



Hello BTP Clients,

Many of you have likely heard of the new reporting *requirements* starting in 2024 passed by the Corporate Transparency Act in 2021. The buzzwords are:

- **Beneficial Ownership Information (BOI)** reporting
- **New entities** will have **30 days** to report.
- **Existing entities** have until the **end of 2024** to report

### **Why?**

Passed with the Corporate Transparency Act in 2021, it is meant to prevent financial crimes.

### **What?**

Starting in 2024 most entities that file a report with their state Secretary of State (LLC, Corporations, etc.) are required to report beneficial owners.

### **Who?**

A beneficial owner is one who:

- 1) Exercises substantial control**
- 2) Owns more than 25%**

### **How?**

Starting 1/1/2024 you are required to report BOI via a portal to be created by FINCEN, a department within the US Treasury.

### **Reporting Updates?**

If any beneficial owner info changes you have 30 days to update with FINCEN.

### **Penalties?**

There will be harsh civil and criminal penalties for failure to file and update BOI reports with FINCEN.