

NEVADA BANKERS ASSOCIATION

2023 NEVADA TRUST CONFERENCE

April 25, 2023

**Trusts Under the
Corporate Transparency Act**

ROBERT E. ARMSTRONG

MCDONALD CARANO LLP

Reno, Nevada

Speaker Biography

Robert E. Armstrong
McDonald Carano LLP
Reno, Nevada

Robert E. Armstrong is a senior partner of McDonald Carano LLP in Reno and Las Vegas, Nevada. He graduated from Santa Clara University in 1976 with a Bachelor of Science in Commerce. In 1979, he graduated from Georgetown University Law Center and was a legislative intern for U.S. Senator Paul Laxalt. In 1980, he graduated from New York University School of Law with an LL.M. in Taxation and became a certified public accountant before joining his firm. He has served on the Tax and Trust-and-Estate Committees of the State Bar of Nevada. He was one of the principal draftsmen of NRS Chapter 669A and the regulations under NAC 669. He has been a member of the American College of Trust and Estate Counsel and American college of Tax counsel and served as state ACTEC chair for Nevada.

Trusts Under the Corporate Transparency Act

I. Corporate Transparency Act Introduction

This program is an introduction to the application of the Corporate Transparency Act (“CTA”) to trusts generally used in our estate-planning practices.

The Corporate Transparency Act (“CTA”) was enacted by Congress on January 1, 2021, as part of the National Defense Authorization Act. The CTA creates a national beneficial-ownership registry by requiring certain business entities to report their “beneficial owner(s)” and “company applicant(s)” to the Financial Crimes Enforcement Network (“FinCEN”), a bureau of the United States Department of the Treasury. Section 6403 of the CTA amends Subchapter II of Chapter 53 of Title 31, United States Code, and adds a new Section 5336 entitled “Beneficial Ownership Information Reporting Requirements” (“BOI Rule”), which is designed to prevent the use of shell companies for evading anti-money laundering rules or hiding other illegal activities.

Pursuant to the authority granted to the Secretary of the Treasury in the CTA, FinCEN promulgated a final rule on Beneficial Ownership Information (“BOI”) Requirements on September 29, 2022. This followed the close of the public-comment period on February 8, 2022. During that period, FinCEN received over 230 comments. Notable among the comments made during the comment period were those submitted by the American College of Trust and Estate Counsel on February 4, 2022, which addressed Questions 15, 16, 17, 20, and 21 set forth in the Notice of Proposed Rulemaking (“NPRM”), Docket Number FINCEN-2021-005 and RIN1506-AB49 issued by FinCEN on December 8, 2021.

On December 15, 2022, FinCEN issued a second NPRM, this time addressing access to and protection of BOI. Under the proposed rule, persons and entities authorized to receive disclosure of BOI, subject to certain requirements and restrictions, include:

- (1) domestic authorities: federal, state, local, and Tribal government agencies requesting BOI for specified purposes;
- (2) foreign requesters: foreign law enforcement agencies, judges, prosecutors, central authorities, and other competent authorities;
- (3) financial institutions (FIs) using BOI to facilitate compliance with customer due diligence (CDD) requirements;
- (4) federal functional regulators and other appropriate regulatory agencies acting in a supervisory capacity assessing FIs for compliance with CDD requirements; and
- (5) the U.S. Department of the Treasury itself.

A copy of the slide deck for this presentation is attached to these materials as “*Attachment A*” for reference. A copy of the BOI Rule is attached to these materials as “*Attachment B*” for reference. Since the promulgation of the Final Rule, FinCen released FAQs on Beneficial Reporting Requirements on March 24, 2023, and its Beneficial Ownership Information (BOI) Report Summary of Data Fields. Both are attached to these materials as “*Attachment C*” and “*Attachment D*”, respectively.

The effective date of the BOI Rule is January 1, 2024, 261 days from today.

II. An Overview of the BOI Reporting Rule and Key Terms

The BOI Rule applies to entities that constitute “reporting companies” under the CTA.

Reporting companies created before January 1, 2024, will have until January 1, 2025, to electronically file an initial BOI report for each beneficial owner. Reporting companies formed on or after January 1, 2024, will have only 30 days to file an initial reports for each beneficial owner.

BOI reporting will also require disclosure of “company applicants”.

A BOI report requires the company’s name, address, employer identification number, and four pieces of information from each individual beneficial owner and each company applicant (collectively “BOI Data”):

- (1) full legal name;
- (2) date of birth;
- (3) current residential or business street address; and
- (4) a unique identifying number from an acceptable identification document (e.g., a passport) and an image of such document).

The “unique identifying number” may be from a non-expired United States passport, a non-expired identification document issued to the individual by a State, local government, or Indian tribe for the purpose of identifying the individual; a non-expired driver’s license issued to the individual by a state; or a non-expired passport issued by a foreign government to the individual. Alternatively, a reporting company may simply report an individual’s “FinCEN identifier,” which FinCEN will issue to a reported individual for future use in lieu of the initially required information.

If any previously reported BOI data change, the reporting company must report the changes within 30 days. For instance, updated BOI reports must identify new beneficial owners of a reporting company within 30 days of settlement of the estate of the deceased beneficial owner, either through the operation of intestacy laws of a jurisdiction within the United States or through a testamentary disposition. Similarly, a reporting company must file an updated report if a deceased individual was a beneficial owner under the ownership rule or control rule.

A. Reporting Companies. The BOI Rule identifies two types of reporting companies: domestic and foreign. A domestic reporting company is a corporation, limited-liability company (“LLC”), or other entity created by filing a document with a secretary of state or similar office under the law of a state or Indian tribe. A foreign reporting company is a corporation, LLC, or other entity formed under the law of a foreign country and registered to do business in any state or tribal jurisdiction by filing a document with a secretary of state or similar office.

Although the definition of “reporting company” is broad, 23 types of entities are exempt from that definition and set forth in slide deck. For instance, and particularly relevant here, most trusts

commonly used in our estate planning practices are not “reporting companies” because they are not created by the filing of a document with a secretary of state or similar offices.

B. Company Applicant. The BOI Rule defines a company applicant as either of two individuals: (1) the individual who “directly files the document” that creates the entity, or, in the case of a foreign reporting company, the individual who files the document that first registers the entity to do business in the United States; and (2) the individual who is “primarily responsible for directing or controlling the filing of the relevant document” by another. Again, a BOI report must disclose not only the subject beneficial owner but also the company applicant.

But the rule does not require reporting companies existing or registered *at the time of* the effective date of the rule to identify and report on their company applicants. It also does not require reporting companies formed or registered *after* the effective date to update company-applicant information.

Typically, the company applicant will be the lawyer who prepares, reviews, or oversees the reporting company’s formation documentation and the paralegal or assistant who files the documents.

C. Beneficial Owner. Under the BOI rule, a beneficial owner includes any individual who, directly or indirectly, either (1) exercises substantial control over a reporting company (“**Control Test**”), or (2) owns or controls at least 25 percent of the ownership interests of a reporting company (“**Ownership Test**”). The BOI rule defines the terms “substantial control” and “ownership interest.”

It also exempts five categories of individuals from the definition of “beneficial owner”:

- (1) a minor child, as defined in the state in which the entity is formed, if the information of the parent or guardian of the minor child is reported;
- (2) an individual acting as a nominee, intermediary, custodian, or agent on behalf of another individual;
- (3) an individual acting solely as an employee of a corporation, limited liability company, or other similar entity and whose control over or economic benefits from such entity is derived solely from the employment status of the person;
- (4) an individual whose only interest in a corporation, LLC, or other similar entity is through a right of inheritance; and
- (5) a creditor of a corporation, LLC, or other similar entity, subject to certain exceptions.

Banks and bank-type entities such as state-chartered institutions that are included in the definition of a bank are exempt organizations. Senior officers of the reporting company such as president, chief financial officer, chief operating officer, or any other officer, regardless of title, who performs a similar function will be deemed to be beneficial owners.

D. Substantial Control. An individual “exercises substantial control” over a reporting company if that individual:

- (1) Serves as a senior officer of the reporting company;
- (2) Has authority over the appointment or removal of any senior officer or a majority of the board of directors (or similar body);
- (3) Directs, determines, or has substantial influence over important decisions made by the reporting company, including decisions regarding:
 - a. The nature, scope, and attributes of the business of the reporting company, including the sale, lease, mortgage, or other transfer of any principal assets of the reporting company;
 - b. *The reorganization, dissolution, or merger of the reporting company;*
 - c. Major expenditures or investments, issuances of any equity, incurrence of any significant debt, or approval of the operating budget of the reporting company;
 - d. The selection or termination of business lines or ventures, or geographic focus, of the reporting company;
 - e. Compensation schemes and incentive programs for senior officers;
 - f. The entry into or termination, or the fulfillment or non-fulfillment, of significant contracts;
 - g. *Amendments of any substantial governance documents of the reporting company, including the articles of incorporation or similar formation documents, bylaws, and significant policies or procedures; or*
- (4) *Has any other form of substantial control over the reporting company.*

Due to the severe penalties for failure to report *all* beneficial owners, reporting companies may wish to include *all* directors, senior executive officers, and persons with a right to vote on major decisions.

E. Calculation Rule. In determining whether an individual owns or controls at least 25 percent of the ownership interests of a reporting company, the total ownership interests that an individual owns or controls, directly or indirectly, shall be calculated as a percentage of the total outstanding ownership interests of the reporting company as follows:

- (1) Ownership interests of the individual shall be calculated at the present time, and any options or similar interests of the individual shall be treated as *exercised*;
- (2) For reporting companies that issue capital or profit interests (including entities treated as partnerships for federal income tax purposes), the individual's ownership interests are the individual's capital and profit interests in the entity, calculated as a percentage of the total outstanding capital and profit interests of the entity;
- (3) For corporations, entities treated as corporations for federal income tax purposes, and other reporting companies that issue shares of stock, the applicable percentage shall be the greater of:
 - a. the total combined voting power of all classes of ownership interests of the individual as a percentage of total outstanding voting power of all classes of ownership interests entitled to vote, or
 - b. the total combined value of the ownership interests of the individual as a percentage of the total outstanding value of all classes of ownership interests; and

- (4) If the facts and circumstances do not permit the calculations described in either paragraph (2) or (3) above to be performed with reasonable certainty, any individual who owns or controls 25 percent or more of any class or type of ownership interest of a reporting company shall be deemed to own or control 25 percent or more of the ownership interests of the reporting company.

