

**OH BOI, DON'T LET
THE CTA CATCH YOU
(OR YOUR CLIENTS)
BY SURPRISE!**

CCBA – Small Firm/Solo Section (18 Nov 2024)



BACKGROUND & BASICS



What in tarnation is the Corporate Transparency Act?

- Enacted by Congress in 2021
- Charged the Financial Crimes Enforcement Network (“FinCEN”) with obtaining identifying information about beneficial owners of entities in the US
- Purpose is to ensure the government has information needed to detect, prevent, and punish terrorism, money laundering, and other misconduct through business entities

Terminology

- Reporting Company – a corporation, LLC, or similar entity created by the filing of a document with a secretary of state or similar office OR formed under the law of a foreign country and registered to do business in the United States.
- Company Applicant– any individual who files a formation or registration document (see above) or directs the filing
- Beneficial Owner – Individual(s) who, directly or indirectly,
 - *Owns 25% or more of ownership interests, OR*
 - Includes profits interest or convertible instrument holders
 - Spouses in community property states?
 - *Exercises substantial control over the entity*
 - Substantial Control – senior officer, direction or substantial influence over company, control over parent, other relationships giving control or influence

Who Must File?

- Corporations
- LLCs
- Limited Partnerships
- Other statutory forms (TBOC or similar code of other states)
- Foreign entities registered to do business in the US

- In other words: Reporting Companies

(A Few) Exemptions

- Financial institutions
- Brokers or Publicly Traded Companies who report to SEC
- Nonprofit entities described in §501(c)
- Dormant entities
 - *Not conducting business*
 - *Not owned by foreign person*
 - *Not exchanged \$1,000 in preceding 12-months*
 - *No assets*
- Large Operating Company
 - *>20 full-time US employees*
 - *Physical office in the US*
 - *Prior year tax return >\$5mm*
- Wholly-owned subsidiaries of exempt parent entity

Who Can Access This Information?

- Government Officials
 - *Law enforcement*
 - *National security*
 - *Intelligence*
- Financial Institutions
 - *Only in certain circumstances*
- Agencies that regulate/supervise the financial institutions



MECHANICS



Gather Information

For each Beneficial Owner, this information must be submitted to FinCEN --->

For entities formed on or after January 1, 2024, the same information for the Company Applicant must also be submitted

Reporting Company

- Legal name
- Assumed Name(s)
- Business Address
- Jurisdiction of Formation
- EIN

Beneficial Owner(s) & Company Applicant

- Full Name
- Date of Birth
- Current address (residence or business)
- Unique Identifying Number – Usually a Driver License or Passport
- Image of ID must be uploaded

FinCEN ID

Individuals can submit the information required to obtain a FinCEN Identifier. That unique number may then be utilized in lieu of inputting the same information on multiple reports.

- Beneficial Owners with multiple reporting companies
- Individuals filing for multiple reporting companies
- Reporting Companies



WWW.FINCEN.GOV



Need to file a Beneficial Ownership Information Report?

Many companies are required to report information to FinCEN about the individuals who ultimately own or control them. FinCEN began accepting reports on January 1, 2024.

[File Your Report Now](#)



[FinCEN Issues Alert on Fraud Schemes Involving Deepfake Media Targeting Financial Institutions](#)

November 13, 2024
 WASHINGTON—Today, the U.S. Department of the Treasury's Financial Crimes Enforcement Network (FinCEN) issued an [alert](#) to help financial institutions identify fraud schemes associated with the use of deepfake media created with generative artificial intelligence (GenAI) tools.

