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

Starting Jan. 1, 2024, there is a reporting requirement for many businesses, which can include single-member and multi-member LLC’s, C and S corporations. Certain businesses will be required to comply with the *Corporate Transparency Act* (CTA) which includes the filing of Beneficial Ownership (BOI) reports. These reports will be administered by the Financial Crimes Enforcement Network (FinCEN) and establishes a database of companies’ beneficial ownership information to be used by law enforcement. This is not an Internal Revenue Service (IRS) issue.

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.

Assisting with compliance and or filing of the CTA, including BOI reporting, **is not within the scope of services we provide**. It will be your exclusive responsibility to comply with CTA, including its BOI reporting requirements. Information can be found at https://www.fincen.gov/boi. Please consult with legal counsel on additional questions and or concerns regarding how BOI reporting requirements and issues affects your company.

As stated previously, compliance with the CTA, including the BOI reporting applies to most

businesses including single member LLCs, which are treated as a disregarded entity for income tax reporting.