Present Time Rule. Calculations made “at the present time, and any options or similar interests of the individual shall be treated as exercised”.

Partnership Capital Rule. For reporting companies that issue capital or profit interests (including entities treated as partnerships for federal income tax purposes), the individual's ownership interests are the individual's capital and profit interests in the entity, calculated as a percentage of the total outstanding capital and profit interests of the entity;

Corporate Capital Rule. For corporations, the applicable percentage shall be the greater of: (1) Voting Power Rule: the total combined voting power of all classes of ownership interests of the individual as a percentage of total outstanding voting power of all classes of ownership interests entitled to vote, or (2) Total Value Rule: the total combined value of the ownership interests of the individual as a percentage of the total outstanding value of all classes of ownership interests; and

Failsafe Rule. 25% of Any Class: If the facts and circumstances do not permit the calculations described in either the Partnership Capital Rule or the Corporate Capital Rule to be performed with reasonable certainty, any individual who owns or controls 25 percent or more of any class or type of ownership interest of a reporting company shall be deemed to own or control 25 percent or more of the ownership interests of the reporting company.

F. Corrections. The regulations provide a safe harbor to any person who believes that a report submitted by the person contains inaccurate information and voluntarily and promptly submits a report containing corrected information later than 90 days after the date on which the person submitted the inaccurate report. But changes in exemption status of an entity trigger a mere *30-day* period to file a report.

G. Criminal and Civil Penalties. The CTA regulations impose severe criminal and substantial civil penalties for reporting violations (e.g., failure to file, failure to file a complete or updated BOI, and unauthorized disclosure or use violations). Penalties for willful violations, including willfully failing to report, complete, or update beneficial ownership, and willfully providing or attempting to provide false or fraudulent beneficial ownership information, include civil penalties of up to \$500 per day for outstanding violations, up to a maximum of \$10,000; criminal fines of up to \$10,000; and imprisonment for up to two years.

III. The Trust Rule

The BOI Rule contains a specific rule regarding trusts who hold an ownership interest at Section 1010.380(d)(2)(ii), which provides:

An individual may *directly or indirectly* own or control an ownership interest of a reporting company through any contract, arrangement, understanding, relationship, or otherwise, including:

...

(C) With regard to a trust or similar arrangement that holds such ownership interest:

(1) As a trustee of the trust or other individual (if any) with the authority to *dispose of trust assets*;

(2) As a beneficiary who:

(i) Is the *sole* permissible recipient of income and principal from the trust;

or

(ii) Has the right to demand a distribution of or withdraw *substantially all* of the assets from the trust; or

(3) As a grantor or settlor who has the *right to revoke* the trust or otherwise *withdraw the assets* of the trust;

A trust itself cannot directly be a beneficial owner of a reporting owner because only individuals—i.e., natural persons—can be beneficial owners. Given the complexity of contemporary trust structuring, a trust may have multiple beneficial owners of its own.

IV. Application of the Trust Rule

A. **Ownership Test.** Where a trust holds at least 25% of a reporting company (either directly or in the aggregate), then:

- An individual fiduciary who *controls* at least 25% of the ownership interests is a beneficial owner (see Aggregation Rule)
- An individual fiduciary, or other individual with authority to dispose of trust assets is a beneficial owner
- A beneficiary who is the sole permissible recipient of income and principal is a beneficial owner
- A beneficiary with the right to demand a distribution of, or right to withdraw, substantially all of the assets of the trust is a beneficial owner
- A grantor who retains the right to revoke the trust and/or who has the right to withdraw trust assets is a beneficial owner

B. **Control Test.** The following individuals associated with a trust will be deemed beneficial owner:

- A fiduciary who owns a majority of the voting power or rights in the reporting company is a beneficial owner
- A fiduciary, grantor, beneficiary, or other individual who *controls* a majority of the voting power or voting rights of the reporting company is a beneficial owner
- A fiduciary, grantor, beneficiary, or other individual who directs important company decisions is a beneficial owner
- A fiduciary, grantor, beneficiary, or other individual who holds the right to remove and replace a majority of the board of directors of a reporting company is a beneficial owner
- A fiduciary grantor, beneficiary, or other individual who holds right to remove and replace senior officers is a beneficial owner

A fiduciary can be a trustee, trust advisor, protector or designated representative.

C. **Aggregation Rule** The beneficial ownership interests held in trust and direct ownership interests for each individual are aggregated for purposes of calculating the 25% ownership threshold. It is important that the beneficiary would be a beneficial owner given the terms of the trust.

D. **Corporate Fiduciaries.** A regulated corporate trustee who holds a reporting company as trustee for a trust does not have to report the individuals who are beneficial owners of the corporate trustee. Uncertainty exists on the application of the BOI rule to individuals who are directors, officers, and committee members of an exempt entity who is acting as Trustee.

V. Examples of Trust Rule Application (Slide Deck)

VI. Some Key Questions

- Are discretionary beneficiaries who hold inter vivos or testamentary special powers of appointment deemed be a beneficial owner if the trust owned 25% of the reporting company?
- Are holders of a power to remove and replace trustee or manager included?
- Are holders of a power to fill a vacancy only?
- Is an attorney in fact under a power of attorney potentially included?
- Are non-beneficiary/non-grantor who hold a power of appointment a potential beneficial owner?
- Is a settlor who holds a swap power deemed to be a beneficial owner if the trust owned 25% of the reporting company since he or she had the right to withdraw the assets of the trust?
- As members of a discretionary distribution committee or a distribution trust advisor who hold the power to dispose of assets if the trust owned 25% of the reporting company beneficial owners?

- H. Are members of an investment committee who have the power to direct sale of trust estate assets beneficial owners?
- I. Is an administrative trustee or directed trustee required to be included as a beneficial owner if such trustee doesn't have authority to vote or dispose of assets?
- J. Does a trustee who needs a trust protector's consent or the trust protector have the authority to dispose of trust assets? Are both beneficial owners?
- K. Is an individual who holds authority to direct an important decision jointly with another a beneficial owner?
- L. Does the express power to amend or decant trigger reporting by protectors, trust advisers and non-adverse parties?
- M. Could a 5/5 power exercisable on a per annum basis be considered "substantially all"?

VII. Some Big and Small Planning and Practice Implications

FinCEN indicated that trust arrangements can vary significantly in form so the regulatory examples are not exhaustive and do not address all applications of the general principle of requiring disclosure of all beneficial owners who may. Here are some implications for practitioners to consider:

- **Structure or decant Silent Trusts to avoid BOI issue**
- **Decant trusts to modify beneficial interests and eliminate powers of appointment and removal and replacement power to avoid BOI disclosure**
- **Discretionary pot trusts with multiple beneficiaries with a trustee having the power to grant powers of appointment**
- **Care using removal and replacement powers.**
- **Disclosure to Beneficiaries of Required Filing and mandate all Beneficial owners to get their own individual Fincen identifier numbers to shift responsibility.**
- **BOI will be required for the reporting company to open or maintain a bank account or brokerage account**
- **Reporting company will be required to warrant and represent that it has complied with the BOI Rule in a variety of matters**
- **Engagement letter requiring BOI Data and authority to disclose BOI Data**
- **Is CTA within or not within the scope of work**

- **Client questionnaire will require disclosure of direct and beneficial ownership of a reporting company**
- **Governing Instrument, Subscription and Transactional Provisions Requiring Continuous Disclosure of BOI Data or mandate FinCen identifiers including CTA reporter, notice, hold harmless, indemnification, penalties for non compliance**
- **Individuals and trusts which individually own less than 25% may still be beneficial owners since each may have a right to vote over major decisions which constitutes substantial influence**
- **A surviving spouse who is the beneficiary of a marital or QTIP trust will automatically be deemed a beneficial owner if 25% ownership test is met**
- **Getting notice of the death, resignation or removal of trustee, adviser, protector, designated representative or other person triggers update on BOI report**
- **Change of situs of trust or change of residential address of a trustee, grantor, beneficiary, advisors and protectors triggers update on BOI report**
- **Obtaining minor becoming adult, remainder or residuary beneficiary information**
- **Sell, dissolve, form or modify requested entities governing instruments before January 1, 2025.**
- **Trustee's potential duty to assure compliance**
- **Rethinking use of LLCs**
- **Reduce number of potential beneficial owners in any plan**
- **Written disclosure in planning regarding CTA aspects and disclosure**
- **Difficulty with clients to timely obtain BOI Data**
- **Change in exemption status of entity or change in status of beneficial owner (e.g. death of grantor)**
- **Loss or addition of powers may trigger updated report**

- **Use and reliance on Compliance Officers for reporting companies**
- **Engagement of CTA reporting facilitators and purchase of tracking programs**
- **Risk of over disclosure of beneficial owners**
- **Getting successor information before changes in beneficial owner or person who has substantial control**
- **Malpractice coverage for CTA compliance omission or update**
- **Increased use of retail and licensed family trust companies**
- **Bookmark [fincen.gov/boi](https://www.fincen.gov/boi)**

ATTACHMENT A

SLIDE DECK

Trusts Under the Corporate Transparency Act

Robert E. Armstrong, McDonald Carano LLP
April 25, 2023

Copyright © 2023 McDonald Carano LLP. All rights reserved.
DOCUMENT INTENDED TO PROVIDE INSIGHT BASED ON CURRENTLY AVAILABLE INFORMATION AND NOT LEGAL ADVICE.



