

Small Business Notes

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Update on Corporate Transaction Act (CTA) Beneficial Ownership Information (BOI) Reporting

On September 28th the Financial Crimes Enforcement Network (FinCEN) proposed a rule to extend the deadline for filing of Beneficial Ownership Information (BOI) Reports by business entities created on or after January 1, 2024 and before January 1, 2025 from the current 30 days after business registration to 90 days after registration. The 30 day filing deadline for business entities created before January 1, 2024 would remain unchanged and require reports by January 1, 2025.

On September 29, FinCEN proposed a new reporting form that would eliminate the “check the box” feature if a beneficial owner is unknown or the business entity is unable to identify information about the owner. Going forward, reporting businesses may submit incomplete forms while conducting the necessary due diligence to obtain the required information. Such forms would be accepted into the beneficial ownership database but would be deemed noncompliant under the law and would require the reporting company to provide correct information as soon as available. The form is silent as to how long the search period might be.

Also on September 29 FinCEN added new questions and answers to the [FAQs](#) that appear on the [Beneficial Ownership Information Reporting, Small Business Resources](#) web page. Three of those are significant:

- Is a member of a reporting company’s board of directors always a beneficial owner of the reporting company?

Answer: NO

- What must a reporting company do if it discovers an inaccuracy in its report?

Answer: The reporting company must correct the inaccuracy within 30 days of discovering the inaccuracy.

- Can a third party service provider assist reporting companies by submitting required information on their behalf to FinCEN?

Answer: YES

On September 18, FinCEN published its “[Small Entity Compliance Guide](#)” that appears on its [Beneficial Ownership Information Reporting, Small Business Resources](#) web page.

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Past issues of Small Business Notes are available on the Department of Employment and Economic Development website at [Small Business Notes](#)



Department of Employment and Economic Development

1st National Bank Building, 332 Minnesota, Suite E200, Saint Paul, MN 55101-1351
651-259-7114 | Toll Free: 800-657-3858 | Fax: 651-296-5287 | TTY/TDD: 651-282-5909 | [MN DEED](#)

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