

Corporate Transparency Act (CTA)

What is it? What is it for? What does it mean to you?

Note: The following presentation is presented as informational purposes only and does not represent legal or professional advise. Direct any and all questions requiring legal advise to a lawyer or for concerns related to the implementation of the Corporate Transparency Act, please contact the Office of the Inspector General.

What is FinCEN and CTA

- The Corporate Transparency Act (CTA), voted on in 2020 and enacted in 2021, the bi-partisan CTA was passed to enhance transparency in entity structures and ownership to combat money laundering, tax fraud, and other illicit activities.
- The CTA is under the oversight of FinCEN, Financial Crimes Enforcement Network, a bureau of the U.S. Department of the Treasury.
- The mission of the Financial Crimes Enforcement Network is to safeguard the financial system from illicit use, combat money laundering and its related crimes including terrorism, and promote national security through the strategic use of financial authorities and the collection, analysis, and dissemination of financial intelligence.



Why the Corporate Transparency Act

- **Nefarious, criminals and “bad actors” have used various loop-holes to help their criminal activities, especially financial.**
- **A common method to shelter assets, evade taxes, launder money from criminal activities and finance terrorist/licit drug activities is to create “shell (dummy) corporations”.**
- **Shell corporations look and act like a normal company but hide their actual owners, assets and activities and essentially lie about their true function and activities.**
- **Whereas the US banking industry is under complete control and regulation, the private corporate environment lacked the regulations to prevent illegal activities.**
- **The role of the CTA is to expose shell corporations and their owners in attempts to stop or slow down their activities.**

How does the CTA work

- **The CTA establishes the required reporting of a corporations and their beneficial owners i.e., the individuals who ultimately own or control the company.**
- **All corporations will report to the BOI, Beneficial Owners Information, under Federal law with punishments for non-compliance.**
- **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 under the law of a state of Indian tribe.**
- **The BOI report will capture not only the business and its address but also Beneficial Owners and/or their Managers of the business**
- **Registered agents are included in the report**
- **Report a company's BOI report is done online at the FinCEN BOI website.**
- **There is No Charge**

Does EVERYONE have to report?

- There are exception to the reporting requirements
- Your company may fall into a number of categories that will be granted an exemption to filing the BOI report.
- There are 23 categories of entities that do not have to report since their industries are currently under strict controls and regulations.
- Companies with more than 20 employees and more than \$5M in revenue in 2024/2023 are exempt.
- Companies that are sole proprietors (single owner) or general partners (multiple owners) “IF” they did not file with the Sect of State for business registration.

BOI Exempt business categories

1	Securities reporting issuer	13	State-licensed insurance producer
2	Governmental authority	14	Commodity Exchange Act registered
3	Bank	entity	
4	Credit union	15	Accounting firm
5	Depository institution holding company	16	Public utility
6	Money services business	17	Financial market utility
7	Broker or dealer in securities	18	Pooled investment vehicle
8	Securities exchange or clearing agency	19	Tax-exempt entity
9	Other Exchange Act registered entity	20	Entity assisting a tax-exempt entity
10	Investment company or investment	21	Large operating company
adviser		22	Subsidiary of certain exempt entities
11	Venture capital fund adviser	23	Inactive entity
12	Insurance company		

Further Exemptions

Companies with the following profile will be granted an exemption

- Companies that have more than 20 employees as of Jan 1, 2024
-AND-
- Companies that have Revenue greater than \$5 Million in 2023
-AND-
- A physical address in the United States

Neither engaging solely in passive activities like holding rental properties, for example, nor being unprofitable necessarily exempts an entity from the BOI reporting requirements.

Why is the US Treasury going after small LLCs?

- **Shell companies are usually VERY small (1+ registered owners) and can have ZERO sales**
- **According to a recent Small Business Administration report, 27,104,006 small businesses were termed “non-employee firms” and had no employees. They often have little to no revenue as their role is to shelter assets, bank accounts and business transactions (transfer of ownership of assets) rather than sales activity.**
- **In other words, the “bad actors” using LLC / shell companies have the same operational and structural profile of honest, sincere and law abiding startups.**
- **Since the “bad guys” are hiding with the small honest businesses, all small business/startups have to file.**

