

# **Beneficial Ownership Information Reporting Requirements**

## **New Federal Reporting Requirement**

We would like to bring to your attention that there is a new reporting requirement for small business entities under the Beneficial Ownership Information Reporting Rule (BOI). This will apply to almost every business entity.

While this reporting requirement is **outside of the scope of income tax preparation and planning that our office offers**, we wanted to provide basic information surrounding the requirement, to assist you in seeking out what needs to be done in order to comply with the new rule.

**A new reporting rule requires that certain entities file beneficial ownership information (BOI) reports to FinCEN – The U.S. Department of Treasury’s Financial Crimes Enforcement Network.**

### **Who Must File**

All LLCs – both **single member and multi member** LLCs, S-Corps, Partnerships and any other small business that is structured as a corporation or an LLC will be required to file a BOI report unless they qualify for an exemption. **However**, most smaller corporations and limited liability companies **will not** qualify for an exemption.

Please refer to the following website [www.fincen.gov/boi](http://www.fincen.gov/boi) and click on “do I qualify for an exemption” in the middle of the page to see if your entity qualifies for an exemption.

### **Timelines for Filing**

Entities that were created **before** January 1, 2024, will have until January 1, 2025, to file a report with FinCEN.

Entities created after January 1, 2024, will have 90 days after their company’s creation to file their initial BOI report.

Entities created after January 1, 2025, will have 30 days after their company’s creation to file their initial BOI report.

### **Where to File**

You must file your reports through FinCEN’s filing system at [www.fincen.gov/boi](http://www.fincen.gov/boi). All filings are completed online through FinCEN’s secure filing portal.

### **Additional Items to Note**

The penalties for non-compliance are severe. In short, this cannot be ignored.

The best and most comprehensive resource for information on this new reporting requirement can be found at [www.fincen.gov/boi](http://www.fincen.gov/boi). As a convenience we have also provided a link to the full compliance guide in PDF format at our website – [www.hurstkelly.com](http://www.hurstkelly.com) (click on *current clients* and then *current client document hub* to access the PDF).

### **Final Thought**

Please take note that **our office is not assisting with or consulting in the FinCEN BOI reports**. Our intention with this form is to provide general information regarding the reporting requirements and to make you aware of the upcoming requirements surrounding your small business.