

The Corporate Transparency Act

BENEFICIAL OWNERSHIP REPORTING

What is it?



- The Corporate Transparency Act was passed by Congress in 2021
- It was created to make it harder to hide ill-gotten gains through opaque ownership structures
- The Act requires many companies to report information about their beneficial owners beginning January 1, 2024
 - This requirement applies to existing companies as well as companies formed in or after 2024.
 - Beneficial ownership information is reported to the Financial Crimes Enforcement Network (FinCEN), a part of the Treasury Department.

Who has to report?

- Companies required to report are called reporting companies. There are two types of reporting companies:
 - Domestic reporting companies are corporations, limited liability companies, and any other entities created by the filing of a document with a secretary of state or any similar office in the United States.
- Foreign reporting companies are entities (including corporations and limited liability companies) formed under the law of a foreign country that have registered to do business in the United States by the filing of a document with a secretary of state or any similar office.
- There are 23 types of entities that are exempt from the reporting requirements
- The most common exemption will be for publicly held companies, inactive entities and tax exempt entities

Who can report?



- Anyone whom the reporting company authorizes to act on its behalf—such as an employee, owner, or third-party service provider—may file a BOI report on the reporting company’s behalf
- When submitting the BOI report, the individual filer should be prepared to provide basic contact information and upload identification
- A Beneficial owner will generally be a person in substantial control owning at least 25% of the company

When should you report?

- Companies could begin filing on January 1, 2024
- Reporting companies created or registered before January 1, 2024 will have until January 1, 2025 to file their initial reports
- Reporting companies created or registered in 2024 will have 90 days (30 days for those created in 2025 or later) after creation or registration of the company to file initial reports
- Companies should file updated or correction reports if beneficial ownership changes

Where do companies report BOI?

The screenshot shows the BOI E-Filing System website. At the top, there is a dark blue navigation bar with the text "BOI E-FILING | FILE BOIR | HELP". Below this, the main content area is divided into several sections. On the left, a large white box with a blue border contains the heading "Welcome to the BOI E-Filing System" and a paragraph explaining that the system supports the electronic filing of the Beneficial Ownership Information Report (BOIR) under the Corporate Transparency Act (CTA). Below this text are two blue buttons: "File BOIR" with a house icon and "Help" with a question mark icon. To the right of the welcome message, there are two smaller white boxes. The top one is for "Beneficial Ownership Information (BOI) Reporting" and includes a "GET STARTED" button. The bottom one is for "Bank Secrecy Act (BSA) Reporting" and includes a "BSA E-FILING" button. At the bottom right of the main content area, there is a "News & Announcements" section with a date of "Jan 04 2024" and a link to the help section.

BOI E-FILING | **FILE BOIR** | **HELP**

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**

BSA E-Filing
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.

- The link for filing is: <https://boiefiling.fincen.gov>
- FinCEN has drafted a FAQ sheet to answer most questions <https://www.fincen.gov/boi-faqs>

How do companies report BOI?



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](#)

<https://boiefiling.fincen.gov/fileboir>

What happens if I don't file?

- As specified in the Corporate Transparency Act, a person who willfully violates the BOI reporting requirements may be subject to civil penalties of up to \$500 for each day that the violation continues
- That person may also be subject to criminal penalties of up to two years imprisonment and a fine of up to \$10,000
- Potential violations include:
 - Willfully failing to file a beneficial ownership information report
 - Willfully filing false beneficial ownership information
 - Willfully failing to correct or update previously reported Beneficial ownership information

Help and Resources: Small Entity Compliance Guide

Small Entity Compliance Guide



FinCEN has created a Small Entity Compliance Guide to answer questions such as:

- Which companies must report?
- Who is considered a beneficial owner?
- What information must be reported?
- When should my company report?
- You can download this guide here:
https://www.fincen.gov/sites/default/files/shared/BOI_Small_Compliance_Guide.v1.1-FINAL.pdf

Other Resources

- There is also a FAQ available that discusses details of the reporting process and how to use the online reporting tool. You can access the FAQ here: https://www.fincen.gov/boi-faqs#B_1
- Finally, there is a chat option for getting more information on the BOI homepage: <https://www.fincen.gov/boi>



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