

Securities Liability for Tax Certification - Analysis of SEC Order regarding South Miami, Florida

05.29.2013

This edition of the Hawkins Advisory analyzes the SEC's recent South Miami enforcement action. This is an important SEC action because it found securities law liability for materially misleading tax certifications, even though such certifications were not provided to investors.

On May 22, 2013, the Securities and Exchange Commission (the "SEC"), in an administrative proceeding, accepted a settlement offer made by the City of South Miami, Florida (the "City") and entered a cease-and-desist order (the "Order") against the City. The SEC found that the City had acted in a negligent manner in violation of Sections 17(a)(2) and 17(a)(3) of the Securities Act of 1933 (the "Securities Act"). No enforcement action was taken against City officials.

Practice

- Disclosure Counsel