

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

administration gave banks for doing business with legal pot sellers without getting into trouble, but some financial institutions said it still leaves them in a difficult position.

Feb. 17, 2014

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us



The burgeoning marijuana industry yesterday hailed a new road map the Obama administration gave banks for doing business with legal pot sellers without getting into trouble, but some financial institutions said it still leaves them in a difficult position.

The guidance issued by the Justice and Treasury departments is intended to increase the availability of financial services for marijuana businesses that are licensed and regulated, thereby promoting greater financial transparency while preserving the government's enforcement power.

“Short of administratively removing marijuana from the Controlled Substances Act, which ... would have solved both the banking and tax problems for marijuana

businesses, this is about the best the administration could have done,” said Aaron

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

Yesterday, however, the Treasury Department's Financial Crimes Enforcement Network said financial institutions may provide services to marijuana-related businesses as long as those banks perform thorough customer due diligence on them and file reports that will be available to law enforcement.

But Robert Terravecchia, president and CEO of Weymouth Bank, said there still is no cohesive policy between the federal government and states like Massachusetts that have legalized marijuana for medical or recreational use, leaving banks like his to “try to thread the needle between state and federal law.”

“It puts banks in the position of having to serve two masters,” Terravecchia said. “Either make it legal or make it illegal, but don't put us in the middle. We don't have the resources to hire legions of attorneys ... How do we know what's going on in those dispensaries?”

Herald wire services contributed to this report.

---

Copyright 2014 – Boston Herald

Accounting • Legislation • Small Business

CPA Practice Advisor is registered with the National Association of State Boards of Accountancy (NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors.

© 2024 Firmworks, LLC. All rights reserved

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us