Which LLCs have to report

- **All Non-Exempt Companies who registered with the SOS (Secretary of State) before December 31, 2023 must report by December 31, 2024.**
- **All Non-Exempt Companies that register with the SOS office AFTER January 1, 2024 must file their report within 90 DAYS of their filing.**
- **In doubt? File a report.**

BOI captures the company and its owner(s)

The BOI captures the business's information

- Registered name
- Assumed Business Name (ABN) or Doing Business As (DBA)
- Physical, registered address
- EIN

Beneficial Owners

- Exercises substantial control over a reporting company
 - Senior officer (the company's president, chief financial officer, general counsel, chief executive officer, chief operating officer, or any other officer who performs a similar function).
 - Authority to appoint or remove certain officers or a majority of directors (or similar body) of the reporting company.
 - Individual is an important decision-maker for the reporting company
 - The individual has any other form of substantial control over the reporting company as explained further in FinCEN's Small Entity Compliance Guide (see Chapter 2.1, "What is substantial control?"). or
- Owns or controls at least 25% of the ownership interests of a reporting company.
- Registered Agents for the Company
- All must provide: Name, address with Government issued ID (drivers license, passport).

Non-Compliance

Ensuring company records are current with the accounting firm and in the FinCEN database will require an increase in due diligence and risk assessment activities. With high penalties and the potential for imprisonment, this is an area that should be closely monitored. Non-compliance can result in high penalties and possible imprisonment. The escalating fines range from \$500 to \$10,000 per violation and jail time of up to two years.

Any changes in the information (moving, changes to ID, etc.) provided on the BOI report must immediately provided to FinCEN

Special Notice:



- **Alert: FinCEN has been notified of recent fraudulent attempts to solicit information from individuals and entities who may be subject to reporting requirements under the Corporate Transparency Act. The fraudulent correspondence may be titled "Important Compliance Notice" and asks the recipient to click on a URL or to scan a QR code. Those e-mails or letters are fraudulent. FinCEN does not send unsolicited requests. Please **do not respond** to these fraudulent messages, or click on any links or scan any QR codes within them.**

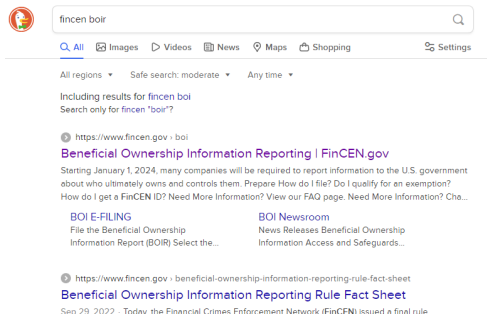
Filing a Beneficial Owner Information report

Screen Shots of the Report Filing

Notes when filing your BOI Report

- There are two avenues to get to the actual site to file the BOI report
- Each will get you to the site
- The report has FIVE (5) tabs on the top of each page
- You can click back and forth to move from one page to another
- You can also use the “Previous Page” or “Next Page” as well
- No information is lost when you move in these methods
- Back Arrow on your browser will cause the loss of information
- The screen will warn you of these errors
- Most of the information is Name and Address of you and/or your fellow members
- You get to supply the same basic information multiple times
- You will need your ID (State Driver’s license or Passport) and your EIN
- A scanned copy saved as a PDF works
- There are no trick questions

