



Beneficial Ownership Information (BOI) Reporting Information

The Beneficial Ownership Information (BOI) report is a requirement for many companies as part of the Corporate Transparency Act (CTA), which aims to enhance transparency in the U.S. financial system. All companies defined as "reporting companies" must disclose details about their beneficial owners. These reports need to be filed with the Financial Crimes Enforcement Network (FinCEN) before January 1, 2025.

- **Companies Formed Before 2024**

Entities that were created before January 1, 2024, must file a BOI report by **January 1, 2025**.

- **Companies Formed During 2024**

Entities created during 2024 must submit a BOI report **within 90 days of their formation**.

- **Companies Formed On or After January 1, 2025**

Entities formed after January 1, 2025, will be required to submit a BOI report **within 30 days of their formation**.

Exemptions from BOI Reporting

Certain entities are exempt from filing a BOI report, including:

- **Banks, Credit Unions, and Depository Institutions**

These institutions qualify under acts such as the Federal Deposit Insurance Act or the Investment Company Act of 1940.

- **Large Operating Companies**

Companies with at least 20 full-time U.S. employees, more than \$5 million in gross receipts, and a physical U.S. office are exempt.

- **Sole Proprietorships**

Sole proprietorships are generally not required to file unless they were formed in the U.S. by filing documentation with a state authority.

- **Entities Created Before January 1, 2020**

Exempt if they are not actively doing business, are not owned by a foreign person, and have had no ownership changes within the past year.

Nonprofit Entities

Nonprofit organizations that meet the definition of a reporting company are required to file a BOI report. The CTA does not differentiate between for-profit and nonprofit entities.

Penalties

Failure to comply with BOI reporting can lead to significant fines and penalties.