



GOOD MORNING!
**Our program will begin
momentarily**



FINCEN: RESIDENTIAL REAL ESTATE RULE EFFECTIVE MARCH 1, 2026

Hosted by All New York Title Agency, Inc.

Presenters:

John M. Martin, Esq.

Joanne Choi, Esq.

Tyler H. Gablenz, Esq.



JOHN M. MARTIN, ESQ.

**VP & General Counsel
All New York Title Agency**

John M. Martin, Esq. is vice president and general counsel at All New York Title Agency, Inc. He has over 38 years legal experience in title insurance and real property matters. His responsibilities involve the legal operation of the company from review of routine title issues to closing the most complex commercial transactions.

Mr. Martin has handled the title insurance for numerous affordable housing matters involving the City of New York, including HPD, HDC, and NYCHA, the State of New York, including HFA, HCR and SONYMA, as well as many local and county housing agencies throughout New York. These affordable housing transactions involved non-profits, faith-based organizations as well as for-profit developers totaling hundreds of millions of dollars resulting in many thousands of new or rehabilitated housing units across the City and State of New York. Most of these matters involved complex financing including tax credits and state or city agency bonds and regulatory agreements.

John has chaired the Law Committee of New York State Land Title Association and served for 10 years as Chair of the Westchester County Bar Association's Real Property Section. Prior to All New York Title, Mr. Martin held positions in the title industry as claims counsel, New York and New Jersey state counsel and vice president of operations for a major title insurance underwriter.



JOANNE CHOI, ESQ.

**Assistant Counsel
All New York Title Agency**

Joanne Choi is a graduate of Brooklyn Law School, where she was awarded the Samuel Kirschenbaum Prize for achieving the highest grade in the Real Estate Practice course and the CALI Award for Excellence in Health Information Law. While in law school, she interned at the Federal Trade Commission and a law firm specializing in insurance defense. Additionally, she served as a judicial intern to the Honorable Vera M. Scanlon, Magistrate Judge for the Eastern District of New York. Ms. Choi was also a founding member of the Korean American Law Students Association and a member of the Asian Pacific American Law Students Association during law school.

Prior to pursuing her legal career, Joanne held various public service positions in federal, state, and local government. She worked for the New York State Governor and a Congressman, gaining valuable experience in policy advocacy and community engagement.



TYLER GABLENZ, ESQ.

Vice President

**Senior Underwriting Counsel
All New York Title Agency**

Since joining All New York Title in 2015, Tyler has focused his work on identifying and resolving title issues for both the residential and commercial branches of the business. His responsibilities include preparing and reviewing title reports, assisting clients and attorneys with clearing title issues and serving as escrow agent for complex commercial closings.

Prior to joining All New York, Tyler gained experience in real estate transactions working for a top real estate law firm in Connecticut, while attending Quinnipiac University School of Law.

Tyler earned a law degree from Quinnipiac University School of Law in 2015 and was admitted to the New York State Bar in 2016.

What is FinCEN and the Anti-Money Laundering Rule Effective 3/1/2026?

- Financial Crimes Enforcement Network, a division located within the United States Treasury
- Concept for required reporting of certain residential real estate transaction with Geographic Targeting Orders (GTOs) in 2016.
- Beginning March 1, 2026 a new **permanent** rule takes effect that will not be limited to only certain "high-risk" counties/jurisdictions but will now be nationwide and is effective for any closing that takes place on or after March 1, 2026.
- What is the stated purpose of the new rule?
 - Increase transparency in the U.S. residential real estate market
 - Combat and deter use of residential real estate transactions for money laundering.
 - Identify actors intending to circumvent reporting requirements and scrutiny under certain provisions of the Bank Secrecy Act and Anti-terrorism laws.

Transactions Requiring Reporting under the new FinCEN reporting rule

- Definitions are key – a copy of the final rule is included in the materials.
- A report must be filed for any reportable transfer, which is defined as *a non-financed transfer to a transferee entity or transferee trust of an ownership interest in residential real property.*
- All real estate practitioners must understand the FinCEN Reporting Cascade.
- The transaction cannot be closed without confirmation that the necessary FinCEN reporting information has been gathered and reporting can be performed within 30 days of closing.

Key Definitions – *Residential Real Property*

- Residential Real Property includes the following:
 - (i) 1-4 family dwellings
 - (ii) vacant land that is zoned for residential and/or where construction of a 1-4 family is intended
 - (iii) a unit within a structure designed for 1-4 family occupancy (i.e. condo unit)
 - (iv) a share in a co-op building
 - (v) Mixed-use type property that includes a residential (1-4 family) component.

For example, a building with ground level retail space and an apartment above.

