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Transfer of funds from Iran to the US related to the sale of real property in Iran per OFAC'S ITSR § 560.543

On October 22, 2012, the Department of Treasury's Office of Foreign Assets Control (OFAC) revised and renamed the Iranian Transactions Regulations (31 CFR Part 560), the main body of U.S. sanctions laws pertaining to Iran. The revised regulations, the Iranian Transactions and Sanctions Regulations (the "ITSR") now implement Executive Order 13599 of February 5, 2012 ("Blocking Property of the Government of Iran and Iranian Financial Institutions"), and subsections 1245 (c) and (d)(1)(B) of the National Defense Authorization Act for Fiscal Year 2012 ("NDAA").

Per § 560.543 of the ITSR US persons are generally authorized to engage in transactions necessary and ordinarily incident to the sale of real property in Iran and to transfer the proceeds to the United States provided that such real property was either acquired before the individual became a US person or inherited from persons in Iran. Authorized transactions include but are not limited to engaging the services of any persons in Iran necessary for the sale, such as an attorney, funds agent and/or real estate broker.

Per § 560.516 (a) of the ITSR, United States depository institutions are authorized to process transfers of funds to or from Iran, or for the direct or indirect benefit of persons in Iran or the Government of Iran, if the transfer arises from, and is ordinarily incident and necessary to give effect to, an underlying transaction that has been authorized by a specific or general license, such as § 560.550, and does not involve debiting or crediting an Iranian account.

The transfer outlined above cannot involve a person whose property and interests in property are blocked pursuant to § 560.211 of the ITSR, the Weapons of Mass Destruction Proliferators Sanctions Regulations, 31 C.F.R. part 544 ("WMDPSR"), or Global Terrorism Sanctions Regulations, 31 C.F.R part 594 ("GTSR").

As long as the transfer of real property proceeds funds falls within the scope of the above-referenced regulations, the transaction DOES NOT require additional authorization from OFAC.