The Corporate Transparency Act (“CTA”) introduces a new regime of information collection and disclosure

Enacted January 1, 2021



National registry

Creates a national beneficial-ownership registry



Reporting requirements

Establishes uniform beneficial-ownership-information (“BOI”) reporting requirements



Data collection and disclosure

Authorizes FinCEN to collect BOI and disclose it to authorized government authorities and financial institutions



Application

Applies to certain types of corporations, limited-liability companies, and other similar entities created in or registered to do business in the United States



Purpose

Intended to prevent the use of shell companies for evading AML rules or hiding other illegal activities

FinCEN will share BOI with governments entities and financial institutions

Proposed rule issued December 15, 2022



Domestic authorities

Federal, state, local, and tribal government agencies



Foreign authorities

Law-enforcement agencies, judges, prosecutors, central authorities, and other competent authorities (“foreign requesters”)



Financial institutions

Financial institutions (“FIs”) using BOI to facilitate compliance with customer-due-diligence (“CDD”) requirements



Regulatory agencies

Federal and other regulatory agencies acting in a supervisory capacity assessing FIs for compliance with CDD requirements



Treasury

The U.S. Department of the Treasury

FinCEN's BOI Rule implements the CTA's BOI reporting requirements

Final rule issued September 29, 2022, and effective January 1, 2024

Reporting companies

The BOI Rule replies to "reporting companies"

Domestic	Foreign	Exempt
<ul style="list-style-type: none">(1) corporation, LLC, or other entity(2) created by filing a document with secretary of state or similar office under the law of a state or tribe	<ul style="list-style-type: none">(1) corporation, LLC, or other entity(2) formed under the law of a foreign country(3) registered to do business in any state or tribal jurisdiction by filing a document with secretary of state or similar office	<p>23 types of entities are exempt, including domestic governmental authorities, banks, public accounting firms, and tax-exempt entities.</p> <p><u>Trusts commonly used in estate planning are exempt</u> because they are not created by filing a document with a secretary of state or similar offices.</p>

A reporting company's formation date will determine its deadline for filing BOI reports



Formed BEFORE effective date

A reporting company formed before January 1, 2024, will have one year from the effective date—until January 1, 2025—to file its initial BOI report(s) for each beneficial owner



Formed ON OR AFTER effective date

A reporting company formed on or after January 1, 2024, will have only 30 days from notice of registration to file its initial report(s)

A reporting company must report its “Company Applicant”

Either of two individuals:

1

Reporting individual

Domestic reporting company: the individual who directly files the document that creates the entity

Foreign reporting company: the individual who directly files the document that first registers the entity to do business in the United States

Typically, the Company Applicant will be the lawyer who prepares, reviews, or oversees the formation documentation by the paralegal or assistant who files the formation documentation with a secretary of state's office.

2

Responsible individual

The individual who is “primarily responsible for directing or controlling the filing of the relevant document” by another individual.

BUT

Reporting companies existing or registered **at the time of** the BOI Rule’s effective date need not identify and report on company applicants.

AND

Reporting companies formed or registered **after** the BOI Rule’s effective date need not update company-applicant information.

A BOI Report requires four pieces of information about a Beneficial Owner

- 1 Full legal name**
- 2 Date of birth**
- 3 Current address**
- 4 Unique identifying number from qualifying identification document + image of identification document**



A reporting company must also report changes or corrections to previously reported BOI

30-day rule for changes and corrections

Changed BOI



A reporting company must file updated BOI within 30 days of any change to previously reported BOI.

Inaccurate BOI



A reporting company must file corrected BOI within 30 days of becoming aware or first having reason to know of inaccuracy in previously reported BOI.

Safe Harbor

The regulations provide a safe harbor to any person who believes s/he submitted a report containing inaccurate information and *voluntarily* and *promptly* submits a report containing corrected information no later than 90 days after the date after submission of the inaccurate report. But changes in exemption status of an entity trigger a 30-day period to file a corrected report.

Willful failure to comply with reporting requirements may result in severe penalties

CTA regulations impose severe criminal and civil penalties for willful reporting violations but no such penalties for merely negligent violations.

VIOLATIONS



Willful failure to report,
complete, or update BOI



Willful reporting or attempted
reporting of false or fraudulent BOI

PENALTIES



Criminal fines up to \$10,000
and civil penalties of \$500 per day



Imprisonment for up
To 2 years

Five categories of individuals are not beneficial owners

- 1** Minor child (if parent or guardian is instead reported)
- 2** Nominee, intermediary, custodian, or agent
- 3** Employee of entity whose control over or economic benefit therefrom derive solely from employment status
- 4** Individual whose only interest in entity is through right of inheritance
- 5** Creditor of entity (with certain exceptions)

Beneficial ownership is a matter of (1) substantial control of the entity or (2) ownership or control of ownership interests

Two tests

A beneficial owner is an individual who, **directly or indirectly**, either

1 **Exercises substantial control** over a reporting company



CONTROL TEST

or

2 **owns or controls at least 25% of the ownership interests** of a reporting company



OWNERSHIP TEST

The Control Test examines whether an individual “exercises substantial control” over the Reporting Company

A qualitative test

An individual who satisfies any of several conditions “exercises substantial control” over a reporting company:



Senior officer

Serves as a senior officer of the reporting company



Appointment/removal authority

Has authority over the appointment or removal of any senior officer or a majority of the board of directors (or similar body)



Decision-making authority

Directs, determines, or has substantial influence over important decisions made by the reporting company



Catchall

Has any other form of substantial control over the reporting company

Because the penalties for failing to report a beneficial owner are severe, reporting companies may wish to include all directors, senior executive officers, and persons with the right to vote on major decisions.

The Ownership Test examines whether an individual owns or controls 25% of the ownership interests of the Reporting Company

A quantitative test

The total ownership interests an individual owns or controls, whether directly or indirectly, is calculated as a percentage of the total outstanding ownership interests of the reporting company and subject to several subrules:



Present-time rule

Ownership interests are calculated at the present time and any options or similar interests are treated as exercised



Partnership-capital rule

For reporting companies that issue capital or profit interests, ownership interests are the individual's capital and profit interests in the entity calculated as a percentage of the entity's total outstanding capital and profit interests



Corporate-capital rule

For corporations, entities treated as corporations for federal income-tax purposes, and other reporting companies that issue shares of stock, the applicable percentage is the greater of:

- (a) the total combined voting power of all classes of the individual's ownership interests as a percentage of total outstanding voting power of all classes of ownership interests entitled to vote, and
- (b) the total combined value of the individual's ownership interests as a percentage of the total outstanding value of all classes of ownership interests



Failsafe rule

If the above calculations cannot be completed with reasonable certainty, an individual who owns or controls 25% or more of any class or type of ownership interest of a reporting company will be deemed to own or control 25% or more of the reporting company's ownership interests.

A special rule applies to trusts that hold an ownership interest in a reporting company

An individual may directly or indirectly own or control an ownership interest of a reporting company in any of four roles within a trust (or similar arrangement):

1 Trustee

A trustee or other individual with the authority to dispose of trust assets

2 Sole current beneficiary

As a beneficiary who is the sole permissible recipient of income and principal

3 Beneficiary with demand or withdrawal right

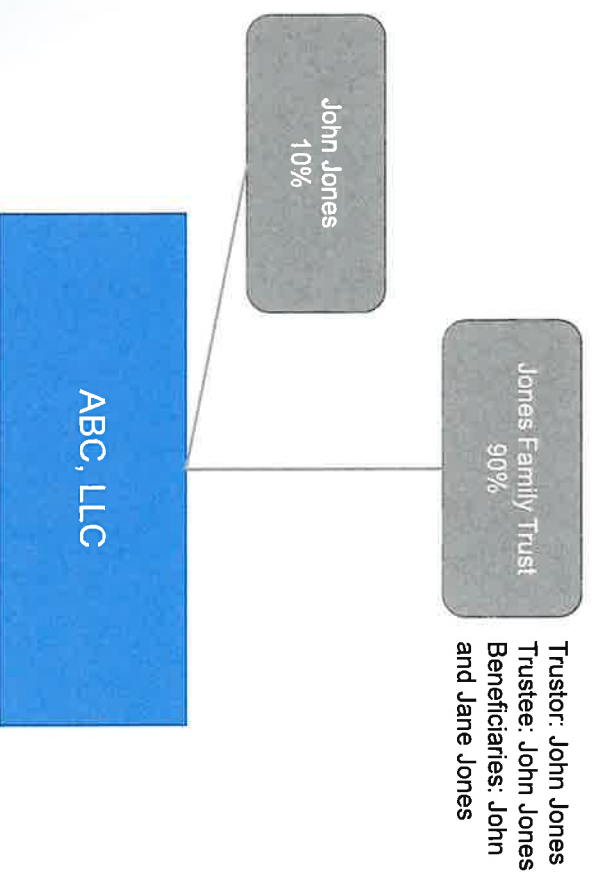
As a beneficiary who has the right to demand a distribution of or withdraw substantially all trust assets

4 Grantor with right to revoke or withdraw

As a grantor who has the right to revoke the trust or otherwise withdraw its assets

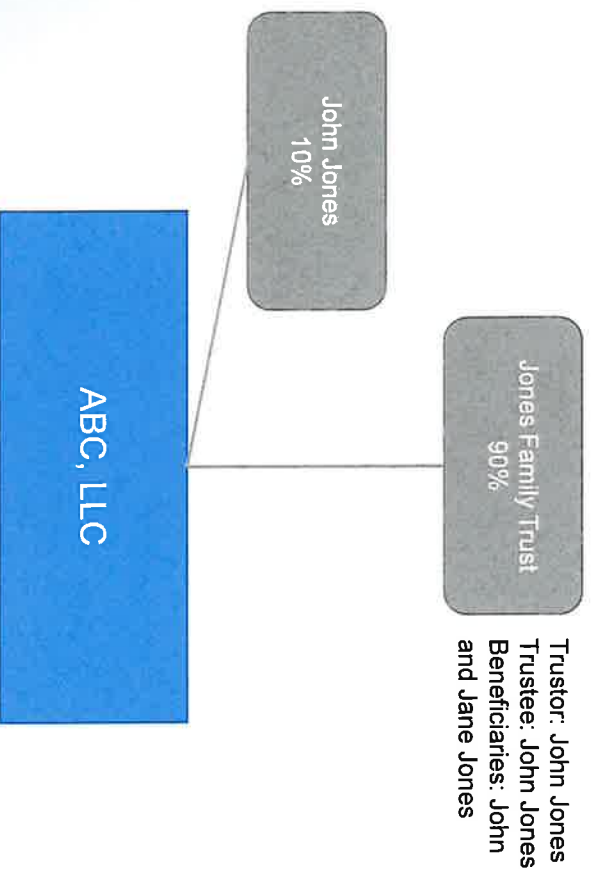
A trust itself cannot directly be a beneficial owner of a reporting owner because only natural persons can be beneficial owners. Given the complexity of contemporary trust structures, a trust will likely have multiple beneficial owners.

