

New Beneficial Ownership Requirements



Effective January 1, 2024, certain business entities in the United States will be required to report, electronically, information about their beneficial owners to the U.S. Department of the Treasury's Financial Crimes Enforcement Network (FinCEN). FinCEN will store the Beneficial Ownership Information (BOI) Reports in a centralized database and only share this information with authorized users for business purposes specified by law. Below are some tips and resources to help small business owners prepare for this new rule.

Reporting Companies will be expected to provide the following to FinCEN:

- Information on the Reporting Company itself.
- Identify the individual(s), known as Beneficial Owners, who directly or indirectly control or own the Reporting Company (25% or more ownership).
- Identify the individual who is the Company Applicant (for entities formed on or after January 1, 2024).

Filing Deadlines

- A Reporting Company created or registered to do business before January 1, 2024, will have until January 1, 2025, to file its initial BOI report.
- A Reporting Company created or registered to do business on or after January 1, 2024, will have 90 days once the company receives actual notice that its creation or registration is effective to file its initial BOI report.
- Updates or corrections to previously filed BOI reports should be submitted within 30 days.

Resource and Additional Information

- FinCEN has published a Small Entity Compliance Guide <https://www.fincen.gov/boi/small-entity-compliance-guide> that provides detailed information on the reporting rule's provisions, answers key questions, and offers interactive checklists, infographics, and other tools. You can also find the guide on FinCEN's Beneficial Ownership Information Reporting webpage at www.fincen.gov/boi.
- For further guidance and updates, you can monitor FinCEN's website, read their FAQs, or subscribe to their updates at www.fincen.gov.
- If you have any specific questions about the reporting requirements, you can contact FinCEN through their contact webpage at www.fincen.gov/contact.