

Beneficial Ownership Information Reporting



Dougall Conradie LLC
Certified Public Accountants



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All information provided here is for discussion purposes only; actual situations may vary

- Dougall Conradie LLC makes every attempt to provide accurate and concise information in this presentation
- Some information may change over time, depending on each client's situation
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Exemptions

1. Securities reporting issuer
2. Governmental authority
3. Banks
4. Credit Unions
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

Exemption #21 – Large Operating Company

An entity qualifies if all six of the following criteria apply:

- Employs more than 20 full time employees (average of at least 30 hours per week).
- Employed in the US.
- Operating presence at a physical office within the US.
- Tax return in the US for the previous year with more than \$5M in sales.
- Filed Form 1120, 1120-S, 1065.
- When sales from outside US excluded, the amount remains greater than \$5M

Exemption #23 – Inactive Entity

An entity qualifies if all six of the following criteria apply:

- In existence on or before January 1, 2020.
- Not engaged in active business.
- Not owned by a foreign person (directly or indirectly, wholly or partially).
- Not experienced any change in ownership in the preceding 12-months.
- Not sent or received more than \$1,000 in the preceding 12-month.
- Not holding any kind of assets

Who Is A Beneficial Owner

A beneficial owner is anyone who:

- Exercises substantial control; OR
- Owns or controls at least 25 percent

An individual exercises substantial control if they meet any of four criteria:

- Senior officer
- Authority to appoint or remove certain officers or a majority of directors
- An important decision maker.
- Catch-All provision: any other form of substantial control.

Any of the following may be an ownership interest:

- Equity, stock, or voting rights
- Capital or profits interest
- Convertible instruments
- Options to buy or sell
- Catch-All provision: any other instrument, contract, arrangement, etc.

When To File BOI Reports

Initial Reports


- Created before January 1, 2024 - reports due by January 1, 2025.
- Created between January 1, 2024, and January 1, 2025 – reports due within 90 days
- Created on or after January 1, 2025 – reports due within 30 days

Updated Reports

- Required when there is a change to previously reported information – reports due within 30 days of change

How To File BOI Reports

File electronically at <https://boiefiling.fincen.gov>

 **FINANCIAL CRIMES ENFORCEMENT NETWORK**

BOI E-FILING | **FILE BOIR** | **HELP**

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.

BOI E-Filing 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!

Next Steps

1. BOI reporting is NOT part of the tax return preparation.
2. If you want our help, you'll need to let us know.
3. In some circumstances, an attorney may be needed.

Questions

Reach out to us by email at Admin@cpanw.com

