



ANDERSON
&
LABOVITZ^{LLC}

Your Legal Partner in Business & Life

CORPORATE TRANSPARANCY ACT

31 U.S.C.A. § 5336

ABOUT A&L

"Your Legal Partner in Business and Life."

Why business and life? Our firm includes second-generation lawyers with decades of experience representing Western Pennsylvania business owners, families and individuals in various situations throughout their lives. Our attorneys protect your personal and business interests.

PRESENTER PROFILE



KELLY M. ARBOGAST, ESQ.

Penn State and Duquesne Law
Focus on Business Law
Mt. Lebanon native



COMPLY WITH THE CTA

IN 7 STEPS



1. DETERMINE IF YOU ARE A REPORTING COMPANY

Is your entity a “Reporting Company?” Probably.

Generally speaking, if your company was formed in the United States and operates in the United States, then it is a reporting company and is required to file a Beneficial Ownership Report (“BOI”).

But, there are exceptions.



2. DETERMINE WHEN TO FILE

| Key Dates and Timelines | |
|-------------------------|--|
| January 1, 2024 | The date that CTA's reporting requirements commenced and became effective. |
| 90 days | The number of days that a Reporting Company which was formed in 2024 has after its formation to make the initial CTA filing. |
| 30 days | The number of days that a Reporting Company formed after 2024 has after its formation to make the initial CTA filing. |
| January 1, 2025 | The deadline for making the initial CTA filing for a Reporting Company which existed prior to January 1, 2024. |
| 30 days | The number of days after a change to any previously filed CTA information to file an update. |

**Corporate Transparency Act (CTA): Key Dates and Timeline; Despite Court Ruling, CTA Compliance Rollout Continues



4. IDENTIFY THE “BENEFICIAL OWNERS”

A “beneficial owner” is any individual who either:

- (1) exercises substantial control over the reporting company, such as a senior officer or other important decision-maker, or
- (2) owns or controls at least twenty-five percent (25%) of the company’s ownership interests.

This is a broad standard.



5. IDENTIFY THE COMPANY APPLICANTS, IF ANY

A “company applicant” will only be included in the BOI report if the company is established on or after January 1, 2024. This is the individual who

- (1) directly files the document that creates the domestic reporting company, and
- (2) if more than one person is involved in the filing, the individual who is primarily responsible for directing or controlling the filing.



6. ORGANIZE THE BENEFICIAL OWNER AND APPLICANT INFORMATION

While every applicable business must file the beneficial ownership information, only businesses formed on or after January 1, 2024, are required to also provide company applicant information. That information includes the following:

- full legal name;
- date of birth;
- residential street address; and
- unique identifying number and the issuing jurisdiction from either a
 - current US passport;
 - state or local ID;
 - drivers license; or
 - foreign passport.

Companies will also be required to upload an image of the document(s) from which the unique identifying number was obtained.



7. FILE YOUR BOI REPORT

Finally, you can file the BOI report electronically with FinCEN via [FinCEN's network](#).

There is no filing fee.



OR ELSE!

Intentionally failing to provide beneficial ownership information, or intentionally providing false information, could result in a penalty of \$500.00 for every day the violation continues and up to five (5) years imprisonment.

CONSTITUTIONALITY

On March 1, 2024 the U.S. District Court for the Northern District of Alabama struck down [the Corporate Transparency Act](#).

The Alabama federal court issued a 53-page memorandum opinion in [National Small Bus. United v. Yellen, No 5:22-vs-1448-LCB \(N.D. Ala. Mar. 1, 2024\)](#), and held that “the CTA exceeds the Constitution’s limits on the legislative branch and lacks a sufficient nexus to any enumerated power to be a necessary or proper means of achieving Congress’ policy goals.”

This decision was appealed by the Department of Justice on Monday, March 12, 2024.

As of early this summer, cases challenging the CTA have been brought up in Ohio, Maine, Texas, and Massachusetts.

This does not impact Pennsylvania entities.





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QUESTIONS



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**THANK
YOU!**