Example #1: Revocable trust holds 90% membership interest in reporting company



- John Jones, individually, is a beneficial owner because his ownership will be aggregated with that of the Jones Family Trust.
- Because the Jones Family Trust is not an *individual*, we must apply the *Trust Rule* to determine the beneficial owner(s) with respect to the Trust. We must also determine who has *substantial control*.

Example #1: Revocable trust holds 90% membership interest in reporting company (continued)

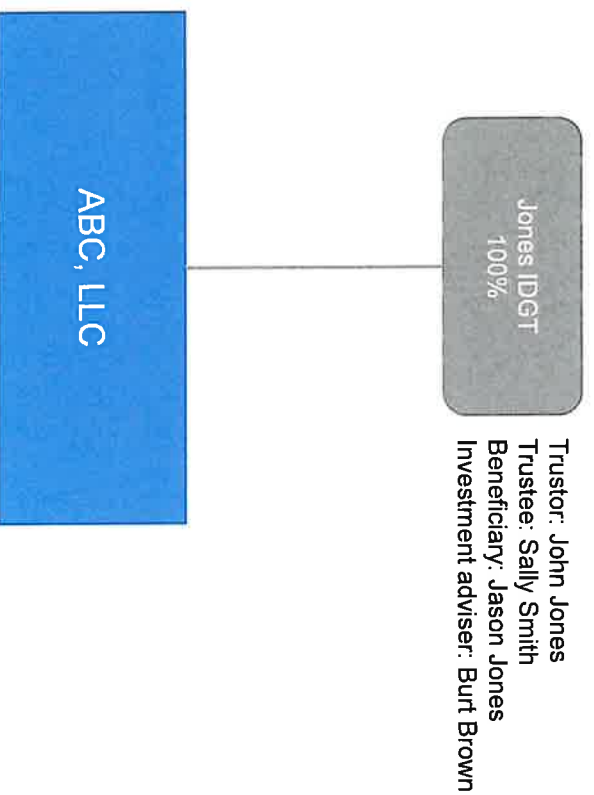


Assuming no other relevant facts:

- John Jones, as Trustor, is a beneficial owner if he has the right to revoke the trust or otherwise withdraw trust assets, and his individual ownership is aggregated with that of the Jones Family Trust, so he is deemed to own 100% of ABC, LLC.
- John Jones, as Trustee, is a beneficial owner if he has the authority to dispose of trust assets or substantial control of ABC, LLC.
- A beneficiary who is the sole permissible recipient of income and principal or has the right to demand a distribution or withdraw substantially all trust assets is a beneficial owner.
- All managers and senior executive officers of ABC, LLC, are beneficial owners.

Note: This analysis will require the Reporting Company to review the trust instrument and governing instruments and may produce multiple beneficial owners.

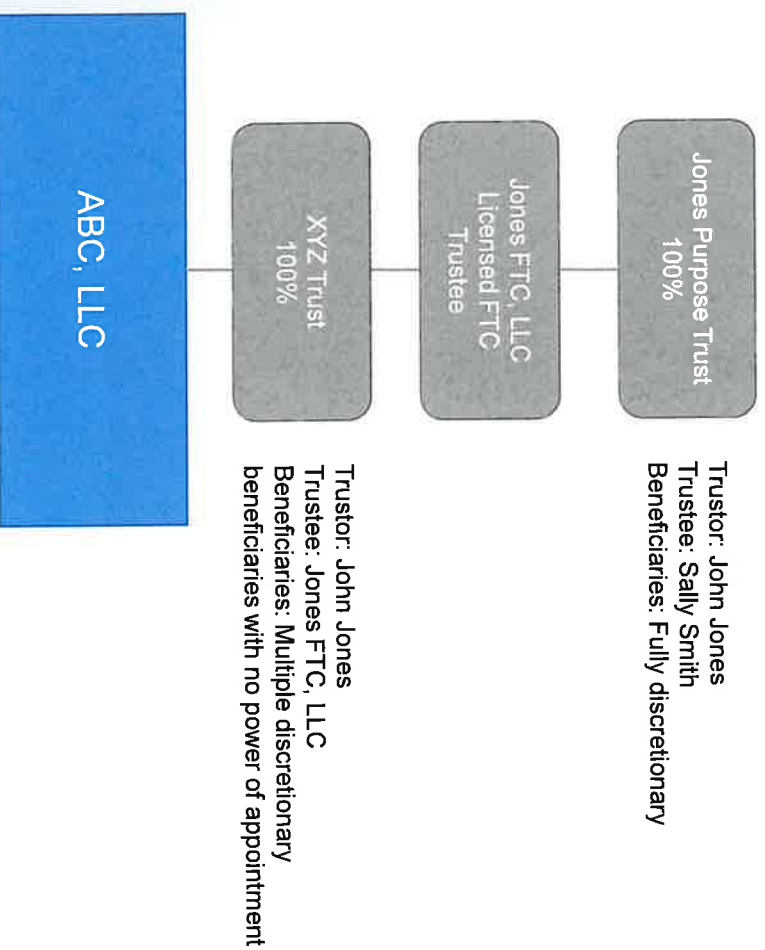
Example #2: Trust holds 100% membership interest in reporting company, grantor has swap power, and Trust has investment adviser



Assuming no other relevant facts:

- John Jones, as Trustor, lacks right to revoke the trust.
- But he has the power to substitute trust assets, so he may be a beneficial owner.
- Sally Smith, as Trustee, is a beneficial owner if he has the authority to dispose of trust assets or substantial control ABC, LLC.
- Burt Brown, as Investment Adviser, has substantial control over assets, so he too is a beneficial owner.
- Jason Jones, as sole beneficiary, is a beneficial owner because he is the sole permissible recipient of income and principal.
- All managers and senior executive officers of ABC, LLC, are beneficial owners.

Example #3: Licensed family trust company administers trust that owns reporting company



Assuming no other relevant facts:

- But, because the trust is not an **individual**, we must apply the **Trust Rule** to determine the beneficial owner(s).
- Jones FTC is the trustee.
- But, as a licensed family trust company, Jones FTC is exempt from reporting, so Jones Purpose Trust is not disclosed.

If John Jones, as grantor, has no powers, and the trust has only discretionary beneficiaries, what must be disclosed?

Jones FTC, LLC, managers, senior officers, and committee members will be beneficial owners due to their indirect, substantial control of ABC, LLC. Manager and officers of ABC, LLC, will also be beneficial owners.

Robert E. Armstrong is a senior partner of McDonald Carano LLP in Reno and Las Vegas, Nevada. He graduated from Santa Clara University in 1976 with a Bachelor of Science in Commerce. In 1979, he graduated from Georgetown University Law Center and was a legislative intern for U.S. Senator Paul Laxalt. In 1980, he graduated from New York University School of Law with an LL.M. in Taxation and became a certified public accountant before joining his current firm. He has served on the Tax and Trust-and-Estate Committees of the State Bar of Nevada. He was one of the principal draftsmen of NRS Chapter 669A and the regulations under NAC 669. He has been a member of the American College of Trust and Estate Counsel since 1993 and served as state chair for Nevada.



ATTACHMENT B

BOI RULE

exclusively than doing so indirectly through one or more individuals at one or more reporting companies) and administrative efficiency (where an individual is likely to be identified as a beneficial owner of numerous reporting companies). Company applicants that are responsible for registering many reporting companies may have a similar incentive to request a FinCEN identifier in order to limit the number of companies with access to their personal information. This reasoning assumes that there is a one-to-many relationship between the company applicant and reporting companies.

Estimated Number of Respondents: Given the incentives described in the previous paragraph, which are based on assumptions, FinCEN estimates that the number of individuals who will apply for a FinCEN identifier will likely be relatively low. FinCEN is estimating that number to be approximately 1 percent of the reporting company estimates. This is the same assumption made by FinCEN in the NPRM to estimate the number of individuals applying for a FinCEN identifier. Given that the number of reporting companies estimated in the RIA has increased, this estimate will increase proportionally. FinCEN assumes that, similar to reporting companies' initial filings, there would be an initial influx of applications for a FinCEN identifier that would then decrease to a smaller annual rate of requests after Year 1. Therefore, FinCEN estimates that 325,569 individuals will apply for a FinCEN identifier during Year 1 and 49,985 individuals will apply for on a FinCEN identifier annually thereafter.⁴³⁷ The total five-year average of expected FinCEN identifier applications is 105,102. To estimate the number of updated reports for individuals' FinCEN identifier information per year, FinCEN used the same methodology explained in the BOI report estimate section to calculate, and then total, monthly updates based on the number of FinCEN identifier applications received in Year 1. However, FinCEN only applied the monthly probability of 0.0068021 (8.16 percent, the annual likelihood of a change in address, divided by 12 to find a monthly rate), as this was the sole probability of those previously estimated that would result in a change to an individual's identifying information. This analysis estimated 12,180 updates in Year 1 and 26,575 annually thereafter.⁴³⁸ The total five-

year average of estimated FinCEN identifier updates is 23,696.