[FinCEN Requests Comments on Proposed Form for Compliance with Residential Real Estate Rule](#)

November 12, 2024

[READOUT: FinCEN, Law Enforcement, and Financial Industry Representatives Meet to Discuss Collaborative Efforts to Combat Illicit Finance Related to Fentanyl Trafficking](#)

November 12, 2024

[Read More News](#)

[Beneficial Ownership Information](#)
 Learn About Reporting Requirements

[Money Services Businesses Information](#)
 MSB Registrant Search and MSB Registration

[E-Filing](#)
 Electronic Filing System for Bank Secrecy Act Forms

[SAR Statistics](#)
 Interactive Suspicious Activity Report Statistics

FINANCIAL CRIMES



ENFORCEMENT NETWORK



Small Business Resources

Reference Materials

BOI Newsroom

Get FinCEN News Updates

Stay Informed with FinCEN Updates

Subscribe

BENEFICIAL OWNERSHIP INFORMATION


Many companies are required to report information to FinCEN about the individuals who ultimately own or control them. FinCEN began accepting reports on January 1, 2024. [Learn more about reporting deadlines.](#)


Prepare

- ➔ [How do I file?](#)
- ➔ [Do I qualify for an exemption?](#)
- ➔ [How do I get a FinCEN ID?](#)

File

- ➔ [File a report using the BOI E-Filing System](#)
- ➔ [Create a FinCEN ID \(optional\)](#)

 **Need More Information?**
[View our FAQ page.](#)

 **Need More Information?**
[Chat With Us Here.](#)

 **Stay Informed.**
[Subscribe to FinCEN Updates.](#)

 **Alert:** FinCEN has issued five Notices extending the filing deadlines to submit BOI reports for certain reporting companies in response to Hurricane Milton, Hurricane Helene, Hurricane Debby, Hurricane Beryl,



FINANCIAL CRIMES ENFORCEMENT NETWORK

[BOI E-FILING](#)

[FILE BOIR](#)

[HELP](#)

NOTICE: Site Maintenance -- The BOI E-Filing System will be unavailable for scheduled maintenance on November 18th, from 8PM - 11PM EST

Welcome to the BOI E-Filing System

The BOI E-Filing System supports the electronic filing of the Beneficial Ownership Information Report (BOIR) under the Corporate Transparency Act (CTA). The CTA requires certain types of U.S. and foreign entities to report beneficial ownership information to the Financial Crimes Enforcement Network (FinCEN), a bureau of the U.S. Department of the Treasury.



File BOIR

Need to file a BOIR?
Click here!



Help

Looking for more
information? Click here



Beneficial Ownership Information (BOI) Reporting

Need to file a BOIR? Click here!

[GET STARTED](#)



Bank Secrecy Act (BSA) Reporting

Need to file another type of
BSA report? Click here!

[BSA E-FILING](#)

News & Announcements

Jan 04 2024

Need assistance? Go to the Help section in the blue banner to find filing instructions and other guidance materials.



NOTICE: Site Maintenance -- The BOI E-Filing System will be unavailable for scheduled maintenance on November 18th, from 8PM - 11PM EST

File the Beneficial Ownership Information Report (BOIR)

Select the filing method that works best for you:



File PDF BOIR

- Adobe Reader is required
- Prepare report offline at your own pace, save as you go
- Reuse PDF BOIR when filing updates/corrections
- Download BOIR transcript upon submission

Prepare BOIR

Submit BOIR



File Online BOIR

- Adobe Reader NOT required
- Prepare report online and submit now
- Prepare new Online BOIR when filing updates/corrections
- Download BOIR transcript upon submission

Prepare & Submit BOIR

Beneficial Ownership Information Report (BOIR)

OMB No. 1506-0076

Complete the report in its entirety with all required information. Fields marked with an asterisk (*) symbol are the fields that, *at a minimum*, must be completed by all companies to file the report. Reporting companies, however, must include all information 31 CFR 1010.380(b) requires them to provide, regardless of whether a field is marked with an asterisk (*) symbol. These information requirements are summarized above under HELP.

Filing Information

Reporting Company

Company Applicant(s)

Beneficial Owner(s)

Submit

Filing Information

Need help?

