



# BOARD BULLETIN

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November 1, 2019

The latest Board Bulletin reported a reduction in the flip tax from 10% to 5% for all sales contracts dated on or after December 1, 2019. We need to clarify this.

This Board uses a pre-screening process, under which a prospective buyer submits basic required information to the Board. This enables us to reject those buyers who cannot meet minimum financial and other requirements, which saves money and time to all interested parties. Prospective buyers submit pre-screens before executing a purchase contract.

To make sure the flip tax reduction is fair to everyone involved, the flip tax will reduce to 5% for all prescreens and offer acknowledgement forms submitted on or after December 1. Thus, a pre-screen submitted before December 1 with a contract dated after December 1 will pay a 10% flip tax. Offer acknowledgement forms submitted and/or signed before December 1 will also be subject to the 10% flip tax.

This change prevents seller from locating buyers before the deadline but delaying contract signature until the flip tax reduces.

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