



FinCEN Beneficial Ownership Reporting



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Beneficial Ownership Reporting

The Corporate Transparency Act (CTA) is intended to provide information to the U. S. Department of the Treasury on the ownership and control of companies in an attempt at transparency to prevent money laundering and other crimes.

Reporting Company

The CTA requires a reporting company to disclose information about beneficial owners to the Financial Crimes Enforcement Network (FinCEN). The rule defines two types of reporting companies, domestic and foreign.

Domestic reporting company. A domestic reporting company is a corporation, limited liability company (LLC), or was otherwise created in the United States by the filing of a document with a secretary of state or similar office.

Foreign reporting company. A foreign reporting company is a corporation, LLC, or other entity formed under the law of a foreign country that is registered to do business in any state or tribal jurisdiction by filing a document with a secretary of state or similar office.

Exemption entities. 23 types of entities are exempt from the beneficial ownership reporting requirement. Many of these entities are already regulated by federal or state government and many already disclose ownership information to a government authority. One of the exemptions, for example, is for large operating companies with at least 20 full-time employees, more than \$5,000,000 in gross receipts or sales, and an operating presence at a physical office in the United States. An exemption also exists for inactive companies.

FinCEN's Small Entity Compliance Guide includes checklists for each of the 23 exemptions that may help determine whether your company qualifies for an exemption. To access the guide go to www.fincen.gov/boi.

Small businesses. Note that small businesses are not exempt. Also, there is no dollar minimum or profit motive requirement. A hobby that generates no profits, for example, would be subject to reporting requirements if it is registered as a limited liability company.

Beneficial Owner

A beneficial owner includes any individual who, directly or indirectly, either:

- Exercises substantial control over a reporting company, or
- Owns or controls at least 25 percent of the ownership interests of a reporting company.

The regulation further defines persons who have substantial control or own or control ownership interests.

Information Reported

Reporting companies must report the identity of the company.

- Name,
- Any alternate names or tradenames,
- The current address of its principal place of business,
- The jurisdiction of formation or registration, and
- Its taxpayer identification number.

A reporting company must also report the following information about each beneficial owner.

- The individual's name, birthdate, and address,
- A unique identifying number and issuing jurisdiction from an acceptable identifying document, and
- An image of the identifying document.



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Most commonly, this identifying document will be a driver's license or passport. The required information for an individual can either be reported by the company or the individual. If an individual provides the information, he or she may obtain a "FinCEN identifier," which can then be used by the reporting company in lieu of the individual's required information.

Reporting companies created after January 1, 2024 must also report information about the company applicants. The company applicant is the individual who files or is responsible for filing the document that creates the company.

Reporting timeline. Reporting begins January 1, 2024.

- Reporting companies created or registered before January 1, 2024, will have one year (until January 1, 2025) to file their initial reports.
- Reporting companies created or registered after January 1, 2024, will have 90 days after receiving notice of their creation or registration to file their initial reports.
- Reporting companies created or registered after January 1, 2025, will have 30 days after receiving notice of their creation or registration to file their initial reports.
- Reporting companies have 30 days to report changes to the information in previous reports and 30 days to correct inaccurate information after becoming aware of the errors or having reason to know of the inaccuracies.

How to report. Beneficial ownership information is reported electronically via FinCEN's website. Reports cannot be submitted before January 1, 2024. There is no fee involved. FinCEN has a Small Business Compliance Guide and other helpful materials available at www.fincen.gov/boi.

Use of information. The CTA imposes stringent access requirements and safeguards on users. Foreign and domestic security, intelligence, and law enforcement agencies will be able to access beneficial ownership information. Financial institutions conducting customer due diligence will also be able to access this information upon customer consent.

Penalties. Civil penalties of up to \$500 per day may be levied for willful violation of reporting requirements. You may also be subject to criminal penalties of up to two years of imprisonment and a fine of up to \$10,000.

Contact Us

There are many events that occur during the year that can affect your tax situation. Preparation of your tax return involves summarizing transactions and events that occurred during the prior year. In most situations, treatment is firmly established at the time the transaction occurs. However, negative tax effects can be avoided by proper planning. Please contact us in advance if you have questions about the tax effects of a transaction or event, including the following:

- Pension or IRA distributions.
- Significant change in income or deductions.
- Job change.
- Marriage.
- Attainment of age 59½ or 73.
- Sale or purchase of a business.
- Sale or purchase of a residence or other real estate.
- Retirement.
- Notice from IRS or other revenue department.
- Divorce or separation.
- Self-employment.
- Charitable contributions of property in excess of \$5,000.

This brochure contains general information for taxpayers and should not be relied upon as the only source of authority. Taxpayers should seek professional tax advice for more information.

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Beneficial Ownership Information Report

Home

Reporting Company

Company Applicant(s)

Beneficial Owner(s)



Beneficial Ownership Information Report

Version Number: 1.0

OMB No. 1506-0076

Release Date: 01-01-2024

Report Preparation & Submission Instructions:

Instructions	1. Complete the report in its entirety with all required information. Click Instructions for help.
Validate	2. Click Validate to ensure all entered data is properly formatted and that all required fields are completed.
Finalize	3. Click Finalize to lock the entries in the report and prepare it for submission. Click Edit Report to unlock and re-edit.
Save	4. Click Save to retain a local copy of the report (this can be done at any time during report preparation).
Print	5. (Optional) Click Print to print a hard copy of your completed report.
Ready To File	6. Select Ready to File (activated after the report is finalized and saved locally) to begin the submission process.