*1. Type of filing:

- a. Initial report
- b. Correct prior report
- c. Update prior report
- d. Newly exempt entity

2. Date prepared (auto-filled)

11/17/2024

Previous

Next

Filing Information

Reporting Company

Company Applicant(s)

Beneficial Owner(s)

Submit

Part I. Reporting Company Information

 Need help?



3. Request to receive FinCEN ID

4. Foreign pooled investment vehicle

Legal name and alternate name(s)

 Need help?



*5. Reporting Company legal name

6. Alternate name (e.g. trade name, DBA)

Add Alternate Name

Form of identification

Previous

Next

Beneficial Owner FinCEN ID

 Need help?



36. FinCEN ID

Exempt entity

 Need help?



37. Exempt entity

Legal name and date of birth

 Need help?



*38. Individual's last name or entity's legal name

*39. First name

40. Middle name

41. Suffix

*42. Date of birth

Previous

Next

Filing Information

Reporting Company

Company Applicant(s)

Beneficial Owner(s)

Submit

 **Need help?**



35. Parent/Guardian information instead of minor child

(check if the Beneficial Owner is a minor child and the parent/guardian information is provided instead)

Beneficial Owner FinCEN ID

 **Need help?**



36. FinCEN ID

Previous

Next

***I certify that I am authorized to file this BOIR on behalf of the reporting company. I further certify, on behalf of the reporting company, that the information contained in this BOIR is true, correct, and complete.**

I agree

COMPLIANCE REMINDER: The willful failure to report complete beneficial ownership information to FinCEN, the willful failure to update beneficial ownership information provided to FinCEN when previously reported information changes, or the willful provision of false or fraudulent beneficial ownership information to FinCEN, may result in civil or criminal penalties. A person may also be subject to civil or criminal penalties for willfully causing a reporting company to report incomplete or false beneficial ownership information to FinCEN.

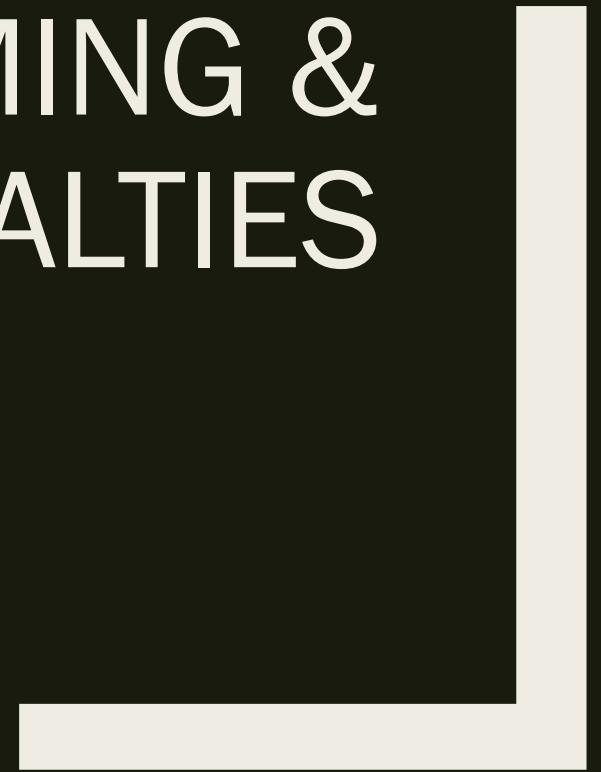


I am human



Submit BOIR

TIMING & PENALTIES



When Reports Must Be Filed

- Reporting Companies formed before 1/1/2024 – 12/31/2024
- Reporting Companies formed in 2024 – 90 days after formation
- Reporting Companies formed 1/1/2025 or after – 30 days after formation
- ALL Reporting Companies – 30 days after BOI information or Exemption Status changes

Penalties & Punishment

- Civil penalty of up to \$591 per day
- Criminal penalty of up to \$10,000 and/or imprisonment up to 2 years
- Only for “willful violations” of the reporting requirement, including timeliness and accuracy