Key Definitions – *Legal Entity or Trust*

- Transferee Entity – corporations, limited liability companies, partnership or other similar business, either domestic or foreign.
 - Certain exemptions exist for publicly traded companies, entities regulated by the SEC, public utilities and government authorities.
- Transferee Trust – any legally established trust arrangement where assets are placed under control of a trustee for the benefit of certain persons or purposes. Includes domestic or foreign trust entities.
 - Certain exemptions exist for securities related or managed trusts (i.e. trusts where the trust or trustee are regulated by the SEC).
 - More relevant exemption is Estate planning trust where the transfer is made by an individual, either alone or with the individual's spouse, to a trust of which that individual, that individual's spouse, or both of them are the settlor(s) or grantor(s) and where the transfer does not involve any consideration.

Key Definitions – *Non-Financed Transaction*

- Non-Financed Transfer is a transfer that does not involve a loan or line of credit secured by the property or a transfer that includes a loan or line of credit that is **not** subject to BSA, AML or SAR requirements.
- Important Note #1 - seller financed loans and private loans are considered “non-financed” transactions for the purposes of FinCEN.
- Important Note #2 – no-consideration transactions may require reporting!
 - How can you launder money when no money is involved?

Limited Exemptions to Reporting Requirements

- Certain types of transfers that otherwise meet the definitional requirements of a reportable transfer, but are considered exempt under the new rule:
 - A transfer to a trust for estate planning purposes – see prior slide
 - A grant or revocation of an easement
 - An estate transferring to beneficiaries
 - A transfer between divorcing spouses
 - A transfer to a bankruptcy estate
 - A transfer pursuant to a court order where the order identifies the transferee

Reporting Cascade

- The reporting rule includes a “Reporting Cascade” that ranks the parties to the transaction who might be responsible for filing the report as the highest-ranking applicable party below:
 1. The person/company listed as the closing or settlement agent on the closing or settlement statement
 2. The person/company that prepares the closing or settlement statement
 3. The person/company that submits transfer documents for recording
 4. The person/company that underwrites an owner’s title insurance policy
 5. The person/company that disburses the greatest amount of funds
 6. The person/company that provides an evaluation of the status of the title
 7. The person/company that prepares the deed or, if no deed is involved, any other legal instrument that transfers ownership (in co-ops the person who prepares the stock certificate)
- In New York, Buyer’s and Seller’s Counsels should ensure that filing is being performed by the title company or any other entity involved in the transaction because you may have reporting responsibility under the reporting cascade.

Reporting Process

- What to expect if reporting is being processed through our office.
 - At the time a title order is placed, if the details of the transaction suggest it may be a reportable transaction, we will submit the details to the FinCEN Reporting Service being engaged by our office.
 - Once the order is submitted, the reporting service will be contacting the buyer and seller directly with links to the information gathering portal. Clients should be made aware as early as possible of the possible FinCEN report requirements and that they will be receiving direct correspondence to gather the necessary information.

Reporting Process Continued

- Examples of information buyer, seller and the reporting person can expect to be required:
 - Information about the reporting person
 - Transferee Entity or Trust
 - Beneficial Owners of the Transferee Entity or Trust – see next slide for further information
 - Information about an individual signing for the Transferee Entity or Trust if not already disclosed as a Beneficial Owner
 - Information about the Transferor
 - Property Information
 - Consideration paid and certain details about the method of payment made.
 - Important Note: This information must be updated at the time of closing or post-closing if the information originally provided changes. For example, it is expected that the cash to close will be wired by the buyer, but instead a portion of the funds are provided by check.

Reporting Process Continued

- Transferee Entity Required Information:
 - Disclosure of any “Beneficial Owners” which is defined as anyone who makes important decisions for the entity or owns/controls 25% or more.
 - Must also disclose the identity of anyone who will be signing on behalf of the entity at closing, which can be different than the “Beneficial Owners” of the entity.
 - If 25% or more of the beneficial ownership of the transferee entity is held by another entity, the beneficial owners of that entity must be provided.

Reporting Process Continued

- Transferee Trust Required Information:
 - Any Trustees
 - Anyone who is not a trustee but has the authority to dispose of all trust assets
 - A sole beneficiary, or a beneficiary who can demand or withdraw substantially all trust assets
 - Any grantor or settlor who can revoke the trust or withdraw trust assets
 - Anyone who will be signing on behalf of the trust
 - If any of the above listed roles are filled by a company or another trust, potentially may need to disclose the person(s) who control that company or trust

Reporting Process Continued

- Leading up to the time of closing the reporting service we have engaged to gather the information will notify us that they have sufficient information to file a report and will provide a “Final Transfer Certificate” summarizing the information gathered.
- That certificate must be signed at closing and a copy returned to the reporting company post-closing. This will also provide the parties providing information the ability to amend anything previously provided.
- The reporting service will handle the filing of the report and retention of the information provided for the required 5 year period.