Estimated Time per Respondent: FinCEN anticipates that initial FinCEN identifier applications would require approximately 20 minutes (10 minutes to read the form and understand the information required and 10 minutes to fill out and file the request, including attaching an image of an acceptable identification document), given that the information to be submitted to FinCEN would be readily available to the person requesting the FinCEN identifier. FinCEN estimates that updates would require 10 minutes (10 minutes to fill out and file the update).

Estimated Total Reporting Burden Hours: FinCEN estimates the total burden hours of individuals initially applying for a FinCEN identifier during Year 1 to be 108,535,⁴³⁹ with an annual burden of 16,662 hours thereafter.⁴⁴⁰ The five-year average of initial application burden is 35,034 hours. FinCEN estimates the burden hours of individuals updating FinCEN identifier related information to be 2,030 in Year 1,⁴⁴¹ with an annual burden of 4,429 hours thereafter.⁴⁴² The five-year average of updated application burden is 3,949 hours. The total five-year average of time burden is 38,983.

Estimated Total Reporting Cost: The total cost of FinCEN identifier applications for individuals in Year 1 is estimated to be \$6.2 million, with an annual cost of \$945,667 thereafter.⁴⁴³ The five-year average of initial applications cost is \$1,988,431. The total cost of FinCEN identifier updates for individuals in Year 1 is estimated to be \$115,219, with an annual cost of \$251,386 thereafter.⁴⁴⁴ The five-year average of updated applications cost is \$224,153. The total five-year average cost is \$2,212,584.

E. Congressional Review Act

Pursuant to the Congressional Review Act (CRA), OMB's Office of Information and Regulatory Affairs has designated this rule a "major rule," for purposes of Subtitle E of the Small Business Regulatory Enforcement and Fairness Act of 1996 (also known as the Congressional Review Act or CRA).⁴⁴⁵ Under the CRA, a major rule generally may take effect no earlier than 60 days

after the rule is published in the **Federal Register**.⁴⁴⁶

List of Subjects in 31 CFR Parts 1010

Administrative practice and procedure, Aliens, Authority delegations (Government agencies), Banks and banking, Brokers, Business and industry, Commodity futures, Currency, Citizenship and naturalization, Electronic filing, Federal savings associations, Federal-State relations, Foreign persons, Holding companies, Indian-law, Indians, Indians—tribal government, Insurance companies, Investment advisers, Investment companies, Investigations, Law enforcement, Penalties, Reporting and recordkeeping requirements, Small businesses, Securities, Terrorism, Time.

Authority and Issuance

For the reasons set forth in the preamble, the U.S. Department of the Treasury and Financial Crimes Enforcement Network amend 31 CFR part 1010 as follows:

PART 1010—GENERAL PROVISIONS

- 1. The authority citation for part 1010 is amended to read as follows:

Authority: 12 U.S.C. 1829b and 1951–1959; 31 U.S.C. 5311–5314, 5316–5336; title III, sec. 314 Pub. L. 107–56, 115 Stat. 307; sec. 701 Pub. L. 114–74, 129 Stat. 599; sec. 6403, Pub. L. 116–283, 134 Stat. 3388.

- 2. Add § 1010.380 to subpart C to read as follows:

§ 1010.380 Reports of beneficial ownership information

(a) *Reports required; timing of reports*—(1) *Initial report.* Each reporting company shall file an initial report in the form and manner specified in paragraph (b) of this section as follows:

(i) Any domestic reporting company created on or after January 1, 2024 shall file a report within 30 calendar days of the earlier of the date on which it receives actual notice that its creation has become effective or the date on which a secretary of state or similar office first provides public notice, such as through a publicly accessible registry, that the domestic reporting company has been created.

(ii) Any entity that becomes a foreign reporting company on or after January 1, 2024 shall file a report within 30 calendar days of the earlier of the date on which it receives actual notice that it has been registered to do business or the date on which a secretary of state or similar office first provides public

⁴³⁷ $32,556,929 \times 0.01 = 325,569$ and $4,998,468 \times 0.01 = 49,985$, respectively.

⁴³⁸ Please see RIA cost analysis for the underlying sources and analysis related to these estimates.

⁴³⁹ $325,569 \times (20/60) = 108,535$.

⁴⁴⁰ $49,985 \times (20/60) = 16,662$.

⁴⁴¹ $12,180 \times (10/60) = 2,030$.

⁴⁴² $26,575 \times (10/60) = 4,429$.

⁴⁴³ $[(\$56.76 \times (20/60)) \times 325,569] + \$6,159,488.81$ and $[(\$56.76 \times (20/60)) \times 49,985] = \$945,666.84$.

⁴⁴⁴ $[(\$56.76 \times (10/60)) \times 12,180] + \$115,218.68$ and $[(\$56.76 \times (10/60)) \times 26,575] = \$251,386.22$.

⁴⁴⁵ 5 U.S.C. 804(2) *et seq.*

⁴⁴⁶ 5 U.S.C. 801(a)(3).

notice, such as through a publicly accessible registry, that the foreign reporting company has been registered to do business.

(iii) Any domestic reporting company created before January 1, 2024 and any entity that became a foreign reporting company before January 1, 2024 shall file a report not later than January 1, 2025.

(iv) Any entity that no longer meets the criteria for any exemption under paragraph (c)(2) of this section shall file a report within 30 calendar days after the date that it no longer meets the criteria for any exemption.

(2) **Updated report.** (i) If there is any change with respect to required information previously submitted to FinCEN concerning a reporting company or its beneficial owners, including any change with respect to who is a beneficial owner or information reported for any particular beneficial owner, the reporting company shall file an updated report in the form and manner specified in paragraph (b)(3) of this section within 30 calendar days after the date on which such change occurs.

(ii) If a reporting company meets the criteria for any exemption under paragraph (c)(2) of this section subsequent to the filing of an initial report, this change will be deemed a change with respect to information previously submitted to FinCEN, and the entity shall file an updated report.

(iii) If an individual is a beneficial owner of a reporting company by virtue of property interests or other rights subject to transfer upon death, and such individual dies, a change with respect to required information will be deemed to occur when the estate of the deceased beneficial owner is settled, either through the operation of the intestacy laws of a jurisdiction within the United States or through a testamentary deposition. The updated report shall, to the extent appropriate, identify any new beneficial owners.

(iv) If a reporting company has reported information with respect to a parent or legal guardian of a minor child pursuant to paragraphs (b)(2)(ii) and (d)(3)(i) of this section, a change with respect to required information will be deemed to occur when the minor child attains the age of majority.

(v) With respect to an image of an identifying document required to be reported pursuant to paragraph (b)(1)(ii)(E) of this section, a change with respect to required information will be deemed to occur when the name, date of birth, address, or unique identifying number on such document changes.

(3) **Corrected report.** If any report under this section was inaccurate when filed and remains inaccurate, the reporting company shall file a corrected report in the form and manner specified in paragraph (b) of this section within 30 calendar days after the date on which such reporting company becomes aware or has reason to know of the inaccuracy. A corrected report filed under this paragraph (a)(3) within this 30-day period shall be deemed to satisfy 31 U.S.C. 5336(h)(3)(C)(i)(I)(bb) if filed within 90 calendar days after the date on which the inaccurate report was filed.

(b) **Content, form, and manner of reports.** Each report or application submitted under this section shall be filed with FinCEN in the form and manner that FinCEN shall prescribe in the forms and instructions for such report or application, and each person filing such report or application shall certify that the report or application is true, correct, and complete.

(1) **Initial report.** An initial report of a reporting company shall include the following information:

(i) For the reporting company:

(A) The full legal name of the reporting company;

(B) Any trade name or "doing business as" name of the reporting company;

(C) A complete current address consisting of:

(1) In the case of a reporting company with a principal place of business in the United States, the street address of such principal place of business; and

(2) In all other cases, the street address of the primary location in the United States where the reporting company conducts business;

(D) The State, Tribal, or foreign jurisdiction of formation of the reporting company;

(E) For a foreign reporting company, the State or Tribal jurisdiction where such company first registers; and

(F) The Internal Revenue Service (IRS) Taxpayer Identification Number (TIN) (including an Employer Identification Number (EIN)) of the reporting company, or where a foreign reporting company has not been issued a TIN, a tax identification number issued by a foreign jurisdiction and the name of such jurisdiction;

(ii) For every individual who is a beneficial owner of such reporting company, and every individual who is a company applicant with respect to such reporting company:

(A) The full legal name of the individual;

(B) The date of birth of the individual;

(C) A complete current address consisting of:

(1) In the case of a company applicant who forms or registers an entity in the course of such company applicant's business, the street address of such business; or

(2) In any other case, the individual's residential street address;

(D) A unique identifying number and the issuing jurisdiction from one of the following documents:

(1) A non-expired passport issued to the individual by the United States government;

(2) A non-expired identification document issued to the individual by a State, local government, or Indian tribe for the purpose of identifying the individual;

(3) A non-expired driver's license issued to the individual by a State; or

(4) A non-expired passport issued by a foreign government to the individual, if the individual does not possess any of the documents described in paragraph (b)(1)(ii)(D)(1), (b)(1)(ii)(D)(2), or (b)(1)(ii)(D)(3) of this section; and

(E) An image of the document from which the unique identifying number in paragraph (b)(1)(ii)(D) of this section was obtained.

(2) **Special rules—(i) Reporting company owned by exempt entity.** If one or more exempt entities under paragraph (c)(2) of this section has or will have a direct or indirect ownership interest in a reporting company and an individual is a beneficial owner of the reporting company exclusively by virtue of the individual's ownership interest in such exempt entities, the report may include the names of the exempt entities in lieu of the information required under paragraph (b)(1) of this section with respect to such beneficial owner.

(ii) **Minor child.** If a reporting company reports the information required under paragraph (b)(1) of this section with respect to a parent or legal guardian of a minor child consistent with paragraph (d)(3)(i) of this section, then the report shall indicate that such information relates to a parent or legal guardian.

