

New Filing Requirements for LLCs in 2024



Beginning in January 2024, the Treasury's Financial Crimes Enforcement Network ("FinCEN") will require most Limited Liability Companies ("LLC") to report beneficial ownership information ("BOI") pursuant to the Corporate Transparency Act of 2021 ("CTA"). The CTA information will be used by law enforcement to undo financial anonymity. This will help prevent such crimes as money laundering, drug trafficking, and terrorism according to the U.S. Department of the Treasury's website.

Here are important highlights from the FinCEN website.

- FinCEN will not accept BOI reports until January 2024.
- LLCs created or registered before January 1, 2024, will have until January 1, 2025, to file their initial BOI report.
- LLCs created on or after January 1, 2024, and before January 1, 2025, will have ninety (90) calendar days after receiving notice of registration to file their initial BOI report.
- LLCs created or registered on or after January 1, 2025, will have thirty (30) calendar days from actual or public notice that the company's creation or registration is effective to file their initial BOI reports with FinCEN.

Note that there are severe penalties for noncompliance. Per the CTA, violations of the BOI reporting requirements may be subject to penalties of up to **\$500 for each day**, up to **two years imprisonment** and a **fine of up to \$10,000**.

While there are exceptions, most LLCs will need to file the reports. Follow the links below for more details.

Russell F Cangelosi

<https://www.russcangelosilaw.com/home.html>

The information provided does not, and is not intended to, constitute legal advice; and is provided for informational purposes only.

Links:

https://www.fincen.gov/boi-faqs#Top_section

<https://home.treasury.gov/news/press-releases/jy1974#:~:text=Enacted%20by%20Congress%20in%202021,in%20a%20secure%2C%20confidential%20database.>