

Insights

DEADLINES FAST APPROACHING FOR CORPORATE TRANSPARENCY ACT COMPLIANCE

Dec 05, 2023

Starting **January 1, 2024**, many new and existing U.S. and foreign entities will be required to file reports with the Financial Crimes Enforcement Network ("FinCEN"), a division of the U.S. Treasury. These reports are required by the Corporate Transparency Act ("CTA"), a U.S. federal law requiring "Reporting Companies"—a broad category that the U.S. government estimates to include more than 32 million existing entities, both foreign and domestic, as of the law's effective date and millions more each year thereafter—to file certain beneficial ownership-related information. Reporting Companies that are newly U.S.-formed or U.S.-registered to do business in 2024 will have 90 days from the date of such formation or registration to submit the required data to FinCEN. Reporting Companies that have already been U.S.-formed or U.S.-registered as of December 31, 2023 will have until January 1, 2025 to file. Congress extended FinCEN's powers and responsibilities in enacting the CTA to establish a database that is "accurate, complete, and highly useful" to aid law enforcement, national security and intelligence actors that will have access to it in their efforts to counter money laundering, terrorism financing, and other illicit activity. Substantial **civil and criminal penalties, including imprisonment**, apply to covered entities and individuals regarding failure to make complete and accurate filings within the required timeframes.

BCLP has been actively following FinCEN's interpretation and implementation of the CTA and has established a cross-disciplinary team of lawyers from its corporate, litigation, private client, privacy, financial services regulatory, and other practice groups to support clients on CTA compliance matters. This team assists clients in considering the availability of CTA exemptions, who should be identified as a company's beneficial owners and applicants, what kind of information must be reported about them, the impact of the CTA on investment and management strategies and structures, and what CTA compliance policies and procedures should be adopted. **Please note:** BCLP provides counsel regarding obligations under the CTA only when we are expressly engaged to do so.

BCLP has compiled a [resource page dedicated to CTA compliance matters](#). Use this resource page to keep up-to-date on CTA FAQs, regulatory updates, free webinars, and other analysis and insights. The BCLP team has also developed an interactive CTA compliance tool to help users understand how the CTA impacts their company's U.S. business and investments. Check this page frequently

for updates and additions. For advice regarding your obligations under the CTA, contact your BCLP relationship lawyer or a member of BCLP's CTA team through the key contacts identified on the firm's CTA resource page.

RELATED PRACTICE AREAS

- Financial Services Corporate & Regulatory Team
- Financial Regulation Compliance & Investigations
- Finance
- Corporate
- Regulation, Compliance & Advisory

MEET THE TEAM



Kathleen R. Sherby

St. Louis

kathleen.sherby@bclplaw.com

[+1 314 259 2224](tel:+13142592224)



Stanton R. Koppel

San Francisco

stanton.koppel@bclplaw.com

[+1 415 675 3437](tel:+14156753437)

This material is not comprehensive, is for informational purposes only, and is not legal advice. Your use or receipt of this material does not create an attorney-client relationship between us. If you require legal advice, you should consult an attorney regarding your particular circumstances. The choice of a lawyer is an important decision and should not be based solely upon advertisements. This material may be “Attorney Advertising” under the ethics and professional rules of certain jurisdictions. For advertising purposes, St. Louis, Missouri, is designated BCLP’s principal office and Kathrine Dixon (kathrine.dixon@bclplaw.com) as the responsible attorney.