

Demystifying  
the New BOI  
Reporting Requirements  
for Small Businesses

A GRDC Lunch and Learn  
May 22, 2024



# BOI Reporting Requirements:

Some Basic Things to Know



It is a **federal reporting requirement** based on a federal law, the Corporate Transparency Act, adopted in 2021 that became effective in 2024.



The agency responsible for collecting the reports is the **U.S. Treasury's Financial Crimes Enforcement Network (FinCEN)**.



The goal is to **prevent and combat money laundering activities** by giving the government the tools to crack down on anonymous shell companies used by criminals.

# BOI Reporting Requirements:

## Which Businesses Must File

- All businesses that are created or registered in the U.S. by filing with a secretary of state or similar office UNLESS EXEMPT.
  - LLCs and Corporations must file.
  - Sole proprietorships are not required to file.
- Businesses that are EXEMPT are:
  - Securities Reporting Issuer
  - Governmental authority
  - Bank, Credit Union, Depository Holding Company
  - Money Services Business, Securities Broker/Dealer, Securities Exchange/Clearing agency, other Exchange Act registered entity, Investment Co or investment advisor, venture capital fund adviser
  - Insurance company, state-licensed insurance producer
  - Commodity Exchange Act registered entity
  - Accounting firm
  - Public utility, financial market utility
  - Pooled investment vehicle
  - Tax exempt entity, entity assisting tax-exempt entity
  - Large operating company (6 requirements, incl 20+ Ees, \$5MM US revenues)
  - Subsidiary of certain exempt entities
  - Inactive entity

# BOI Reporting Requirements:

What & How You File

- **What You File**

- Complete an online form that includes information about:
  - Your Business
  - Beneficial Owners of Your Business
  - Company Applicants for Your Business
- File an INITIAL report and then UPDATES as needed. (You don't have to file every year.)

- **How You File**

- File it yourself: free and relatively straightforward for many businesses.
- Have your attorney, accountant or an online service file it for you: fees range. (Legal Zoom starts at \$149.). Recommended for businesses with more complicated situations.
- NOTE: Whatever choice you make, you will have to collect/supply the necessary information.

# BOI Reporting Requirements:

When You File:  
Deadlines for Initial Report

Date Your Business is Formed*	Deadline for Initial Report
Before January 1, 2024	By January 1, 2025
Between January 1, 2024 and January 1, 2025	Within 90 days of formation
On or After January 1, 2025	Within 30 days of formation

\*For purposes of the BOI reporting requirements, your date of business formation is the earlier of these two dates: 1) the date you received notice via direct correspondence from the secretary of state or other similar body that your formation/registration has taken effect or 2) the date you received public notice via your business's appearance on a public registry created by the secretary of state or other similar body.

# BOI Reporting Requirements:

When to Hire It Out

- Your business:
  - Has a complicated ownership structure that involves multiple types of ownership interests (e.g. stock + convertible instruments + options) or has “indirect owners” (e.g. your business is owned by three other businesses – the owners of the three other businesses are “indirect owners”)
  - Was formed under the laws of a foreign country
  - Is a foreign pooled investment vehicle
- Your beneficial owners include:
  - An exempt business, and/or
  - A minor child.
- You are past the deadline for filing your initial

# BOI Reporting Requirements:

When You File:  
Deadlines for Updates

- NO annual reporting requirement.
- **INSTEAD** an update reporting requirement.

An **updated report should be submitted within 30 calendar days** if ANY information previously reported changes.

- EXAMPLE: Change of business structure.
- EXAMPLE: New "beneficial owners."
- EXAMPLE: Change of address.
- EXAMPLE: New identifying information.

# BOI Reporting Requirements:

Definitions:  
Who is a Beneficial Owner

A beneficial owner is **an individual who owns 25% or more of the business**, and/or **exercises substantial control over the business** **UNLESS AN EXCEPTION**. Business may have many beneficial owners.

- **Owns 25% or more of the business**
  - equity, stock, or voting rights
  - capital investment (assets) or profit interest in LLC
  - convertible instruments
  - option or privilege of buying/selling any of the above
  - anything else that is an understanding/relationship that establishes ownership
- **Exercises substantial control over the business.**
  - Senior officer (President, C-suite, or equivalent authority) AND/OR
  - Appointment or removal authority (can hire/fire senior officers or appoint/remove majority of board). AND/OR
  - Important decision maker AND/OR
  - Any other form of substantial control due to new/unique structures.
- **UNLESS AN EXCEPTION**
  - Individual is a minor child.
  - Individual is a nominee, intermediary, custodian or agent of the beneficial owner.
  - Individual is an employee, not a senior officer, and substantial control is derived solely from employment status.
  - Individual is an inheritor (future interest).
  - Individual is a creditor of the business.



# BOI Reporting Requirements:

Definitions:

Who is a Company Applicant

A company applicant is **an individual who is a direct filer** OR **who directs or controls the filing action**. Each business that is required to name company applicants must 1, but may name no more than 2.

