

BENEFICIAL OWNER INFORMATION REPORTING REQUIREMENTS

Starting **January 1, 2024**, most small businesses will have to report information about their beneficial owners (individuals who own or control the business) to the Financial Crimes Enforcement Network (FinCEN), a bureau of the U.S. Department of the Treasury.

■ WHO HAS TO REPORT?

Companies required to report are called *reporting companies*. Reporting companies may have to obtain information from their *beneficial owners* and *company applicants* and then report that information to FinCEN.

Reporting Companies

Corporations, limited liability companies (LLCs), or other entities created or registered by filing a document with a secretary of state or similar state office

Beneficial Owners

Any individual who exercises substantial control over a reporting company or owns or controls at least 25% of the ownership interest of a reporting company

Company Applicants

The individual who filed the reporting company entity registration or the individual who directed or controlled the filing (only applicable for entities created or registered after January 1, 2024)

■ WHO DOES NOT HAVE TO REPORT?

Twenty-three types of entities are **exempt from reporting**. These entities include publicly traded companies, nonprofits, and certain **large operating companies**.

Large Operating Company

A large operating company must have all of the following

- More than 20 full time employees
- More than \$5,000,000 in annual gross receipts or sales
- Physical operating presence in the US

■ WHAT INFORMATION IS REPORTED?

Reporting Companies

1. Legal name
2. Trade name, if any
3. U.S. address
4. Jurisdiction of formation
5. Tax ID number (TIN)

Beneficial Owners

1. Legal name
2. Date of birth
3. Residential address
4. Identifying number, jurisdiction, and image of:
 - a. US passport
 - b. State driver's license
 - c. State-issued identification

Company Applicants

Same information as required for beneficial owners (the address can be a business address)

■ WHEN IS INFORMATION REPORTED?

Company Type	Date Created	Due Date
Existing	<i>Before</i> Jan 1, 2024	January 1, 2025
New	<i>During</i> 2024	90 days after entity creation
New	<i>After</i> 2024	30 days after entity creation

■ WHEN ARE CHANGES, UPDATES, AND CORRECTIONS REPORTED?

Changes, updates, and corrections to previously reported information are due **30 days** after change or inaccuracy.