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## **Beneficial Owner Information Reporting (BOIR) Update**

If you are a reporting entity or a beneficial owner of a reporting entity, then the following information is important. We have provided some basic information below, along with links to the Financial Crimes and Enforcement Network (FinCEN) to help you better understand the Beneficial Owner Reporting process. Please review it to determine whether you have a reporting requirement and when it is due. There are steep fines imposed for non-filers.

- A reporting entity is a corporation, LLC or any other entity created by filing a document with a Secretary of State or any similar office under the laws of a state or Indian tribe.
- Beneficial owners are any individuals who directly or indirectly exercise substantial control over a reporting company OR owns or controls at least 25 percent of the ownership interest of a reporting entity.
- Unless an exemption applies, reporting entities formed or registered in 2024 must submit the BOIR Form within 90 days after receiving actual or public notice from the Secretary of State's office (or similar office) that its creation or registration is effective.
  - Entities in existence prior to January 1, 2024, have until January 1, 2025 to file the BOIR form.
  - Entities formed after 2024 will have 30 days (rather than 90 days) to complete the BOIR form.
- Reporting entities must timely submit the BOIR Form via the [FinCEN BOIR website](#).
  - The BOIR Form reports personal information about the entity's beneficial owners to the FinCEN.
  - To avoid providing personal information to the reporting entity, beneficial owners can [obtain a FinCEN Identifier](#) and provide it to the reporting entity. Beneficial owners must timely update their FinCEN Identifier if personal information changes.
  - To avoid entities having to file updated BOIR Forms when a beneficial owner's personal information changes, entities should consider asking beneficial owners for FinCEN Identifiers and not file the BOIR Form with personal information. This puts the burden of updating information on beneficial owners and not the reporting entity.
  - ***Obtaining a FinCEN Identifier is easy and makes the reporting process much simpler and less frustrating. We strongly recommend each beneficial owner obtain the FinCEN Identifier.***
- Certain entities (like sole proprietors, general partnerships, most trusts, large operating companies, or highly regulated companies) are exempt from filing. The [small entity compliance guide](#) (starting at page 11) details the exempt entities.

Below are links to more detailed information provided by FinCEN:

- [BOIR Quick Reference Guide](#)
- [Small Entity Compliance Guide](#)
- [Frequently Asked Questions](#)
- [FinCEN Identifier Reference Guide](#)

We understand this new reporting process can be confusing, so please reach out to us if you have any questions. Although not part of our normal engagement, please let us know if you require any assistance.

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