Filing Information

1. *Type of filing:

- a. Initial report
- b. Correct prior report
- c. Update prior report
- d. Newly exempt entity

Reporting Company information associated with most recent report, if any:

- e. Legal name
 - f. Tax Identification type
 - g. Tax Identification number
 - h. Country/Jurisdiction (if foreign tax ID)
2. Date prepared (auto-filled when form is finalized)

PRIVACY ACT AND PAPERWORK REDUCTION ACT NOTICE

This notice is given under the Privacy Act of 1974 (Privacy Act) and the Paperwork Reduction Act of 1995 (Paperwork Reduction Act). The Privacy Act and Paperwork Reduction Act require that FinCEN inform persons of the following when requesting and collecting information in connection with this collection of information. This collection of information is authorized under 31 U.S.C. 5336 and 31 C.F.R. 1010.380. The principal purpose of this collection of information is to generate a database of information that is highly useful in facilitating national security, intelligence, and law enforcement activities, as well as compliance with anti-money laundering, countering the financing of terrorism, and customer due diligence requirements under applicable law. Pursuant to 31 U.S.C. 5336 and 31 C.F.R. 1010.380, reporting companies and certain other persons must provide specified information. The provision of that information is mandatory and failure to provide that information may result in criminal and civil penalties. The provision of information for the purpose of requesting a FinCEN Identifier is voluntary; however, failure to provide such information may result in the denial of such a request. Generally, the information within this collection of information may be shared as a "routine use" with other government agencies and financial institutions that meet certain criteria under applicable law. The complete list of routine uses of the information is set forth in the relevant Privacy Act system of record notice available at <https://www.federalregister.gov/documents/2023/09/13/2023-19814/privacy-act-of-1974-system-of-records>. According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 1506-0076. It expires on November 30, 2026. The estimated average burden associated with this collection of information from reporting companies is 90 to 650 minutes per respondent for reporting companies with simple or complex beneficial ownership structures, respectively. The estimated average burden associated with reporting companies updating information previously provided is 40 to 170 minutes per respondent for reporting companies with simple or complex beneficial ownership structures, respectively. The estimated average burden associated with this collection of information from individuals applying for FinCEN identifiers is 20 minutes per applicant. The estimated average burden associated with individuals who have obtained FinCEN identifiers updating information previously provided is 10 minutes per individual. Comments regarding the accuracy of this burden estimate, and suggestions for reducing the burden should be directed to the Financial Crimes Enforcement Network, P. O. Box 39, Vienna, VA 22183, Attn: Policy Division.

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Reporting Company

Company Applicant(s)

Beneficial Owner(s)

Part I. Reporting Company Information

3. Request to receive FinCEN Identifier (FinCEN ID)

4. Foreign pooled investment vehicle

Full legal name and alternate name(s):

5. * Reporting Company legal name

6. Alternate name (e.g. trade name, DBA) + -

Form of identification:

7. * Tax Identification type

8. * Tax Identification number

9. Country/Jurisdiction *(if foreign tax ID only)*

Jurisdiction of formation or first registration:

10. * a. Country/Jurisdiction of formation

Domestic Reporting Company:

b. State of formation

c. Tribal jurisdiction of formation

d. Name of the other Tribe

Foreign Reporting Company:

e. State of first registration

f. Tribal jurisdiction of first registration

g. Name of the other Tribe

Current U.S. Address:

11. * Address (number, street, and apt. or suite no.)

12. * City

13. * U.S. or U.S. Territory

14. * State

15. * ZIP Code

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Company Applicant(s)

Beneficial Owner(s)

16. Existing Reporting Company

(check if Reporting Company was created or registered before January 1, 2024)

17. (This item is reserved for future use)

Part II. Company Applicant Information

of

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Company Applicant FinCEN ID:

18. FinCEN ID

Full legal name and date of birth:

19. * Individual's last name

20. * First name

21. Middle name

22. Suffix

23. * Date of birth

Current address:

24. * Address type

a. Business address b. Residential address

25. * Address (number, street, and apt. or suite no.)

26. * City

27. * Country/Jurisdiction

28. * State

29. * ZIP/Foreign postal code

Form of identification and issuing jurisdiction:

30. * Identifying document type

31. * Identifying document number

32. * Identifying document issuing jurisdiction:

a. Country/Jurisdiction

b. State

c. Local/Tribal

d. Other local/Tribal description

33. * Identifying document image

Add Attachment

Remove Attachment

Beneficial Ownership Information Report

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Reporting Company

Company Applicant(s)

Beneficial Owner(s)

34. (This item is reserved for future use)

Part III. Beneficial Owner Information

of

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35. Parent/Guardian information instead of minor child

(check if the Beneficial Owner is a minor child and the parent/guardian information is provided instead)

Beneficial Owner FinCEN ID:

36. FinCEN ID

Exempt entity:

37. Exempt entity

Full legal name and date of birth:

38. * Individual's last name or entity's legal name.

39. * First name

40. Middle name

41. Suffix

42. * Date of birth

Residential address:

43. * Address (number, street, and apt. or suite no.)

44. * City

45. * Country/Jurisdiction

46. * State

47. * ZIP/Foreign postal code

Form of identification and issuing jurisdiction:

48. * Identifying document type

49. * Identifying document number

50. * Identifying document issuing jurisdiction:

a. Country/Jurisdiction

b. State

c. Local/Tribal

d. Other local/Tribal description

51. * Identifying document image

Add Attachment

Remove Attachment