

New Federal Reporting Requirement for Beneficial Ownership Information (BOI)

Beginning on January 1, 2024, many companies in the United States will have to report information about their **beneficial owners**, i.e., the individuals who ultimately own or control the company. They will have to report the information to the Financial Crimes Enforcement Network (FinCEN). FinCEN is a bureau of the U.S. Department of Treasury.

Be sure to review FinCEN's **Small Entity Compliance Guide**, which provides information to help small businesses comply with this reporting requirement.

Who Has to Report?

Companies required to report are called **reporting companies**. Reporting companies may have to obtain information from their beneficial owners and report that to FinCEN.

Your company may be a reporting company and need to report information about its beneficial owners if your company is:

1. A corporation, a limited liability company (LLC), or was otherwise created in the United States by filing a document with a secretary of state or any similar office under the law of a state or Indian tribe; or
2. A foreign company and was registered to do business in any U.S. state or Indian tribe by such a filing.

Who Does Not Have to Report?

Twenty-three types of entities are exempt from the beneficial ownership information reporting requirements. These entities include publicly traded companies, nonprofits, and certain large operating companies.

FinCEN's Small Entity Compliance Guide includes checklists for each of the 23 exemptions that may help determine whether your company qualifies for an exemption. Please review Chapter 2.1 of the Guide for more information.

How Do I Report?

Reporting companies will have to report beneficial ownership information electronically through FinCEN's website: www.fincen.gov/boi.

The system will provide the filer with a confirmation of receipt once a completed report is filed with FinCEN.

When Do I Report?

Reports will be accepted starting on January 1, 2024.

- If your company was created or registered prior to January 1, 2024, you will have until January 1, 2025 to report BOI.
- If your company is created or registered on or after January 1, 2024, you must report BOI within 30 days of notice of creation or registration.
- Any updates or corrections to beneficial ownership information that you previously filed with FinCEN must be submitted within 30 days.

FinCEN cannot accept reports **before** January 1, 2024.

Where Can I Learn More?

You can find guidance materials and additional information by visiting www.fincen.gov/boi.