Two paths to the BOI Report



Google Search



Site where you go if you click on <https://www.fincen.gov/>

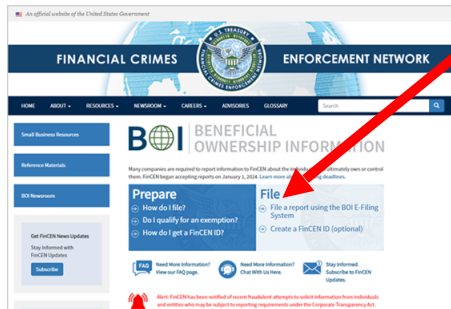


Site where you go if you click on <https://www.fincen.gov/boi>

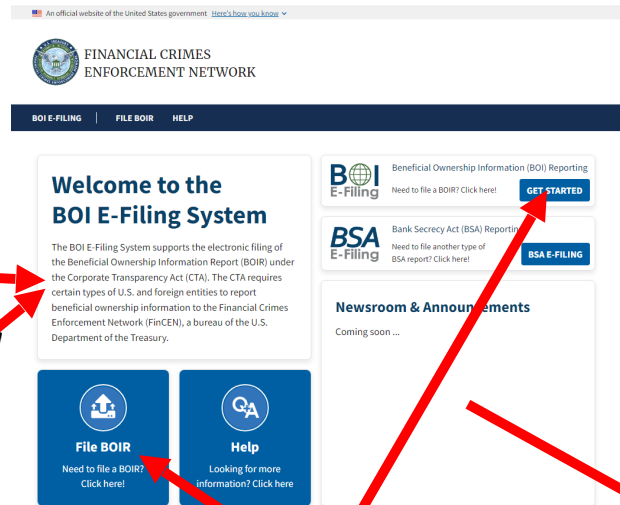
Two Paths to BOI Report:



Site where you go if you click on <https://www.fincen.gov/>



Site where you go if you click on <https://www.fincen.gov/boi>



Click a link

Both links will take you to the same place



Three ways to fill out the BOI Report

FINANCIAL CRIMES ENFORCEMENT NETWORK

BOI E-FILING | FILE BOIR | HELP

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

FinCEN also offers system-to-system BOIR transmission via secure Application Programming Interface (API) for those, including third-party service providers, who are interested in automating the BOIR filing process:

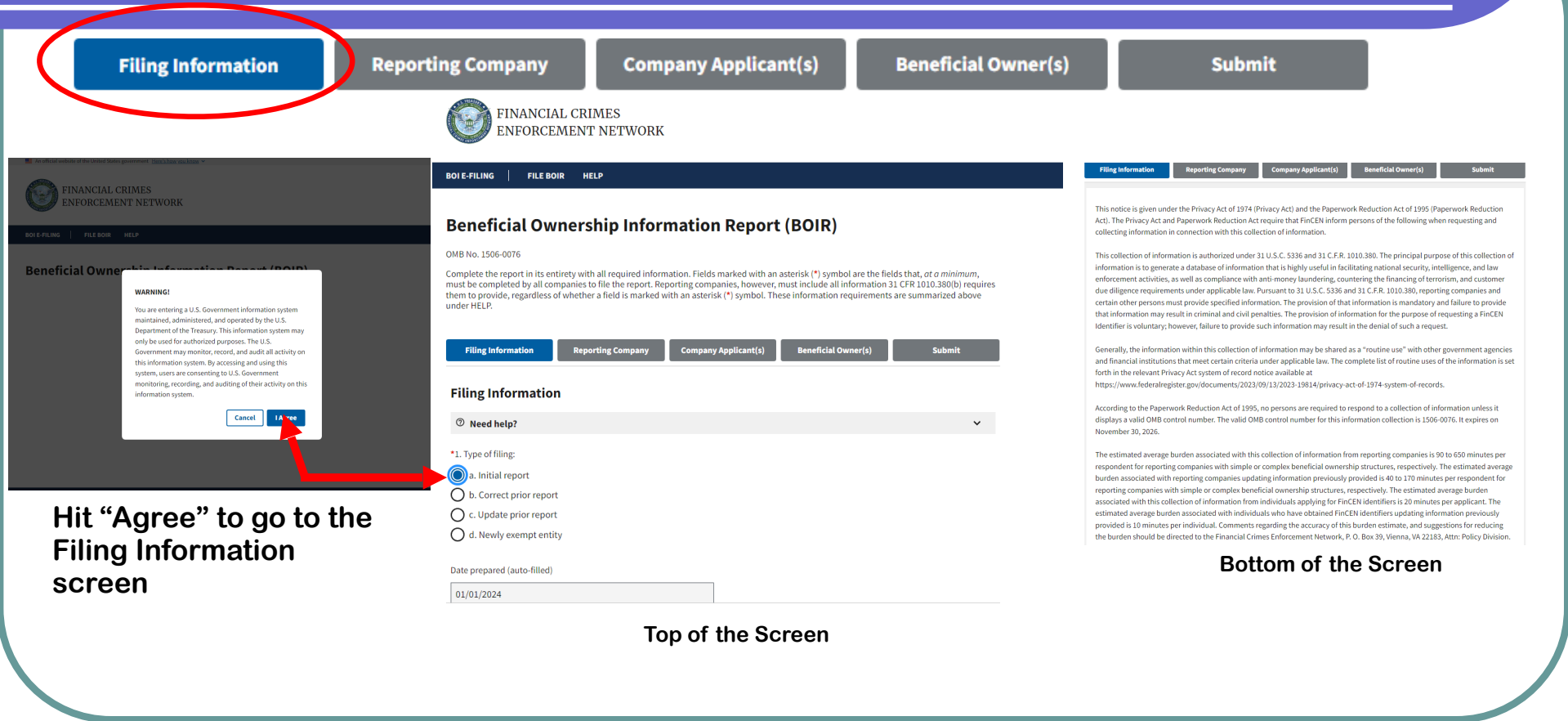
System-to-System API

If you are interested in this method of filing, select the button below to contact FinCEN and one of our representatives will reach out.

Contact FinCEN for API Information

- The PDF filing requires Adobe Reader 8.0 and above. The PDF is a XFA-based PDF forms and policy-protected documents unique PDF to be filed back to the government site. Adobe 8.0 and above are subscription based version with a 14 day trial.
- Filing online is straightforward
- Not recommend

Filing Information page



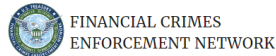
Filing Information

Reporting Company

Company Applicant(s)

Beneficial Owner(s)

Submit



BOI E-FILING | FILE BOIR | HELP

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

Date prepared (auto-filled)

01/01/2024

Filing Information

Reporting Company

Company Applicant(s)

Beneficial Owner(s)

Submit

This notice is given under the Privacy Act of 1974 (Privacy Act) and the Paperwork Reduction Act of 1995 (Paperwork Reduction Act). The Privacy Act and Paperwork Reduction Act require that FinCEN inform persons of the following when requesting and collecting information in connection with this collection of information.

This collection of information is authorized under 31 U.S.C. 5336 and 31 C.F.R. 1010.380. The principal purpose of this collection of information is to generate a database of information that is highly useful in facilitating national security, intelligence, and law enforcement activities, as well as compliance with anti-money laundering, countering the financing of terrorism, and customer due diligence requirements under applicable law. Pursuant to 31 U.S.C. 5336 and 31 C.F.R. 1010.380, reporting companies and certain other persons must provide specified information. The provision of that information is mandatory and failure to provide that information may result in criminal and civil penalties. The provision of information for the purpose of requesting a FinCEN Identifier is voluntary; however, failure to provide such information may result in the denial of such a request.

Generally, the information within this collection of information may be shared as a "routine use" with other government agencies and financial institutions that meet certain criteria under applicable law. The complete list of routine uses of the information is set forth in the relevant Privacy Act system of record notice available at <https://www.federalregister.gov/documents/2023/09/13/2023-19814/privacy-act-of-1974-system-of-records>.

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 1506-0076. It expires on November 30, 2026.

The estimated average burden associated with this collection of information from reporting companies is 90 to 650 minutes per respondent for reporting companies with simple or complex beneficial ownership structures, respectively. The estimated average burden associated with reporting companies updating information previously provided is 40 to 170 minutes per respondent for reporting companies with simple or complex beneficial ownership structures, respectively. The estimated average burden associated with this collection of information from individuals applying for FinCEN Identifiers is 20 minutes per applicant. The estimated average burden associated with individuals who have obtained FinCEN Identifiers updating information previously provided is 10 minutes per individual. Comments regarding the accuracy of this burden estimate, and suggestions for reducing the burden should be directed to the Financial Crimes Enforcement Network, P. O. Box 39, Vienna, VA 22183. Attn: Policy Division.

Hit "Agree" to go to the Filing Information screen

Bottom of the Screen

Top of the Screen

Reporting Company page

Filing Information **Reporting Company** **Company Applicant(s)** **Beneficial Owner(s)** **Submit**

Instructions for Item 4 – Foreign pooled investment vehicle
Check this box if the reporting company is a foreign pooled investment vehicle, as required to report information pursuant to 31 CFR 1010.380(b)(2)(iii).

- If the reporting company is a foreign pooled investment vehicle, the company need only report one beneficial owner who exercises substantial control over the entity. If more than one individual exercise substantial control over the entity, the entity shall report information with respect to the individual who has the greatest authority over the strategic management of the entity. The report should not include any information about compar

3. Request to receive FinCEN ID

4. Foreign pooled investment vehicle

Need help?

*5. Reporting Company legal name
Black Line Creations LLC

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

Add Alternate Name

Form of identification

Need help?