Cost and Important Notes

- Cost for filings processed through All New York Title Agency, Inc. and our selected reporting service will be \$120.
- The expense will appear on the buyer's title invoice and is payable at the time of closing.
- If a file is opened and closing does not occur no fee will need to be paid.
- No rush or complex matter fee for this service, but be aware if dealing with other companies as some reporting services are charging additional fees.
- Plan ahead as much as possible for changes in the transaction that may impact the FinCEN reporting requirements.



Helpful Links

- [Full FinCEN Real Estate Reporting Rule](#)
- [When to Report Flowchart](#)
- [FinCEN RRE FAQs](#)

TP-584 Form Update

- TP-584 Form that was last updated in June 2025 is **now required for deeds dated on or after March 1, 2026.**
- Check the top-middle section of the form to confirm you are using the latest version.



Department of Taxation and Finance

TP-584 (6/25) *Recording office time stamp*

**Combined Real Estate Transfer Tax Return,
Credit Line Mortgage Certificate, and
Certification of Exemption from the
Payment of Estimated Personal Income Tax**

See Form TP-584-I, Instructions for Form TP-584, before completing this form. Print or type.
Schedule A – Information relating to conveyance

TP-584 Form: Changes

- Schedule B – Part 2: When calculating additional tax on residential property transfers of \$1 million or more:
 - Enter “0” in the tax amount field **AND**
 - Mark an “X” in the Exemption Claimed Box (*this is a new requirement*)

Page 2 of 4 TP-584 (6/25)

Schedule B – Real estate transfer tax return (Tax Law Article 31)

Part 1 – Computation of tax due

<p>1 Enter amount of consideration for the conveyance (if you are claiming a total exemption from tax, mark an X in the Exemption claimed box, enter consideration and proceed to Part 3) <input type="checkbox"/> Exemption claimed</p> <p>2 Continuing lien deduction (see instructions if property is taken subject to mortgage or lien)</p> <p>3 Taxable consideration (subtract line 2 from line 1)</p> <p>4 Tax: \$2 for each \$500, or fractional part thereof, of consideration on line 3</p> <p>5 Amount of credit claimed for tax previously paid (see instructions and attach Form TP-584.1, Schedule G)</p> <p>6 Total tax due* (subtract line 5 from line 4)</p>	<p>1.</p> <p>2.</p> <p>3.</p> <p>4.</p> <p>5.</p> <p>6.</p>	<p></p> <p></p> <p></p> <p></p> <p></p> <p></p>
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Part 2 – Computation of additional tax due on the conveyance of residential real property for \$1 million or more

<p>1 Enter amount of consideration for conveyance (from Part 1, line 1; if you are claiming an exemption from additional tax, enter 0, mark an X in the Exemption claimed box and proceed to Part 3, item 1.) <input type="checkbox"/> Exemption claimed</p> <p>2 Taxable consideration (multiply line 1 by the percentage of the premises which is residential real property, as shown in Schedule A) ...</p> <p>3 Total additional transfer tax due* (multiply line 2 by 1% (.01))</p>	<p>1.</p> <p>2.</p> <p>3.</p>	<p></p> <p></p> <p></p>
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TP-584 Form: Changes

- Schedule B – Part 3: Added an additional real estate transfer tax exemption category as item “I”.
- **Only exempts additional tax** (*additional transfer tax for the conveyance of residential real property for \$1 million or more*) if the transaction involves:
 - Grantee → not-for-profit tax-exempt corporation operating for conservation, environmental, parks, or historic preservation purposes
 - Conveyance Purpose → open space, parks, or historic preservation

k. Conveyance is not a conveyance within the meaning of Tax Law, Article 31, § 1401(e) (*attach documents supporting such claim*) k

I. Conveyance is for open space, parks, or historic preservation purposes to any not-for-profit tax-exempt corporation operated for conservation, environmental, parks, or historic preservation purposes (additional tax only) I

Transfer Tax Rate Change: Mount Vernon, Westchester County

- Deeds *dated on or before 1/31/2026*
 - City Transfer Tax Rate: 1.0%
 - Exemption Amount: \$100,000.00
- Deeds *dated on or after 2/1/2026*
 - City Transfer Tax Rate: 1.5%
 - Exemption Amount: \$50,000.00
 - Example: Purchase Price of \$550,000.00 is calculated as $\$550,000 - \$50,000 = \$500,000 \times .015 = \$7,500$
- The date of the deed controls which rate applies.
- Applies to all transfers of real property situated in Mount Vernon.
- Applies to deeds only.
- Payment of the transfer tax and filing of the required return are condition precedent to recording any deed.

Questions?

- **Feel free to contact any of your All New York Title legal team with questions at 914-686-5600 or by email.**
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THANK YOU FOR ATTENDING!