**Compliance with Corporate Transparency Act and Filing**

**Beneficial Ownership Information Reports**

The purpose of this correspondence is to inform you about recent developments in federal corporate compliance legislation and how this legislation may affect your business.

The **Corporate Transparency Act (the “CTA”)**, which was enacted January 1, 2021, is aimed at promoting transparency in corporate ownership and preventing illicit activities such as money laundering and terrorism financing. Under the CTA, certain entities are required to disclose their beneficial ownership information to the Financial Crimes Enforcement Network (FinCEN) of the U.S. Department of the Treasury.

Unlike most federal legislation, the CTA exempts larger companies but applies to almost all smaller companies. The “large companies” that are exempt are defined as any business with 20 or more employees and more than $5.0 million in annual gross revenue. There are other exemptions listed in the CTA which may apply to your business.

As part of our firm’s commitment to keeping you informed and ensuring your compliance with relevant legal requirements, we want to highlight the importance of adhering to the Beneficial Ownership Information (“BOI”) filing requirement mandated by the CTA (the “BOI Reports”). The BOI Reports require the disclosure of certain personal information of each “beneficial owner” of the business. A beneficial owner is defined as any individual who exercises control over the business (such as an officer, director or manager) or who owns 25% or more of the stock or ownership interests of the business. For companies formed after January 1, 2024, the same information must be disclosed for each “company applicant” of the business. Company applicant is defined as the person who files or is responsible for filing the documents to form the entity. In most cases, the company applicant will be the attorney who set up your business with the state.

As of January 1, 2024 the reporting requirements of the CTA became effective. If your business was formed **prior** to January 1, 2024, your company has until December 31, 2024 to file the initial BOI Report. However, if your business was formed **after** January 1, 2024, then your initial BOI Report must be filed within 90 days of the date of incorporation or formation. If any changes occur to the information listed in the initial BOI Report (for example, a change in ownership), your company is required to file an updated report within 30 days of such changes. Any failure to comply with the filing requirements of the CTA may result in a fine of $500 for each day of noncompliance and/or up to 2 year in prison.

Our firm has diligently kept abreast of these legislative changes and we are fully equipped to assist you in fulfilling your filing obligations under the CTA. We understand that navigating regulatory requirements can be complex and time-consuming, so we are offering our support to handle any BOI filings on your behalf. By allowing our firm to manage this process for you, we can ensure that your filings are accurate, timely and in compliance with all applicable regulations. To that end, we will work closely with you to gather the requisite information and submit the filings efficiently.

**To be clear, you are permitted to file the BOI Reports on behalf of your business and are not required to use Moore Ingram Johnson and Steele LLP to do so. If you prefer that our law firm file the reports on your behalf, you will need to complete the information set forth in the attached FinCEN CTA Checklist and return the checklist to our office. Unless we hear from you, please be advised that Moore Ingram Johnson and Steele LLP will not make any filings required by the CTA on behalf of your business.**

Please do not hesitate to email us at CTA@mijs.com if you have any questions or if you would like to discuss how we can assist you further with your compliance efforts. As always, thank you for entrusting Moore Ingram Johnson and Steele LLP with your legal needs.