

New Federal Reporting Requirement for Beneficial Ownership Information (BOI)

This letter is to make you aware of reporting requirements that went into effect on **January 1, 2024**, that may require your business entity to report its beneficial ownership information to the Federal government.

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

NOTE: This will be a **free** filing that companies can complete themselves. Be wary of official-looking mail from a third-party company offering to complete the beneficial ownership reporting on behalf of your company for a fee.

Do I Need to Report?

Most businesses are small businesses that may need to file. Your company may need to report information about its beneficial owners if it 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.

How Do I Report?

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

When Do I Report?

- Reports were accepted starting on January 1, 2024.
- If your company was created or registered before January 1, 2024, you will have until January 1, 2025, to report BOI. (If you missed this deadline, just report ASAP, remember, this is new.)
- If your company is created or registered on or after January 1, 2024 and before January 1, 2025, you must report BOI within 90 days of notice of creation or registration.
- If your company is created or registered on or after January 1, 2025 you must report BOI within 30 days of notice of creation or registration.
- If there is **any change** to the required information about your company or its beneficial owners in a BOI report that your company filed, your company must file an updated BOI report no later than 30 days after the date on which the change occurred.

There are significant penalties for missing filing deadlines, including criminal (fines and /or imprisonment) or civil (monetary) penalties. There is a \$500 per day penalty, up to \$10,000, and imprisonment of up to two years for the **WILLFUL** failure to timely file initial or updated reports.

It is your exclusive responsibility to comply with these requirements.