

New Federal reporting requirements **for businesses...**

In 2021, Congress enacted the Corporate Transparency Act. The purpose was to make it harder for criminals to hide income/money via shell companies or other opaque ownership structures. Your company may be a “reporting company” and need to report information about its beneficial owners if your company is:

- 1) a corporation, a limited liability company (LLC), or was otherwise created in the United States by filing a document with a secretary of state or any similar office under the law of a state or Indian tribe;
- 2) a foreign company and was registered to do business in any US state or Indian tribe by such a filing.

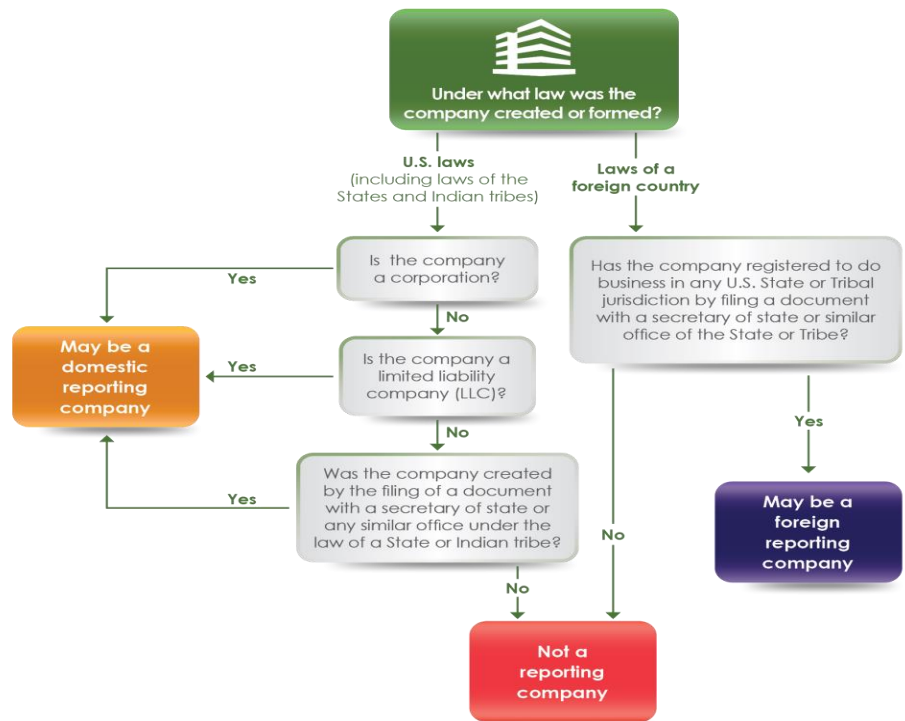
A Beneficial Owner is any individual who, directly or indirectly, exercises substantial control over a reporting company, or who owns or controls at least 25% of ownership interest of a reporting company.

A person who willfully violates the BOI reporting requirements **may be subject to civil penalties of up to \$500 for each day that the violation occurs!** **The deadline to complete reporting varies**, so don't procrastinate, call [MJ Cares to get started](#). Companies formed prior to 12/31/23 have until 12/31/2024 to file. Companies formed in 2024 have 90-days. Companies formed after 12/31/24 or if any changes occur to your entity you have 30-days only to file!

Exempt Business:

Exemption No.	Exemption Short Title
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 Requirement Flowchart:



How do you report?

- ***Reporting yourself...*** “Reporting companies” will have to report beneficial ownership information electronically through FinCENs website: www.fincen.gov/boi. On the site you can find a 50-page “Small Entity Compliance Guide” to assist you.
- ***Reporting by MJ Cares...*** Mary Jo’s Accountant will complete your application.
 - \$100 per business
 - \$50 for each additional member
- ***What you will need for reporting:***
 - Business Legal Name, Trade Name, State of formation and EIN
 - Partners/Shareholders name, DOB, current address, and ownership percentage
 - Type of Business Entity
 - Driver License of all members
 - Business Description

Watch-Out for Scams!

FinCEN wants folks to know that many emails regarding BOI are fraudulent! Specifically, some of the emails that have links or QR Codes that lead to bogus websites. Naturally, never give sensitive information to a 3rd party unless you trust them to help with compliance.

Small Business Credits for New Retirement Plans

There are new incentives for small employers that contribute funds to new (not existing) retirement plans. The qualifiers are complicated, but the maximum tax credit for the business can be up to \$1,000 per employee (excluding employees that make more than \$100,000).

Don’t Forget the 1099s:

If you paid any person \$600 or more for services for your business, you need to give them a form 1099-NEC by the end of January.

MJ Care Business Service Price Changes:

Starting after 2023 4th Quarter / End of the Year reports. MJ Cares is raising our business prices by approximately 15%. Everything has increased in this economy and unfortunately this is a necessary change. We thank you for your continued business and we appreciate you as clients! Thank you! 😊

