



New FinCEN Order Effective September 22, 2017 Targets Residential Cash Sales in California, Nevada, Florida and New York.

Has been extended until May 15, 2019

On July 25, 2016, North American Title Insurance Company (NATIC) and First American Title Insurance Company (FIRST AM), along with all other licensed title insurers in the states of California, Florida, Texas, New York and Hawaii received a new Geographic Targeting Order (GTO) from the Director of Financial Crimes Enforcement Network (FinCEN) requiring these underwriters, their subsidiaries and agents, to collect and report information about certain residential real estate transactions. This new mandate follows closely behind the earlier GTO issued on February 15, 2016, but has expanded its scope to include all title insurers and additional geographic regions.

NATIC and FIRST AM, along with other affected title insurers and the American Land Title Association, are in communication with FinCEN representatives to continue to clarify the requirements for compliance with the new GTO and will share that information as it becomes available.

The GTO requires the reporting by means of an IRS Form 8300, of certain qualified residential, non-financed, real property purchases by a legal entity defined to include; a corporation, limited liability company, partnership or other similar business entity. Whether formed under the laws of a state of the United States or a foreign jurisdiction.

The impacted regions and the threshold for reporting residential, cash (non-financing) transactions made in part using currency, cashier's check, certified check, traveler's check, business or personal check, or a money order include, but are not limited to:

- 1. California** – Counties of Los Angeles, San Diego, San Francisco, San Mateo and Santa Clara - **\$300,000;**
- 2. Nevada** – Clark County - **\$300,000;**
- 3. Florida** – Counties of Miami-Dade, Broward and Palm Beach - **\$300,000**
- 4. Texas** – Counties of Bexar, Tarrant and Dallas - **\$300,000**
- 5. New York** – The New York City Boroughs of Manhattan, Brooklyn, Queens, Bronx and Staten Island - **\$300,000.** The information regarding New York transactions provided as a courtesy for NATIC agents although NATIC is not currently licensed as a title insurer in the state of New York.

This is of an elevated concern due to the potential for civil and criminal liability for all agents, affiliates, their employees and staff should they fail to comply with the data collection and reporting requirements of the GTO. **“All Cash” transactions will now include transactions which all of the buyer's money to purchase the property is received via wire transfer.**