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FINTRAC 2024-25 Annual Report Summary & Comments

Key 2024-25 FINTRAC activities and metrics

- Undertook 1,300 plus assessment activities.
- Administered 469 Supervisory Risk and Assessment Questionnaires.
- Undertook 294 formal examinations; the top three sectors examined were money services businesses, dealers in precious metals and precious stones and credit unions/caisses populaires.
- Issued 23 Notices of Violation, in the amount of more than \$25 million.
- Generated 6,236 financial intelligence disclosure packages to Law Enforcement containing 511,480 financial transaction reports, which included more than 1,308,413 financial transactions.

- Responded to 17,000 plus enquiries, including 4,588 telephone enquiries, from the public and businesses.
- Employed 511 people and operated with an approved budget of \$123M.

2024-25 strategy and execution

- FINTRAC is implementing a new funding model, which shifts funding for FINTRAC's supervisory activities from taxpayers to businesses subject to the Act.
- FINTRAC uses a new risk model to score sectors and businesses, which helps determine scrutiny levels, resource allocation, and operational planning.
- FINTRAC is enhancing its risk detection and analysis processes through automation, data analytics, artificial intelligence, and machine learning.
- FINTRAC engages with businesses and their associations to help them understand and comply with their obligations under the Act and Regulations and focuses its engagement efforts on sectors that are new to Canada's Anti-Money Laundering and Anti-Terrorist Financing Regime and on changes to the Act and Regulations.

What compliance officers need to know in 2026

The move towards self-funding was first announced in 2023 and will be aided by passage of Bill C-12 or ***Strengthening Canada's Immigration System and Borders Act***, which will increase administrative penalties by a factor of 40, meaning the maximum per occurrence administrative penalty for an individual will increase from \$100K to \$4M and from \$500K to \$20M for an entity; the Bill was passed by the House of Commons and received its first reading in the Senate in December 2025.

- The maximum administrative penalties of \$4M and \$20M will be reserved for the worst offenders who view penalties as a “cost of doing business” and nothing more.
- FINTRAC’s risk assessment tool takes a **follow the money** approach, meaning they look at the most prevalent predicate offenses, the techniques used to launder money from these offences, and the legitimate sectors of the economy vulnerable to money launderers; and then assign a risk score to the sector to help prioritize reviews.
- The top 5 predicate offences noted in the report are: fraud, 25%; illegal drugs, 20%; crimes against persons, 16%; customs/excise, 12%; and tax evasion, 11%.
- Seven additional sectors or businesses have been designated by FINTRAC as “Reporting Entities” since 2024 and include: Private ATMs, Cheque cashers, Factors, Finance and leasing entities, Title insurers, Armoured car companies and Mortgage Brokers and Administrators; thus far FINTRAC has taken a cooperative approach, allowing players in these sectors to establish their compliance programs, however blatant non-compliance will not be exempt from penalties.
- \$25M in penalties issued in 2024-2025 is dwarfed by the penalties issued in calendar 2025 which were approximately \$203M based on 29 Notice of Violations.
- FINTRAC’s fiscal year runs April 1 to March 31.

For more information on FINTRAC compliance, please contact Mark Anderson at mark@compliance-assurance.ca or 647-300-1711.