

BNS ACCOUNTING SERVICES PS
119 N COMMERCIAL ST STE 540
BELLINGHAM, WA 98225

December 21, 2023

Dear Client,

A new reporting rule goes into effect on January 1, 2024, requiring the filing of a special form directly online with the US Treasury Financial Crimes Enforcement Network. <https://www.fincen.gov/boi>.

- Single member LLC's (even if filing Schedule C), multi-member LLC's, S corporations and C Corporations that are not exempt must disclose beneficial ownership:
- Within 90 days of formation of a new business in 2024; or
- By December 31, 2024, for companies that were in existence before 2024.
- Beneficial owner information includes full legal name, date of birth, residential street address and passport or driver's license image (picture). A beneficial owner is an individual owning 25% or more of the entity, as well as officers, board members and non-owner managers.
- Ownership and address changes have to be reported within 30 days of occurrence.
- Penalties for non-compliance are \$500 per day and up to 2 years in prison. There are very few exceptions for small businesses, and newly formed LLC's and corporations have the biggest exposure for non-filing.

Please get this information together, add it to your calendar and make sure the forms are completed. We cannot complete this for you as it is considered practicing law which is against our Enrolled Agent license with the Internal Revenue Service.

Sincerely,

BNS Accounting Services PS