

Joshua G. Gerstin, Esq.\* †  
Joshua@Gerstin.com  
Seth M. Amkraut, Esq.  
Seth@Gerstin.com



**GERSTIN & ASSOCIATES**  
ATTORNEYS & COUNSELORS AT LAW

40 S.E. 5<sup>th</sup> Street, Suite 610

Boca Raton, FL 33432

Telephone: (561) 750-3456

Facsimile: (561) 750-8185

Web address: www.Gerstin.com

***New Federal Law Mandates Community Association Disclosures!***



**WATCHING YOU**

On January 1, 2024, a new Federal law known as the “Corporate Transparency Act” (“Act”) went into effect. The Act requires community association directors (and others) to disclose significant private personal information to the United States government **by January 1, 2025**.

Although the ACT was designed to pierce “shell” corporations in search of sex trafficking, money laundering, and other crimes, its overly and unnecessarily broad drafting ensnares community associations as not-for-profit corporations.

The ACT requires all corporations to report beneficial ownership information to the U.S. Treasury Department’s Financial Crimes Enforcement Network (FinCEN). Individuals who willfully fail to report the following information are subject to civil and criminal penalties:

- Association name.
- Board members’ names, birthdates, home addresses, and identifying information from a driver’s license, government-issued identification, or valid passport.
- Names, birthdates, home addresses, and identifying information from a driver’s license, government-issued identification, or valid passport of individuals with substantial control. Whether or not this requirement includes property managers is unknown.

Additionally, the federal government has to be notified within thirty days if any of the information already submitted changes (e.g., new directors or property managers). Currently, efforts are underway to exempt community associations from the ACT. However, considering this law was passed over a presidential veto and the inability of Congress to pass legislation, hopes are dim that the law will be changed before compliance is required. For more information or to prepare, below is the link to the website for submission of information for the ACT.

[Beneficial Ownership Information Reporting | FinCEN.gov](https://www.fincen.gov/beneficial-ownership-information-reporting)