(iii) **Foreign pooled investment vehicle.** If an entity would be a reporting company but for paragraph (c)(2)(xviii) of this section, and is formed under the laws of a foreign country, such entity shall be deemed a reporting company for purposes of paragraphs (a) and (b) of this section, except the report shall include the information required under paragraph (b)(1) of this section solely with respect to an individual who exercises substantial control over the entity. If more than one individual exercises substantial control over the

entity, the entity shall report information with respect to the individual who has the greatest authority over the strategic management of the entity.

(iv) *Company applicant for existing companies.* Notwithstanding paragraph (b)(1)(ii) of this section, if a reporting company was created or registered before January 1, 2024, the reporting company shall report that fact, but is not required to report information with respect to any company applicant.

(3) *Contents of updated or corrected reports—(i) Updated reports—in general.* An updated report required to be filed pursuant to paragraph (a)(2) of this section shall reflect any change with respect to required information previously submitted to FinCEN concerning a reporting company or its beneficial owners.

(ii) *Updated reports—newly exempt entities.* An updated report required to be filed pursuant to paragraph (a)(2)(ii) of this section shall indicate that the filing entity is no longer a reporting company.

(iii) *Corrected reports.* A corrected report required to be filed pursuant to paragraph (a)(3) of this section shall correct all inaccuracies in the information previously reported to FinCEN.

(4) *FinCEN identifier—(i) Application.* (A) An individual may obtain a FinCEN identifier by submitting to FinCEN an application containing the information about the individual described in paragraph (b)(1) of this section.

(B) A reporting company may obtain a FinCEN identifier by submitting to FinCEN an application at or after the time that the entity submits an initial report required under paragraph (b)(1) of this section.

(C) Each FinCEN identifier shall be specific to each such individual or reporting company, and each such individual or reporting company (including any successor reporting company) may obtain only one FinCEN identifier.

(ii) *Use of the FinCEN identifier.* (A) If an individual has obtained a FinCEN identifier and provided such FinCEN identifier to a reporting company, the reporting company may include such FinCEN identifier in its report in lieu of the information required under paragraph (b)(1) of this section with respect to such individual.

(B) [Reserved]

(iii) *Updates and corrections.* (A) Any individual that has obtained a FinCEN identifier shall update or correct any information previously submitted to FinCEN in an application for such FinCEN identifier.

(1) If there is any change with respect to required information previously submitted to FinCEN in such application, the individual shall file an updated application reflecting such change within 30 calendar days after the date on which such change occurs.

(2) If any such application was inaccurate when filed and remains inaccurate, the individual shall file a corrected application correcting all inaccuracies within 30 calendar days after the date on which the individual becomes aware or has reason to know of the inaccuracy. A corrected application filed under this paragraph within this 30-day period will be deemed to satisfy 31 U.S.C. 5336(h)(3)(C)(i)(I)(bb) if filed within 90 calendar days after the date on which the inaccurate application was submitted.

(B) Any reporting company that has obtained a FinCEN identifier shall file an updated or corrected report to update or correct any information previously submitted to FinCEN. Such updated or corrected report shall be filed at the same time and in the same manner as updated or corrected reports filed under paragraph (a) of this section.

(c) *Reporting company—(1) Definition of reporting company.* For purposes of this section, the term “reporting company” means either a domestic reporting company or a foreign reporting company.

(i) The term “domestic reporting company” means any entity that is:

(A) A corporation;

(B) A limited liability company; or

(C) Created by the filing of a document with a secretary of state or any similar office under the law of a State or Indian tribe.

(ii) The term “foreign reporting company” means any entity that is:

(A) A corporation, limited liability company, or other entity;

(B) Formed under the law of a foreign country; and

(C) Registered to do business in any State or tribal jurisdiction by the filing of a document with a secretary of state or any similar office under the law of a State or Indian tribe.

(2) *Exemptions.* Notwithstanding paragraph (c)(1) of this section, the term “reporting company” does not include:

(i) *Securities reporting issuer.* Any issuer of securities that is:

(A) An issuer of a class of securities registered under section 12 of the Securities Exchange Act of 1934 (15 U.S.C. 78l); or

(B) Required to file supplementary and periodic information under section 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78o(d)).

(ii) *Governmental authority.* Any entity that:

(A) Is established under the laws of the United States, an Indian tribe, a State, or a political subdivision of a State, or under an interstate compact between two or more States; and

(B) Exercises governmental authority on behalf of the United States or any such Indian tribe, State, or political subdivision.

(iii) *Bank.* Any bank, as defined in:

(A) Section 3 of the Federal Deposit Insurance Act (12 U.S.C. 1813);

(B) Section 2(a) of the Investment Company Act of 1940 (15 U.S.C. 80a-2(a)); or

(C) Section 202(a) of the Investment Advisers Act of 1940 (15 U.S.C. 80b-2(a)).

(iv) *Credit union.* Any Federal credit union or State credit union, as those terms are defined in section 101 of the Federal Credit Union Act (12 U.S.C. 1752).

(v) *Depository institution holding company.* Any bank holding company as defined in section 2 of the Bank Holding Company Act of 1956 (12 U.S.C. 1841), or any savings and loan holding company as defined in section 10(a) of the Home Owners' Loan Act (12 U.S.C. 1467a(a)).

(vi) *Money services business.* Any money transmitting business registered with FinCEN under 31 U.S.C. 5330, and any money services business registered with FinCEN under 31 CFR 1022.380.

(vii) *Broker or dealer in securities.* Any broker or dealer, as those terms are defined in section 3 of the Securities Exchange Act of 1934 (15 U.S.C. 78c), that is registered under section 15 of that Act (15 U.S.C. 78o).

(viii) *Securities exchange or clearing agency.* Any exchange or clearing agency, as those terms are defined in section 3 of the Securities Exchange Act of 1934 (15 U.S.C. 78c), that is registered under sections 6 or 17A of that Act (15 U.S.C. 78f, 78q-1).

(ix) *Other Exchange Act registered entity.* Any other entity not described in paragraph (c)(2)(i), (vii), or (viii) of this section that is registered with the Securities and Exchange Commission under the Securities Exchange Act of 1934 (15 U.S.C. 78a et seq.).

(x) *Investment company or investment adviser.* Any entity that is:

(A) An investment company as defined in section 3 of the Investment Company Act of 1940 (15 U.S.C. 80a-3), or is an investment adviser as defined in section 202 of the Investment Advisers Act of 1940 (15 U.S.C. 80b-2); and

(B) Registered with the Securities and Exchange Commission under the Investment Company Act of 1940 (15 U.S.C. 80a-1 et seq.) or the Investment

Advisers Act of 1940 (15 U.S.C. 80b-1 *et seq.*).

(xi) *Venture capital fund adviser.* Any investment adviser that:

(A) Is described in section 203(l) of the Investment Advisers Act of 1940 (15 U.S.C. 80b-3(l)); and

(B) Has filed Item 10, Schedule A, and Schedule B of Part 1A of Form ADV, or any successor thereto, with the Securities and Exchange Commission.

(xii) *Insurance company.* Any insurance company as defined in section 2 of the Investment Company Act of 1940 (15 U.S.C. 80a-2).

(xiii) *State-licensed insurance producer.* Any entity that:

(A) Is an insurance producer that is authorized by a State and subject to supervision by the insurance commissioner or a similar official or agency of a State; and

(B) Has an operating presence at a physical office within the United States.

(xiv) *Commodity Exchange Act registered entity.* Any entity that:

(A) Is a registered entity as defined in section 1a of the Commodity Exchange Act (7 U.S.C. 1a); or

(B) Is:

(1) A futures commission merchant, introducing broker, swap dealer, major swap participant, commodity pool operator, or commodity trading advisor, each as defined in section 1a of the Commodity Exchange Act (7 U.S.C. 1a), or a retail foreign exchange dealer as described in section 2(c)(2)(B) of the Commodity Exchange Act (7 U.S.C. 2(c)(2)(B)); and

(2) Registered with the Commodity Futures Trading Commission under the Commodity Exchange Act.

(xv) *Accounting firm.* Any public accounting firm registered in accordance with section 102 of the Sarbanes-Oxley Act of 2002 (15 U.S.C. 7212).

(xvi) *Public utility.* Any entity that is a regulated public utility as defined in 26 U.S.C. 7701(a)(33)(A) that provides telecommunications services, electrical power, natural gas, or water and sewer services within the United States.

(xvii) *Financial market utility.* Any financial market utility designated by the Financial Stability Oversight Council under section 804 of the Payment, Clearing, and Settlement Supervision Act of 2010 (12 U.S.C. 5463).

(xviii) *Pooled investment vehicle.* Any pooled investment vehicle that is operated or advised by a person described in paragraph (c)(2)(iii), (iv), (vii), (x), or (xi) of this section.

(xix) *Tax-exempt entity.* Any entity that is:

(A) An organization that is described in section 501(c) of the Internal Revenue

Code of 1986 (Code) (determined without regard to section 508(a) of the Code) and exempt from tax under section 501(a) of the Code, except that in the case of any such organization that ceases to be described in section 501(c) and exempt from tax under section 501(a), such organization shall be considered to continue to be described in this paragraph (c)(1)(ix)(A) for the 180-day period beginning on the date of the loss of such tax-exempt status;

(B) A political organization, as defined in section 527(e)(1) of the Code, that is exempt from tax under section 527(a) of the Code; or

(C) A trust described in paragraph (1) or (2) of section 4947(a) of the Code.

(xx) *Entity assisting a tax-exempt entity.* Any entity that:

(A) Operates exclusively to provide financial assistance to, or hold governance rights over, any entity described in paragraph (c)(2)(ix) of this section;

(B) Is a United States person;

(C) Is beneficially owned or controlled exclusively by one or more United States persons that are United States citizens or lawfully admitted for permanent residence; and

(D) Derives at least a majority of its funding or revenue from one or more United States persons that are United States citizens or lawfully admitted for permanent residence.

