

## Where Can I Learn More?



You can find guidance materials and additional information by scanning the QR code or visiting [www.fincen.gov/boi](http://www.fincen.gov/boi).

Sign up for [FinCEN Updates](#) to receive immediate email updates on Beneficial Ownership.



This brochure is explanatory only and does not supplement or modify any obligations imposed by statute or regulation.

Please also note that the reporting requirements for certain individuals and entities have been affected by a federal court ruling. For additional information, please see [www.fincen.gov/boi](http://www.fincen.gov/boi) to learn more.

VERSION 4 – Published April 2024

## An Introduction to Beneficial Ownership Information Reporting



In 2021, Congress enacted the bipartisan Corporate Transparency Act to curb illicit finance. This law requires many companies doing business in the United States to report information about who ultimately owns or controls them.



U.S. Department of the Treasury  
Financial Crimes Enforcement Network  
[www.fincen.gov/boi](http://www.fincen.gov/boi)

# New Federal Reporting Requirement for Beneficial Ownership Information (BOI)

Effective January 1, 2024, many companies in the United States must report information about their beneficial owners—the individuals who ultimately own or control the company—to the Financial Crimes Enforcement Network (FinCEN), a bureau of the U.S. Department of the Treasury.

Filing is simple, secure, and free of charge. Beneficial ownership information reporting is not an annual requirement. Unless a company needs to update or correct information, a report only needs to be submitted once.

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 information to FinCEN.



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.

## Who Does Not Have to Report?

Twenty-three types of entities are exempt from beneficial ownership information reporting requirements, including 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 1.2 of the Guide for more information.

## How Do I Report?

Reporting companies report beneficial ownership information electronically through FinCEN's website: [www.fincen.gov/boi](http://www.fincen.gov/boi). The system provides a confirmation of receipt once a completed report is filed with FinCEN.

## When Do I Report?

FinCEN began accepting reports 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 in 2024, you must report BOI within 90 calendar days after receiving actual or public notice that your company's creation or registration is effective, whichever is earlier.
- If your company is created or registered on or after January 1, 2025, you must file BOI within 30 calendar days after receiving actual or public notice that its creation or registration is effective.
- Any updates or corrections to beneficial ownership information that you previously filed with FinCEN must be submitted within 30 days.

The Corporate Transparency Act (CTA) was enacted as part of the National Defense Act for Fiscal Year 2021. The CTA mandates that millions of entities report their beneficial ownership information (BOI) to the Financial Crimes Enforcement Network (FinCEN). This resource is meant to provide a preliminary overview of the provisions in the CTA.

## Who is required to report under the CTA's BOI reporting requirement?

- All domestic and foreign entities that have filed formation or registration documents with a U.S. state (or Indian tribe), unless they meet one of 23 enumerated exceptions (see [FinCEN FAQs](#) for a full list of exemptions), including:
  - EXEMPT: Large operating entities that meet all the following criteria:
    - Employ more than 20 people in the U.S.
    - Had gross revenue (or sales) over \$5 million on the prior year's tax return
    - Has a physical office in the U.S.
  - EXEMPT: Publicly traded companies that have registered under Section 102 of SOX

## When must companies file?

- New entities (created/registered in 2024) — must file within 90 days
- New entities (created/registered after Dec. 31, 2024) — must file within 30 days
- Existing entities (created/registered before Jan. 1, 2024) — must file by Jan. 1, 2025
- Reporting companies that have changes to previously reported information or discover inaccuracies in previously filed reports — must file within 30 days.

## What information do companies need to report?

- Each company must report the information below through the [FinCEN BOIR E-Filing System](#).
  - Full legal name of the reporting company and any trade or DBA names
  - Business address
  - State or Tribal jurisdiction of formation or registration
  - IRS TIN
- In addition, each reporting company must report the following details on its beneficial owners and, for newly created entities, its company applicant(s):
  - Name
  - Birthdate
  - Address
  - Unique identifying number and issuing jurisdiction from an acceptable identification document (and image of such document)

## What are the penalties for noncompliance with the statute?

- Civil penalties are up to **\$591 per day** that a violation continues.
- Criminal penalties include a **\$10,000 fine and/or up to two years of imprisonment**.

## For more information

Visit the AICPA's [beneficial ownership information reporting guidance and resources page](#).