

# OFAC Extends Recordkeeping Requirements

September 27, 2024

Earlier this month, the U.S. Treasury Department's Office of Foreign Assets Control ("OFAC") issued an Interim Final Rule ("IFR") to extend OFAC's current recordkeeping requirements from five to 10 years. The IFR was published in the *Federal Register* on September 13, 2024, with public comments due by October 15, 2024. The new recordkeeping requirements are set to take effect on March 12, 2025.

The IFR follows amendments to the statute of limitations in the International Emergency Economic Powers Act ("IEEPA") and the Trading with the Enemy Act ("TWEA"), two statutes that authorize many of OFAC's sanctions programs. The new 10-year statute of limitations—codified at 50 U.S.C. §§ 1705(d) and 4315(d)—became effective on April 24, 2024, and was discussed in our Debevoise Client Update available [here](#). In July 2024, OFAC issued guidance on how it interpreted the new statute of limitations and signaled that it also would extend its recordkeeping requirements, as we noted [here](#).

OFAC's recordkeeping requirements, which are codified at 31 C.F.R. § 501.601, require that every person "engaging in any transaction subject to [OFAC's sanctions programs] keep a full and accurate record of each such transaction engaged in, regardless of whether such transaction is effected pursuant to license or otherwise." Without altering or clarifying the scope of the applicable recordkeeping obligations, the IFR amends § 501.601 to require that the required records be available for a period of 10 years.

The IFR also extends the recordkeeping requirement for those providing travel or remittance forwarding services to Cuba. Under the IFR, customer certifications indicating the applicable general license authorizing the customer's Cuba travel or remittance will need to be retained for 10 years. See 31 C.F.R. § 515.572.

Finally, the IFR extends to 10 years the period during which penalties may accrue for the late filing of blocked property, reject and other required reports. Notably, however, the IFR does *not* amend OFAC's enforcement guidelines related to sanctions history. As such, in determining its enforcement response to an apparent sanctions violation, OFAC

---

will continue to consider only the five years preceding the date of the transactions giving rise to the apparent violation.

In the IFR, OFAC contends that the burden of the extended recordkeeping requirements is “minimal because the records required to be maintained are likely maintained under standard business practice.” To our view, this statement underplays the systems, data management, corporate practices and training changes that will be necessary for many organizations to meet these new lengthened recordkeeping obligations.

\* \* \*

Please do not hesitate to contact us with any questions.



**Satish M. Kini**  
Partner, Washington, D.C.  
+1 202 383 8190  
smkini@debevoise.com



**Robert T. Dura**  
Counsel, Washington, D.C.  
+1 202 383 8247  
rdura@debevoise.com



**Aseel M. Rabie**  
Counsel, Washington, D.C.  
+1 202 383 8162  
arabie@debevoise.com



**Jonathan R. Wong**  
Associate, London  
+44 20 7786 3043  
jrwong@debevoise.com



**Yair Strachman**  
Law Clerk, New York  
+1 212 909 7477  
ystrachm@debevoise.com