



CORPORATE TRANSPARENCY ACT

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I want to share an important update regarding *Community Associations Institute v. U.S. Department of Treasury* that challenges the Corporate Transparency Act and its applicability to community associations nationwide.

On Oct. 24, a motion for preliminary injunction was denied. The injunction was sought to postpone the deadline for community associations to comply with the act's burdensome requirements until the case could be fully heard by the court.

As a result of the ruling, community associations are still required to comply with the act's requirements by Jan. 1.

While this decision is not the outcome CAI hoped for, it does not mark the end of our efforts.

CAI pursued this lawsuit to address significant concerns regarding the act's burdensome reporting requirements and their unintended consequences. As currently written, CAI firmly believes the law should not apply to community associations, and impose necessary and intrusive obligations on community association board members and homeowners that may hinder volunteering.

Despite this ruling, CAI remains committed to seeking an exemption for all community associations from the act's filing requirements.

CAI's next steps:

- CAI's legal team is reviewing the decision and exploring all options for moving forward including a potential appeal.
- CAI staff, legal, and lobbying teams will continue to use the regulatory process to urge the U.S. Department of Treasury to grant an exemption to community associations.
- CAI will continue to urge members of Congress to pass legislation to exempt community associations or pass legislation to delay filing requirements for at least one year.
Please [click here](#) to contact your member of Congress to urge them to support CAI efforts.

While our efforts and lawsuit seek an exemption for ALL community associations, it is still possible the eventual outcome will apply to community association members of CAI, so we still encourage membership. However, we do not expect notable action to occur before the November presidential election.

CAI will keep you informed of developments and continue to work diligently to represent your interests. For more information about the lawsuit and CAI's ongoing efforts regarding the act, please visit www.caionline.org/cta

Thank you for your continued support as we navigate this challenging process together.

Sincerely,

Thomas M. Skiba, CAE

CEO