*7. Tax Identification type
EIN

*8. Tax Identification number
82-*****
Tax ID must be exactly 9 characters

9. Country/Jurisdiction (if foreign tax ID only)
Select a country

*10. a. Country/Jurisdiction of formation
United States of America

Domestic Reporting Company

b. State of formation
Oregon

c. Tribal jurisdiction of formation
Select a local/tribal

d. Name of the other Tribe

Current U.S. address

Need help?

*11. Address (number, street, and apt. or suite no.)
6*** MyStreet St

*12. City
West Linn

Only letters, numbers, and punctuation are allowed

*13. U.S. or U.S. Territory
United States of America

*14. State
Select a state

*15. ZIP code
97068

Top of the Screen

Bottom of the Screen

Middle of the Screen

Company Applicant(s) page

Filing Information **Reporting Company** **Company Applicant(s)** **Beneficial Owner(s)** **Submit**

Top of the Screen

Legal name and date of birth

*19. Individual's last name: *20. First name:

21. Middle name: 22. Suffix: *23. Date of birth:

Current address

*24. Address type: Business Address Residential Address

Middle of the Screen

Address (number, street, and apt. or suite no.) is required

*27. Country/Jurisdiction: *28. State: *29. ZIP/Foreign postal code:

Form of identification and issuing jurisdiction

*30. Identifying document type: *31. Identifying document number:

*32. Identifying document issuing jurisdiction

a. Country/Jurisdiction: b. State:

c. Local/Tribal: d. Other local/Tribal description:

Bottom of the Screen

*26. City: *27. Country/Jurisdiction: *28. State: *29. ZIP/Foreign postal code:

Form of identification and issuing jurisdiction

*30. Identifying document type: *31. Identifying document number:

*32. Identifying document issuing jurisdiction

a. Country/Jurisdiction: b. State:

c. Local/Tribal: d. Other local/Tribal description:

*33. Identifying document image:

Beneficial Owner FinCEN ID page

Filing InformationReporting CompanyCompany Applicant(s)Beneficial Owner(s)Submit

Instructions for Item 35 – Parent/Guardian information instead of minor child:
If the beneficial owner for the reporting company is a minor child, you may check this box and complete Part III with information about a parent or legal guardian of the minor child.

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

Exempt entity

Need help?

Instructions for Item 37 – Exempt entity:
Check this box if the beneficial owner holds its ownership interest in the reporting company exclusively through one or more exempt entities, and the name of that exempt entity or entities are being reported in lieu of the beneficial owner's information. If checked, provide the legal name of the exempt entity in field 38.

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

Residential address

Need help?

*43. Address (number, street, and apt. or suite no.) *44. City

*45. Country/Jurisdiction *46. State *47. ZIP/Foreign postal code

Form of identification and issuing jurisdiction

Need help?

*48. Identifying document type *49. Identifying document number

State issued driver's license X | v 3673679

*50. Identifying document issuing jurisdiction

a. Country/Jurisdiction b. State

United States of America X | v Oregon X | v

c. Local/Tribal d. Other local/Tribal description

Select a local/tribal v

*51. Identifying document image
CTA drivers license.PDF

Middle of the Screen

Bottom of the Screen

Top of the Screen

Submit screen page

Filing Information

Reporting Company

Company Applicant(s)

Beneficial Owner(s)

Submit

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

Complete all fields below before submitting. Directly after submission, a processing page will be displayed, followed by a page confirming the status of your report. This confirmation page will also give you an opportunity to download a transcript of your report.

*Email

*Confirm Email

*First Name

*Last Name

***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



Privacy - Terms

Submit BOIR

Previous

Next

Upon Completion



FINANCIAL CRIMES
ENFORCEMENT NETWORK

[BOI E-FILING](#) | [FILE BOIR](#) | [HELP](#)

Submission Status Confirmation

SUBMISSION INFORMATION

Status	FILING SUCCESSFUL. You may download the transcript below.
BOIR ID	50000000007783
Submission Tracking ID	BOIR2401020659362c21
Received Timestamp (UTC)	2024-01-02T01:11:35Z
Reporting Company FinCEN ID	

SUBMITTER INFORMATION

First name	David
Last name	Blass
E-mail address	dblass@blacklinecreations.com

IMPORTANT! Before closing this page, we strongly recommend downloading your transcript below.