- **Who is a direct filer**
  - The individual WHO ACTUALLY FILED THE FORMATION DOCUMENTS FOR THE BUSINESS with the secretary of state or similar office. The filing could have been physical (in person/on paper) or electronic.
- **Who directs or controls the filing action.**
  - The individual WHO WAS PRIMARILY RESPONSIBLE FOR DIRECTING OR CONTROLLING THE FILING of the formation documents for the business, even though the individual did not actually file the documents with the secretary of state or similar office. creation or first registration document.
- **THREE IMPORTANT NOTES:**
  - If your business was formed prior to January 1, 2024, THEN you do NOT NEED to name company applicant(s).
  - If there were two or more people involved in filing your formation documents (e.g. you completed the documents, but your sister drove them to Concord to be filed or you hired a service to prepare and file them), then you must report 2 company applicants. One would be the direct filer and the other would be the person with primary responsibility for directing or controlling the filing.
  - You may be BOTH a beneficial owner AND a company applicant.

# BOI Reporting Requirements:

## What Information You Need

- Information about Your Business
  - Full Legal Name
  - Any DBAs or Trade Names
  - Complete current U.S. Business Address
  - State/Tribal/Foreign Jurisdiction of Formation
  - Taxpayer Identification Number (TIN) – EIN or SSN (for Single Member LLC)
- Information about the Beneficial Owners
  - Full Legal Name
  - DOB
  - Complete Residential Address
  - Identifying Number, Issuing Jurisdiction and Image of 1 of these:
    - US Passport
    - State driver's license
    - State, Local Government or Tribally Issued Identification Document
    - Foreign passport ONLY IF you have none of the above 3.
- Information about the Company Applicant
  - Same information as Beneficial Owner(s) EXCEPT if the company applicant is someone who forms/registers businesses in the course of THEIR business (e.g. paralegal, accountant), then they list their business address.

# BOI Reporting Requirements:

Get Started

- BOI reports are filed through the FinCEN portal:
  - Access the form by going to FinCEN’s BOI E-Filing website (<https://boiefiling.fincen.gov>) and select “File BOIR.”

FINANCIAL CRIMES ENFORCEMENT NETWORK

BOI E-FILING | FILE BOIR | HELP

Home

## Welcome to the BOI E-Filing System

The BOI E-Filing System supports the electronic filing of the Beneficial Ownership Information Report (BOIR) under the Corporate Transparency Act (CTA). The CTA requires certain types of U.S. and foreign entities to report beneficial ownership information to the Financial Crimes Enforcement Network (FinCEN), a bureau of the U.S. Department of the Treasury.

**Beneficial Ownership Information (BOI) Reporting**  
Need to file a BOIR? Click here! **GET STARTED**

**BSA E-Filing**  
Bank Secrecy Act (BSA) Reporting  
Need to file another type of BSA report? Click here! **BSA E-FILING**

### News & Announcements

Jan 04 2024  
Need assistance? Go to the Help section in the blue banner to find filing instructions and other guidance materials.

**File BOIR**  
Need to file a BOIR? Click here!

**Help**  
Looking for more information? Click here

<https://boiefiling.fincen.gov>

# File the Beneficial Ownership Information Report (BOIR)

Select the filing method that works best for you:



## File PDF BOIR

- Adobe Reader is required
- Prepare report offline at your own pace, save as you go
- Reuse PDF BOIR when filing updates/corrections
- Download BOIR transcript upon submission

[Prepare BOIR](#)

[Submit BOIR](#)



## File Online BOIR

- Adobe Reader NOT required
- Prepare report online and submit now
- Prepare new Online BOIR when filing updates/corrections
- Download BOIR transcript upon submission

[Prepare & Submit BOIR](#)

FinCEN also offers system-to-system BOIR transmission via secure Application Programming Interface (API) for those, including third-party service providers, who are interested in automating the BOIR filing

Filing Information

Reporting Company

Company Applicant(s)

Beneficial Owner(s)

Submit

## Filing Information

🔍 Need help?



\*1. Type of filing:

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

2. Date prepared (auto-filled)

05/18/2024

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Filing Information

Reporting Company

Company Applicant(s)

Beneficial Owner(s)

Submit

## Part I. Reporting Company Information

🔍 Need help?



3. Request to receive FinCEN ID

4. Foreign pooled investment vehicle

### Legal name and alternate name(s)

🔍 Need help?



\*5. Reporting Company legal name

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
Filing Information

Reporting Company

Company Applicant(s)

Beneficial Owner(s)

Submit

**Form of identification** **Need help?****\*7. Tax Identification type**

Select an ID type

**\*8. Tax Identification number****9. Country/Jurisdiction (if foreign tax ID only)**

Select a country



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Filing Information

Reporting Company

Company Applicant(s)

Beneficial Owner(s)

Submit

**Jurisdiction of formation or first registration**[? Need help?](#)**\*10. a. Country/Jurisdiction of formation**

Select a country

**Current U.S. address**[? Need help?](#)**\*11. Address (number, street, and apt. or suite no.)****\*12. City**

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Filing Information

Reporting Company

Company Applicant(s)

Beneficial Owner(s)

Submit

[? Need help?](#) 16. Existing reporting company *(check if existing reporting company as of January 1, 2024)*17. *(This item is reserved for future use)*

## Part II. Company Applicant Information

[Add Company Applicant](#)[? Need help?](#)

Company Applicant #1

Company applicant FinCEN ID

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Filing Information

Reporting Company

Company Applicant(s)

Beneficial Owner(s)

Submit

Need help?