(xxi) *Large operating company.* Any entity that:

(A) Employs more than 20 full time employees in the United States, with "full time employee in the United States" having the meaning provided in 26 CFR 54.4980H-1(a) and 54.4980H-3, except that the term "United States" as used in 26 CFR 54.4980H-1(a) and 54.4980H-3 has the meaning provided in § 1010.100(hhh);

(B) Has an operating presence at a physical office within the United States; and

(C) Filed a Federal income tax or information return in the United States for the previous year demonstrating more than \$5,000,000 in gross receipts or sales, as reported as gross receipts or sales (net of returns and allowances) on the entity's IRS Form 1120, consolidated IRS Form 1120, IRS Form 1120-S, IRS Form 1065, or other applicable IRS form, excluding gross receipts or sales from sources outside the United States, as determined under Federal income tax principles. For an entity that is part of an affiliated group of corporations within the meaning of 26 U.S.C. 1504 that filed a consolidated return, the applicable amount shall be the amount reported on the consolidated return for such group.

(xxii) *Subsidiary of certain exempt entities.* Any entity whose ownership interests are controlled or wholly owned, directly or indirectly, by one or more entities described in paragraphs (c)(2)(i), (ii), (iii), (iv), (v), (vii), (viii), (ix), (x), (xi), (xii), (xiii), (xiv), (xv), (xvi), (xvii), (xix), or (xxi) of this section.

(xxiii) *Inactive entity.* Any entity that:

(A) Was in existence on or before January 1, 2020;

(B) Is not engaged in active business;

(C) Is not owned by a foreign person, whether directly or indirectly, wholly or partially;

(D) Has not experienced any change in ownership in the preceding twelve month period;

(E) Has not sent or received any funds in an amount greater than \$1,000, either directly or through any financial account in which the entity or any affiliate of the entity had an interest, in the preceding twelve month period; and

(F) Does not otherwise hold any kind or type of assets, whether in the United States or abroad, including any ownership interest in any corporation, limited liability company, or other similar entity.

(d) *Beneficial owner.* For purposes of this section, the term "beneficial owner," with respect to a reporting company, means any individual who, directly or indirectly, either exercises substantial control over such reporting company or owns or controls at least 25 percent of the ownership interests of such reporting company.

(1) *Substantial control—(i) Definition of substantial control.* An individual exercises substantial control over a reporting company if the individual:

(A) Serves as a senior officer of the reporting company;

(B) Has authority over the appointment or removal of any senior officer or a majority of the board of directors (or similar body);

(C) Directs, determines, or has substantial influence over important decisions made by the reporting company, including decisions regarding:

(1) The nature, scope, and attributes of the business of the reporting company, including the sale, lease, mortgage, or other transfer of any principal assets of the reporting company;

(2) The reorganization, dissolution, or merger of the reporting company;

(3) Major expenditures or investments, issuances of any equity, incurrence of any significant debt, or approval of the operating budget of the reporting company;

(4) The selection or termination of business lines or ventures, or geographic focus, of the reporting company;

(5) Compensation schemes and incentive programs for senior officers;

(6) The entry into or termination, or the fulfillment or non-fulfillment, of significant contracts;

(7) Amendments of any substantial governance documents of the reporting company, including the articles of incorporation or similar formation documents, bylaws, and significant policies or procedures; or

(D) Has any other form of substantial control over the reporting company.

(ii) *Direct or indirect exercise of substantial control.* An individual may directly or indirectly, including as a trustee of a trust or similar arrangement, exercise substantial control over a reporting company through:

(A) Board representation;

(B) Ownership or control of a majority of the voting power or voting rights of the reporting company;

(C) Rights associated with any financing arrangement or interest in a company;

(D) Control over one or more intermediary entities that separately or collectively exercise substantial control over a reporting company;

(E) Arrangements or financial or business relationships, whether formal or informal, with other individuals or entities acting as nominees; or

(F) any other contract, arrangement, understanding, relationship, or otherwise.

(2) *Ownership Interests*—(i) *Definition of ownership interest.* The term “ownership interest” means:

(A) Any equity, stock, or similar instrument; preorganization certificate or subscription; or transferable share of, or voting trust certificate or certificate of deposit for, an equity security, interest in a joint venture, or certificate of interest in a business trust; in each such case, without regard to whether any such instrument is transferable, is classified as stock or anything similar, or confers voting power or voting rights;

(B) Any capital or profit interest in an entity;

(C) Any instrument convertible, with or without consideration, into any share or instrument described in paragraph (d)(2)(i)(A), or (B) of this section, any future on any such instrument, or any warrant or right to purchase, sell, or subscribe to a share or interest described in paragraph (d)(2)(i)(A), or (B) of this section, regardless of whether characterized as debt;

(D) Any put, call, straddle, or other option or privilege of buying or selling any of the items described in paragraph (d)(2)(i)(A), (B), or (C) of this section without being bound to do so, except to the extent that such option or privilege

is created and held by a third party or third parties without the knowledge or involvement of the reporting company; or

(E) Any other instrument, contract, arrangement, understanding, relationship, or mechanism used to establish ownership.

(ii) *Ownership or control of ownership interest.* An individual may directly or indirectly own or control an ownership interest of a reporting company through any contract, arrangement, understanding, relationship, or otherwise, including:

(A) Joint ownership with one or more other persons of an undivided interest in such ownership interest;

(B) Through another individual acting as a nominee, intermediary, custodian, or agent on behalf of such individual;

(C) With regard to a trust or similar arrangement that holds such ownership interest:

(1) As a trustee of the trust or other individual (if any) with the authority to dispose of trust assets;

(2) As a beneficiary who:
(i) Is the sole permissible recipient of income and principal from the trust; or
(ii) Has the right to demand a distribution of or withdraw substantially all of the assets from the trust; or

(3) As a grantor or settlor who has the right to revoke the trust or otherwise withdraw the assets of the trust; or

(D) Through ownership or control of one or more intermediary entities, or ownership or control of the ownership interests of any such entities, that separately or collectively own or control ownership interests of the reporting company.

(iii) *Calculation of the total ownership interests of a reporting company.* In determining whether an individual owns or controls at least 25 percent of the ownership interests of a reporting company, the total ownership interests that an individual owns or controls, directly or indirectly, shall be calculated as a percentage of the total outstanding ownership interests of the reporting company as follows:

(A) Ownership interests of the individual shall be calculated at the present time, and any options or similar interests of the individual shall be treated as exercised;

(B) For reporting companies that issue capital or profit interests (including entities treated as partnerships for federal income tax purposes), the individual's ownership interests are the individual's capital and profit interests in the entity, calculated as a percentage of the total outstanding capital and profit interests of the entity;

(C) For corporations, entities treated as corporations for federal income tax purposes, and other reporting companies that issue shares of stock, the applicable percentage shall be the greater of:

(1) the total combined voting power of all classes of ownership interests of the individual as a percentage of total outstanding voting power of all classes of ownership interests entitled to vote, or

(2) the total combined value of the ownership interests of the individual as a percentage of the total outstanding value of all classes of ownership interests; and

(D) If the facts and circumstances do not permit the calculations described in either paragraph (d)(2)(iii)(B) or (C) to be performed with reasonable certainty, any individual who owns or controls 25 percent or more of any class or type of ownership interest of a reporting company shall be deemed to own or control 25 percent or more of the ownership interests of the reporting company.

(3) *Exceptions.* Notwithstanding any other provision of this paragraph (d), the term “beneficial owner” does not include:

(i) A minor child, as defined under the law of the State or Indian tribe in which a domestic reporting company is created or a foreign reporting company is first registered, provided the reporting company reports the required information of a parent or legal guardian of the minor child as specified in paragraph (b)(2)(ii) of this section;

(ii) An individual acting as a nominee, intermediary, custodian, or agent on behalf of another individual;

(iii) An employee of a reporting company, acting solely as an employee, whose substantial control over or economic benefits from such entity are derived solely from the employment status of the employee, provided that such person is not a senior officer as defined in paragraph (f)(8) of this section;

(iv) An individual whose only interest in a reporting company is a future interest through a right of inheritance;

(v) A creditor of a reporting company. For purposes of this paragraph (d)(3)(v), a creditor is an individual who meets the requirements of paragraph (d) of this section solely through rights or interests for the payment of a predetermined sum of money, such as a debt incurred by the reporting company, or a loan covenant or other similar right associated with such right to receive payment that is intended to secure the right to receive payment or enhance the likelihood of repayment.

(e) *Company applicant.* For purposes of this section, the term "company applicant" means:

(1) For a domestic reporting company, the individual who directly files the document that creates the domestic reporting company as described in paragraph (c)(1)(i) of this section;

(2) For a foreign reporting company, the individual who directly files the document that first registers the foreign reporting company as described in paragraph (c)(1)(ii) of this section; and

(3) Whether for a domestic or a foreign reporting company, the individual who is primarily responsible for directing or controlling such filing if more than one individual is involved in the filing of the document.

(f) *Definitions.* For purposes of this section, the following terms have the following meanings:

(1) *Employee.* The term "employee" has the meaning given the term in 26 CFR 54.4980H-1(a)(15).

(2) *FinCEN identifier.* The term "FinCEN identifier" means the unique identifying number assigned by FinCEN to an individual or reporting company under this section.

(3) *Foreign person.* The term "foreign person" means a person who is not a United States person.

(4) *Indian tribe.* The term "Indian tribe" has the meaning given the term "Indian tribe" in section 102 of the Federally Recognized Indian Tribe List Act of 1994 (25 U.S.C. 5130).

(5) *Lawfully admitted for permanent residence.* The term "lawfully admitted for permanent residence" has the meaning given the term in section 101(a) of the Immigration and Nationality Act (8 U.S.C. 1101(a)).

(6) *Operating presence at a physical office within the United States.* The term "has an operating presence at a physical office within the United States" means

that an entity regularly conducts its business at a physical location in the United States that the entity owns or leases and that is physically distinct from the place of business of any other unaffiliated entity.

