

Corporate Transparency Act Filing Obligations

Description

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An updated version of this Client Alert is available, which includes the March 1, 2024 U.S. District Court decision – view [here](#).

This is a reminder that the Corporate Transparency Act (“CTA”) took effect on January 1, 2024. Under the CTA, all entities formed or registered to do business in the United States, absent qualifying for an exemption, must furnish a beneficial ownership information (“BOI”) report to the U.S. Treasury’s Financial Crimes and Enforcement Network (“FinCEN”) containing information about the entity’s beneficial owners. Entities formed before January 1, 2024 must submit their BOI report to FinCEN before January 1, 2025. Entities formed on or after January 1, 2024, but before January 1, 2025, have ninety (90) days from the date of formation to submit their BOI report.

Failure to timely file with FinCEN may result in penalties of up to \$500 for each day that a company fails to submit a BOI report, as well as potential criminal penalties, including fines of up to \$10,000 and imprisonment for up to 2 years.

FinCEN’s BOI filing portal can be found here: [Beneficial Ownership Information Reporting | FinCEN.gov](#). FinCEN has also released a small business compliance guide to help business owners determine their filing requirements. The guide is located here: [BOI Small Compliance Guide v1.1 \(fincen.gov\)](#).

If you are uncertain regarding the filing requirements for your business or whether you qualify for an exemption, we can assist you to make this determination and the necessary information you will need to gather. Connect with our [Corporate & Business](#) attorneys, including [Lawrence Sheh](#), [Brian Reilly](#), and Madeline Ursini, to learn more.

Date Created

February 1, 2024