

**IMPORTANT NEW FEDERAL REPORTING LAW
AFFECTS MOST ASA MEMBER COMPANIES**

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An important new federal law, called the Corporate Transparency Act (the “CTA”), went into effect on January 1, 2024. The CTA applies to most small businesses and other entities required to register with their state’s Secretary of State office, which are called a “reporting company.” Reporting companies are required to file a written report with the Financial Crimes Enforcement Network (the “FinCEN”), which is a bureau of the U.S. Department of the Treasury. Specifically, reporting companies must provide certain information about the entity itself, as well as report information about the individuals who ultimately own **or** control (directly or indirectly) the entity, which is called a Beneficial Ownership Information (“BOI”) report. Although certain entities are exempt from the CTA, we believe that most ASA member companies are subject to the CTA, and thus, must file a BOI report with FinCEN.

Entities in existence *prior to* January 1, 2024, must file a BOI report by **January 1, 2025**. Entities created *after* January 1, 2024, must file a BOI report within ninety (90) days of creation. Entities created *on or after* January 1, 2025, must file a BOI report within thirty (30) days of creation. Although the BOI report must only be filed once, if the information changes, it must be updated within thirty (30) days. FinCEN does not charge a fee for filing a BOI report.

The information provided to FinCEN in a BOI report will **NOT** be publicly available, nor will it be available pursuant to a request under the federal Freedom of Information Act. However, the information may be provided to certain law enforcement and other government agencies for certain purposes, including combatting money laundering and other illegal activities involving shell companies, which was the primary purpose behind the CTA.

Although the information (and supporting documents) that must be provided in a BOI report is not extensive, there are substantial penalties for filing a false or fraudulent BOI report, or for willfully failing to file a BOI report altogether. Therefore, reporting companies must take the CTA seriously. The following hyperlinks provide additional helpful information about the CTA, what businesses and entities are subject thereto, and how to comply:

[BOI Small Compliance Guide v1.1](#)
[BOI FAQs Q&A](#)

If any business you own, work for, or are otherwise affiliated with has not already done so, please make sure that the owners and applicable officers are aware of the CTA and are taking steps to confirm whether your business is subject to the CTA, and if so, are preparing to file the BOI report by January 1, 2025. As noted, the penalties for willfully failing to file are severe. Although an attorney is not required to file a BOI report on behalf of a reporting company, if you have any questions about whether your business is subject to the CTA and/or how to file a BOI report, please contact the attorneys at The Stockenberg Law Firm as soon as possible: **Doug Stockenberg** – (314) 605-9324 or douglas@stockenberglawfirm.com.