



Your Guide to Beneficial Ownership Information (BOI) Reporting

As a business owner, you may feel overwhelmed by the new **Beneficial Ownership Information (BOI)** reporting requirements under the Corporate Transparency Act. With deadlines looming, now is the time to ensure compliance to avoid penalties. This newsletter provides an overview of the requirements, deadlines, exemptions, and actions you can take to meet your obligations effectively.

What is BOI Reporting?

Effective **January 1, 2024**, the Financial Crimes Enforcement Network (FinCEN) requires businesses to disclose information about their **beneficial owners**. A **beneficial owner** is any individual who:

- **Directly or indirectly exercises substantial control** over the company, or
- **Owns or controls 25% or more** of the company's ownership interests.

This initiative enhances financial transparency and combats financial crimes. Failing to comply could lead to severe consequences, including daily fines of **\$591** and potential jail time.

Who Needs to File?

Entities required to report include:

- **Domestic entities:** Corporations, LLCs (including single-member LLCs), and limited partnerships formed by filing with a Secretary of State or similar authority.
- **Foreign entities:** Those registered to do business in the U.S. through comparable filings.

Entities not formed through formal filings, such as certain trusts, typically do not need to report.

Key Deadlines

- **Before January 1, 2024:** Entities created or registered before this date must file by **January 1, 2025**.
 - **Between January 1, 2024, and December 31, 2024:** Entities must file within **90 days** of formation or registration notice.
 - **On or after January 1, 2025:** Entities have **30 days** to file their reports.
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