16. Existing reporting compa

17. (This item is reserved for future

## Part II. Company Appli

Need help?

Company Applicant #1

Company applicant FinCEN ID

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### Attention

When Existing Reporting Company is indicated, all Company Applicant fields will be cleared/disabled. Do you wish to continue?

Yes

[No](#)

Add Company Applicant

Filing Information

Reporting Company

Company Applicant(s)

Beneficial Owner(s)

Submit

Company Applicant #1



Company applicant FinCEN ID

Need help?



18. FinCEN ID

Legal name and date of birth

Need help?



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Filing Information

Reporting Company

Company Applicant(s)

Beneficial Owner(s)

Submit

Need help?

\*19. Individual's last name

\*20. First name

21. Middle name

22. Suffix

\*23. Date of birth



Item 22 - Suffix: Enter the company applicant's suffix such as JR, SR, III, etc., if the company applicant has a suffix to their legal name. Leave this item blank if the company applicant's legal name does not include a suffix.

Current address

Need help?

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
Filing Information

Reporting Company

Company Applicant(s)

Beneficial Owner(s)

Submit

 Need help?**Instructions for Item 24 – Address type:**

Indicate address type as “Business address” or “Residential address” for the company applicant. For a company applicant who forms or registers an entity in the course of their business, such as paralegals, report the street address of such business. In any other case, the individual’s residential street address must be reported.

**Instructions for Items 25 – 29 – Company applicant address:**

Enter the company applicant’s street address information, including the city, country or jurisdiction, State, and ZIP code or foreign postal code. U.S. Territories are included in the drop-down menu for “Country/Jurisdiction.” The “State” (item 28) will be automatically populated when a U.S. Territory is selected in the “Country/Jurisdiction” (item 27). Item 28 “State” is required if the country selected in item 27 is the United States, Canada, or Mexico.

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
Filing Information

Reporting Company

Company Applicant(s)

Beneficial Owner(s)

Submit

 Need help?

\*24. Address type

 Business Address  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**

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
Filing Information

Reporting Company

Company Applicant(s)

Beneficial Owner(s)

Submit

**Form of identification and issuing jurisdiction** **Need help?****\*30. Identifying document type**

Select an ID type

**\*31. Identifying document number****\*32. Identifying document issuing jurisdiction**

a. Country/Jurisdiction

Select a country/jurisdiction



b. State

Select a state



c. Local/Tribal

Select a local/tribal



d. Other local/Tribal description

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Filing Information

Reporting Company

Company Applicant(s)

Beneficial Owner(s)

Submit

34. (This item is reserved for future use)

## Part III. Beneficial Owner Information

[Add Beneficial Owner](#)

Need help?



Beneficial Owner #1



Need help?



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

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Filing Information

Reporting Company


Company Applicant(s)

Beneficial Owner(s)

Submit

**Beneficial Owner FinCEN ID** **Need help?**

36. FinCEN ID

**Exempt entity** **Need help?** 37. Exempt entity**Legal name and date of birth**

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Filing Information

Reporting Company

Company Applicant(s)

**Beneficial Owner(s)**

Submit

### Legal name and date of birth

 **Need help?**



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



\*39. First name

40. Middle name

41. Suffix

\*42. Date of birth



### Residential address

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Filing Information

Reporting Company

Company Applicant(s)

Beneficial Owner(s)

Submit

**Residential address** **Need help?****\*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** **Need help?**

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Filing Information

Reporting Company

Company Applicant(s)

Beneficial Owner(s)

Submit

**Form of identification and issuing jurisdiction** **Need help?****\*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

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Filing Information

Reporting Company

Company Applicant(s)

Beneficial Owner(s)

Submit

Select a country/jurisdiction

Select a state

c. Local/Tribal

Select a local/tribal



d. Other local/Tribal description

**\*51. Identifying document image**Drag file here or [choose from folder](#)

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**PRIVACY ACT AND PAPERWORK REDUCTION ACT NOTICE**

Item 51 - Identifying document image: Drag and drop or click "choose from folder" to attach a clear, readable image of the page or side of the identifying document referenced in item 49 containing the unique identifier number and other identifying data. An attached BOIR cannot be larger than four (4) megabyte and must be in one of the following formats: JPEG, PNG, or PDF. Only one (1) attachment file may be added per beneficial owner. Attachment file names should not contain spaces, and can only contain letters, numbers, or the following characters: !@#\$%^&\*()\_-.+=[]{}|;~

Filing Information


Reporting Company

Company Applicant(s)

Beneficial Owner(s)


Submit

## Beneficial Owner #2

[Remove Beneficial Owner #2](#) Need help? 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

 Need help?

36. FinCEN ID

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