

## “NEW REPORTING REQUIREMENTS FOR BUSINESS OWNERS”

### BENEFICIAL OWNERSHIP INTEREST REPORT (BOI) TO FINANCIAL CRIMES ENFORCEMENT NETWORK (FinCen)

Dear Valued Client:

On January 1, 2024, a new federal anti-money laundering law, the Corporate Transparency Act (CTA) took effect. The new law directly affects many business owners with interests in corporations, LLCs, limited partnerships or other similar entities or who serve as senior officers, managers, managing members or general partners of such entities. It may also effect trustees of trusts holding interests in such entities.

#### DEADLINES

If your business existed prior to 1/1/2024 your initial report is due no later than 1/1/2025. This is a one time report (not annual) unless there is a change in name, ownership, address, etc) . A change must be reported within 30 days of the noted change. If your business is brand new as of 1/1/24 and beyond; your initial report is due within 90 days of formation.

#### WHAT HAPPENS IF I DON'T FILE?

- 1 Reports must be filed with FinCen an agency that prosecutes crimes.
- 2 Financial penalties for non-compliance are steep (\$591 per day) and jail time unpleasant (2 years and additional \$10,000 fine on top of \$591 per day)

#### OTHER RELEVANT FACTS

The report must be electronically filed on the FinCen website. There is no paper option. There is no forgiveness for lateness and the fines will accrue daily (see above). If you have five separate LLCs you must file five BOI reports. There is no fee due with report but boy if you're late the money adds up quickly!

#### HOW CAN I HELP?

I can file this report electronically for your business. Please provide information in the enclosed questionnaire including a readable copy of driver's license or passport and upload to my portal (preferred). **My fee for the service is \$250 per report.** I will accept information through **December 1, 2024** in order to comply with the deadline. Rest assured your report will be filed timely and you can check this off your “to do” list. Thank you again for your business and I look forward to hearing from you.

Best Regards,

Jean A. Cordasco CPA