

Corporate Transparency Act: We're Getting Ready!

The Corporate Transparency Act (CTA) was passed into law on January 1, 2021, and will go into effect on January 1, 2024. This Act requires the filing of a Beneficial Owner Information (BOI) report with the Financial Crimes Enforcement Network (FinCEN) by all "reporting companies."

While many companies will be exempt under these new regulations, the CTA will have a big impact not only on the companies responsible for submitting the report, but also on attorneys and service providers who routinely submit formation filings on behalf of their clients. Our blog article, [Top Ten Frequently Asked Questions About the Corporate Transparency Act](#), provides helpful information on the details of the Act.

Key Provisions

A key provision in the Act requires the disclosure of the full legal name, date of birth, address and unique identifying number (e.g., unexpired state identification card number, unexpired driver's license number or an unexpired passport number) of each of the beneficial owners and company applicants and the submission of a scanned copy of the identifying document.

In lieu of providing this information for each company, it is also possible to apply for a FinCEN ID number and provide that instead. In the Final BOI Rules, company applicants are defined as "the individual who directly files the document to create or register the reporting company, and the individual who is primarily responsible for directing or controlling such filing if more than one individual is involved in the filing."

There is still a number of unknowns regarding this new report and its requirements, but we continue to remain in contact with FinCEN representatives and plan to be prepared to assist come January 1, 2024.

If you need more background information on the Corporate Transparency Act, you can also view our free on-demand webinar, [Beneficial Ownership Reporting Under the New CTA: Part 4 - What's New, What We Know Now and What Remains for the January 1, 2024 Effective Date](#).

What Are Cogency's Plans?

As a corporate service provider, Cogency Global is preparing to take on the role of "company applicant" when we are handling formation filings after January 1, 2024, obtaining the necessary FinCEN ID numbers to do so. Note that under the Final BOI rules, there is no requirement for the provision of company applicant information on companies formed before January 1, 2024. These companies must still file a BOI report, but do not need to include company applicant information.

Additionally, we are developing technology and service solutions to help our clients determine whether their company meets the exemption criteria or will be required to file a BOI report and assist them with the filing process for these reports.