

Important Compliance Update: Beneficial Ownership Information (BOI) Reporting Requirement

Effective January 1, 2024, the Financial Crimes Enforcement Network (FinCEN)'s Beneficial Ownership Information (BOI) Reporting rule mandates businesses, including those in rental housing, to disclose beneficial ownership details. BOI reporting is required by the [Corporate Transparency Act](#) (CTA), which became law in 2021.

The penalty for violating the Beneficial Ownership Information (BOI) reporting requirements is a [\\$591 per day fine](#), to be adjusted annually for inflation. Failure to comply with BOI reporting requirements can also result in up to 2 years imprisonment.

The CTA establishes that BOI is confidential and may not be disclosed except as authorized under the CTA and [the Access Rule](#). Each category of authorized user will be subject to specific security and confidentiality requirements.

Some companies have different reporting rules depending on when they were created:

- One-year rule. Companies created before January 1, 2024. A company created or registered to do business before January 1, 2024 will have until January 1, 2025, to file its initial beneficial ownership information (BOI) report.
- 90-day rule. Companies created on or after January 1, 2024. A company created on or after January 1, 2024 will have 90 calendar days after receiving notice of the company's creation or registration to file its initial BOI report.
- 30-day rule. Companies created on or after January 1, 2025. A company created on or after January 1, 2025 will have 30 calendar days to file its initial BOI report.

The time period for filing the initial BOI report runs from the time the company receives actual notice of its creation, that its registration is effective, or after the secretary of state or similar official provides public notice of its creation or registration, whichever is earlier.

Below are several resources regarding the BOI filing requirements and process:

Overview:

- [FinCEN Info Session: How to Comply with New Beneficial Ownership Reporting Requirements](#)
- [Beneficial Ownership Information Reporting Requirements: What You Need to Know](#)

Step by Step Filing "How To" Videos:

- [Strohmeier Law PLLC](#)
- [Freedom Tax Accounting](#)
- [James Baker CPA](#)

BOI reports are filed electronically through a secure filing system via FinCEN's website: [File the Beneficial Ownership Information Report \(BOIR\)](#). Attorneys can help determine if a business has a BOI reporting requirement and assist with legal filing. Corporate compliance service companies can also help with filing for a fee.

FinCEN has issued an alert relating to fraud/scams targeting business's beneficial ownership information. These fraudulent scams may include:

- Correspondence requesting payment. There is no fee to file BOI directly with FinCEN. FinCEN does not send correspondence requesting payment to file BOI. Do not send money in response to any mailing that claims to be from FinCEN or another government agency.
- Correspondence that asks the recipient to click on a URL or to scan a QR code. Those emails or letters are fraudulent. Do not click any suspicious links or attachments or scan any QR codes in emails, on websites, or in any unsolicited mailings.
- Correspondence that references a "Form 4022," or an "Important Compliance Notice." This correspondence is fraudulent. FinCEN does not have a "Form 4022." Do not send BOI to anyone by completing these forms.
- Correspondence or other documents referencing a "US Business Regulations Dept." This correspondence is fraudulent; there is no government entity by this name.

FinCEN is a bureau of the U.S. Department of the Treasury. The Director of FinCEN is appointed by the Secretary of the Treasury and reports to the Treasury Under Secretary for Terrorism and Financial Intelligence. FinCEN's mission is to safeguard the financial system from illicit use and combat money laundering and promote national security through the collection, analysis, and dissemination of financial intelligence and strategic use of financial authorities.

Please direct any questions regarding the BOI Reporting Requirement to [Joe Riter](#), NAA's Senior Manager of Public Policy.