting the payment of taxes, fees, or import duties, or the purchase or receipt of permits, licenses, or public utility services.

[87 FR 78481, Dec. 21, 2022]

Subpart F—Reports

§ 596.601 Records and reports.

For provisions relating to records and reports, see subpart C of part 501 of this chapter.

[62 FR 45112, Aug. 25, 1997]

Subpart G—Penalties

§ 596.701 Penalties.

Attention is directed to 18 U.S.C. 2332d, as added by Public Law 104-132, section 321, which provides that, except as provided in regulations issued by the Secretary of the Treasury, in consultation with the Secretary of State, a United States person, knowing or having reasonable cause to know that a country is designated under section 6(j) of the Export Administration Act, 50 U.S.C. App. 2405, as a country supporting international terrorism, engages in a financial transaction with the government of that country, shall be fined under title 18, United States Code, or imprisoned for not more than 10 years, or both.

Subpart H—Procedures

§ 596.801 Procedures.

For license application procedures and procedures relating to amendments, modifications, or revocations of licenses; administrative decisions; rulemaking; and requests for documents pursuant to the Freedom of Information and Privacy Acts (5 U.S.C.

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552 and 552a), see part 501, subpart E, of this chapter.

[62 FR 45112, Aug. 25, 1997, as amended at 68 FR 53660, Sept. 11, 2003]

§ 596.802 Delegation by the Secretary of the Treasury.

Any action which the Secretary of the Treasury is authorized to take pursuant to section 321 of the Antiterrorism and Effective Death Penalty Act of 1996, Pub. L. 104-132, 110 Stat. 1214, 1254 (18 U.S.C. 2332d), may be taken by the Director, Office of Foreign Assets Control, or by any other person to whom the Secretary of the Treasury has delegated authority so to act.

[61 FR 43463, Aug. 23, 1996. Redesignated at 62 FR 45112, Aug. 25, 1997]

Subpart I—Paperwork Reduction Act

§ 596.901 Paperwork Reduction Act notice.

For approval by the Office of Management and Budget (“OMB”) under the Paperwork Reduction Act of information collections relating to record-keeping and reporting requirements, to licensing procedures (including those pursuant to statements of licensing policy), and to other procedures, see § 501.901 of this chapter. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid control number assigned by OMB.

[62 FR 45112, Aug. 25, 1997]

PART 597—FOREIGN TERRORIST ORGANIZATIONS SANCTIONS REGULATIONS

Subpart A—Relation of This Part to Other Laws and Regulations

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597.101 Relation of this part to other laws and regulations.

Subpart B—Prohibitions

597.201 Prohibited transactions involving blocked assets or funds of foreign terrorist organizations or their agents.

597.202 Effect of transfers violating the provisions of this part.