

What is the CTA?

The Corporate Transparency Act (CTA) went into effect on January 1, 2024 and requires corporations, limited liability companies and other reporting entities that have filed with a secretary of state (through creation or registration to do business) to report certain information about the entity to the Financial Crimes Enforcement Network (FinCEN) through filing a Beneficial Ownership Information Report (BOI Report).

Reporting entities that were formed (or registered to do business, if a foreign entity) prior to January 1, 2024, must file a BOI Report by January 1, 2025. Reporting entities that are formed or registered during the 2024 calendar year must file a BOI Report within 90 days of formation or registration. Reporting entities formed or registered on or after January 1, 2025 must file a BOI Report within 30 days of formation or registration. Failure to comply with CTA reporting requirements may result in significant civil and criminal penalties for the reporting entity and its Beneficial Owners.

Who Must File and Exemptions

Who Must File

All entities (domestic and foreign) that were created or registered to do business by filing a document with the secretary of state of similar office in the United States must file a BOI Report.

Exemptions to Filing

There are 23 exemptions to filing, listed below. Please refer to the [Small Entity Compliance Guide](#) for specific requirements to qualify under each exemption.

- 1 Securities reporting issuer
- 2 Governmental authority
- 3 Bank
- 4 Credit union
- 5 Depository institution holding company
- 6 Money services business
- 7 Broker or dealer in securities
- 8 Securities exchange or clearing agency
- 9 Other Exchange Act registered entity
- 10 Investment company or investment adviser
- 11 Venture capital fund adviser
- 12 Insurance company
- 13 State-licensed insurance producer
- 14 Commodity Exchange Act registered entity
- 15 Accounting firm
- 16 Public utility
- 17 Financial market utility
- 18 Pooled investment vehicle
- 19 Tax-exempt entity

- 20 Entity assisting a tax-exempt entity
- 21 Large operating company
- 22 Subsidiary of certain exempt entities
- 23 Inactive entity

Filing

Filing Yourself

You may file the BOI Report by going to <https://www.fincen.gov/boi> and clicking “File a report using the BOI E-Filing System”. Before you file, you will need the following information about your entity and each of its Beneficial Owners:

Reporting Entity	Beneficial Owner(s)
Tax ID Number	Identifying information
Jurisdiction of Formation	
US Address	
	<ul style="list-style-type: none"> • Address • Social Security Number • Image of ID
	OR
	FinCEN ID Number (apply for a FinCEN ID at https://fincenid.fincen.gov/landing)

According to FinCEN,

A “*Beneficial Owner*” of an entity is any individual who, directly or indirectly, does any of the following:

- (1) exercises Substantial Control (defined below) over the entity;
- (2) owns or controls 25 percent or more of the ownership interests of the entity; or
- (3) receives substantial economic benefits from the assets of the entity.

“*Substantial Control*” is found if any individual (non-exhaustive):

- Serves as a senior officer or director of an entity;
- Has authority over the appointment or removal of officers or a majority of the board of directors of an entity; or
- Has substantial influence of important decisions in the entity.

If you have questions during the filing process, FinCEN has provided a few resources. First, please refer to the [Frequently Asked Questions](#) page. Additionally, the [Small Entity Compliance Guide](#), published by FinCEN in December 2023, breaks down the reporting requirements and exceptions in greater detail.

Filing Using a Service

If you are looking for additional assistance when filing your BOI Report, you might consider a third party service, such as Capitol Services' CTA reporting tool, [CapitolBCM](#). CapitolBCM assists in determining whether your entity is exempt through the CTA Exemption Wizard, who in the entity qualifies as a Beneficial Owner, and what information to collect. When all necessary information has been provided, CTA will file the BOI Report on your behalf. Filing using Capitol Services is currently \$120.

Ongoing CTA Requirements

Please note, it is your responsibility to keep the BOI Report up to date. The CTA generally requires all changes in Company and Beneficial Owner information to be reported within 30 days by filing an amended BOI Report. To file an amendment, go to <https://www.fincen.gov/boi> and click "File a report using the BOI E-Filing System".

DISCLAIMER

The above information is a general overview of the CTA requirements. It is not legal advice and is for informational purposes only. For more information, please visit the official FinCEN website at <https://www.fincen.gov/boi>.