(7) *Pooled investment vehicle.* The term "pooled investment vehicle" means:

(i) Any investment company, as defined in section 3(a) of the Investment Company Act of 1940 (15 U.S.C. 80a-3(a)); or

(ii) Any company that:

(A) Would be an investment company under that section but for the exclusion provided from that definition by paragraph (1) or (7) of section 3(c) of that Act (15 U.S.C. 80a-3(c)); and

(B) Is identified by its legal name by the applicable investment adviser in its Form ADV (or successor form) filed with the Securities and Exchange Commission or will be so identified in the next annual updating amendment to Form ADV required to be filed by the applicable investment adviser pursuant to rule 204-1 under the Investment Advisers Act of 1940 (17 CFR 275.204-1).

(8) *Senior officer.* The term "senior officer" means any individual holding the position or exercising the authority of a president, chief financial officer, general counsel, chief executive officer, chief operating officer, or any other officer, regardless of official title, who performs a similar function.

(9) *State.* The term "State" means any state of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, American Samoa, Guam, the United States Virgin Islands, and any other commonwealth, territory, or possession of the United States.

(10) *United States person.* The term "United States person" has the meaning given the term in section 7701(a)(30) of the Internal Revenue Code of 1986.

(g) *Reporting violations.* It shall be unlawful for any person to willfully provide, or attempt to provide, false or fraudulent beneficial ownership information, including a false or fraudulent identifying photograph or document, to FinCEN in accordance with this section, or to willfully fail to report complete or updated beneficial ownership information to FinCEN in accordance with this section. For purposes of this paragraph (g):

(1) The term "person" includes any individual, reporting company, or other entity.

(2) The term "beneficial ownership information" includes any information provided to FinCEN under this section.

(3) A person provides or attempts to provide beneficial ownership information to FinCEN if such person does so directly or indirectly, including by providing such information to another person for purposes of a report or application under this section.

(4) A person fails to report complete or updated beneficial ownership information to FinCEN if, with respect to an entity:

(i) such entity is required, pursuant to title 31, United States Code, section 5336, or its implementing regulations, to report information to FinCEN;

(ii) the reporting company fails to report such information to FinCEN; and

(iii) such person either causes the failure, or is a senior officer of the entity at the time of the failure.

Himamauli Das,
Acting Director, Financial Crimes
Enforcement Network.

[FR Doc. 2022-21020 Filed 9-29-22; 8:45 am]

BILLING CODE P

ATTACHMENT C

FAQ'S ON BENEFICIAL REPORTING REQUIREMENTS



Published: March 24, 2023

**Financial Crimes Enforcement Network
U.S. Department of the Treasury**

Washington, D.C. 20220

Beneficial Ownership Information Reporting Frequently Asked Questions

These Frequently Asked Questions are explanatory only and do not supplement or modify any obligations imposed by statute or regulation. Please refer to the Beneficial Ownership Information Reporting Rule, available at www.fincen.gov/boi, for details on specific provisions. FinCEN expects to publish further guidance in the future. Questions on any of this content can be directed to <https://www.fincen.gov/contact>.

1. What is beneficial ownership information?

Beneficial ownership information refers to identifying information about the individuals who directly or indirectly own or control a company.

[Issued March 24, 2023]

2. Why do companies have to report beneficial ownership information to the U.S. Department of the Treasury?

Very few U.S. states or territories require companies to disclose information about their beneficial owners—the individuals who own or control companies. This lack of transparency allows criminals, corrupt officials, and other bad actors to hide their identities and launder illicit funds through the United States using shell and front companies. This in turn hurts ordinary Americans because the lack of transparency results in an uneven playing field for honest and legitimate U.S. businesses. The inaccessibility of beneficial ownership information also makes it hard for law enforcement to track and prosecute criminal activity.

In 2021, Congress, with bipartisan support, enacted the Corporate Transparency Act to address this problem. The Corporate Transparency Act requires certain types of U.S. and foreign entities to report information about their beneficial owners to the Treasury Department's Financial Crimes Enforcement Network, commonly known as FinCEN. FinCEN is responsible for safeguarding the U.S. financial system from illicit use. Subject to strict safeguards and controls, FinCEN will disclose the reported beneficial ownership information to certain authorized government authorities, financial institutions, and other authorized users.

By collecting beneficial ownership information and sharing it with law enforcement, financial institutions, and other authorized users, FinCEN is making it harder for bad actors to hide or benefit from their ill-gotten gains. Companies that report beneficial ownership information will contribute to this important goal.

[Issued March 24, 2023]

3. Should my company report beneficial ownership information now?

No. No one needs to report beneficial ownership information to FinCEN until January 1, 2024. FinCEN is currently not accepting any beneficial ownership information reports.

[Issued March 24, 2023]

4. When do I need to report my company's beneficial ownership information to FinCEN?

A reporting company created or registered to do business before January 1, 2024, will have until January 1, 2025 to file its initial beneficial ownership information report.

A reporting company created or registered on or after January 1, 2024, will have 30 days to file its initial beneficial ownership information report. This 30-day deadline runs from the time the company receives actual notice that its creation or registration is effective, or after a secretary of state or similar office first provides public notice of its creation or registration, whichever is earlier.

[Issued March 24, 2023]

5. When will FinCEN accept beneficial ownership information reports?

FinCEN will begin accepting beneficial ownership information reports on January 1, 2024. Beneficial ownership information reports will not be accepted before then.

[Issued March 24, 2023]

6. Will there be a fee for submitting a beneficial ownership information report to FinCEN?

No. There will be no fee for submitting your beneficial ownership information report to FinCEN.

[Issued March 24, 2023]

7. What companies will be required to report beneficial ownership information to FinCEN?

Certain companies — referred to as “reporting companies” — will be required to report their beneficial ownership information to FinCEN. There are two types of reporting companies — domestic reporting companies and foreign reporting companies.

A domestic reporting company is defined as —

- a corporation,
- a limited liability company, or
- any other entity created by the filing of a document with a secretary of state or any similar office under the law of a state or Indian tribe.

A foreign reporting company is any entity that is —

- a corporation, limited liability company, or other entity formed under the law of a foreign country, AND
- registered to do business in any U.S. state or in any Tribal jurisdiction, by the filing of a document with a secretary of state or any similar office under the law of a U.S. state or Indian tribe.

If you had to file a document with a state or Indian Tribal-level office such as a secretary of state to create your company, or to register it to do business if it is a foreign company, then your company is a reporting company, unless an exemption applies.

For the definitions of both domestic and foreign reporting companies, a “state” means any state of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, American Samoa, Guam, the U.S. Virgin Islands, and any other commonwealth, territory, or possession of the United States.

[Issued March 24, 2023]

8. Are there exemptions from the reporting requirement?

Yes. The Corporate Transparency Act exempts 23 types of entities from the beneficial ownership information reporting requirement. Below is a list of the types of entities that are exempt —

- (i) Certain types of securities reporting issuers.ⁱ
- (ii) A U.S. governmental authority.ⁱⁱ

- (iii) Certain types of banks.ⁱⁱⁱ
- (iv) Federal or state credit unions as defined in section 101 of the Federal Credit Union Act.
- (v) Any bank holding company as defined in section 2 of the Bank Holding Company Act of 1956, or any savings and loan holding company as defined in section 10(a) of the Home Owners' Loan Act.
- (vi) Certain types of money transmitting or money services businesses.^{iv}
- (vii) Any broker or dealer, as defined in section 3 of the Securities Exchange Act of 1934, that is registered under section 15 of that Act (15 U.S.C. 78o).
- (viii) Securities exchanges or clearing agencies as defined in section 3 of the Securities Exchange Act of 1934, and that is registered under sections 6 or 17A of that Act.
- (ix) Certain other types of entities registered with the Securities and Exchange Commission under the Securities Exchange Act of 1934.^v
- (x) Certain types of investment companies as defined in section 3 of the Investment Company Act of 1940, or investment advisers as defined in section 202 of the Investment Advisers Act of 1940.
- (xi) Certain types of venture capital fund advisers.^{vi}
- (xii) Insurance companies defined in section 2 of the Investment Company Act of 1940.
- (xiii) State-licensed insurance producers with an operating presence^{vii} at a physical office within the United States, and authorized by a State, and subject to supervision by a State's insurance commissioner or a similar official or agency.
- (xiv) Commodity Exchange Act registered entities.^{viii}
- (xv) Any public accounting firm registered in accordance with section 102 of the Sarbanes-Oxley Act of 2002.
- (xvi) Certain types of regulated public utilities.^{ix}
- (xvii) Any financial market utility designated by the Financial Stability Oversight Council under section 804 of the Payment, Clearing, and Settlement Supervision Act of 2010.
- (xviii) Certain pooled investment vehicles.^x

- (xix) Certain types of tax-exempt entities.^{xi}
- (xx) Entities assisting a tax-exempt entity described in (xix) above.
- (xxi) Large operating companies with at least 20 full-time employees,^{xii} more than \$5,000,000 in gross receipts or sales, and an operating presence at a physical office within the United States.^{xiii}
- (xxii) The subsidiaries of certain exempt entities.^{xiv}
- (xxiii) Certain types of inactive entities that were in existence on or before January 1, 2020, the date the Corporate Transparency Act was enacted.^{xv}

Many of these exempt entities are already regulated by federal and/or state government, and many already disclose their beneficial ownership information to a governmental authority.

Additional information about the entities that are exempt can be found in the Beneficial Ownership Information Reporting Regulations at 31 CFR § 1010.380(c)(2). You should consult the text of the regulations, which include specific criteria for the exemptions, before concluding that an entity qualifies for an exemption.

[Issued March 24, 2023]

9. Who is a beneficial owner of a reporting company?

In general, a beneficial owner is any individual (1) who directly or indirectly exercises “substantial control” over the reporting company, or (2) who directly or indirectly owns or controls 25 percent or more of the “ownership interests” of the reporting company.

Whether an individual has “substantial control” over a reporting company depends on the power they may exercise over a reporting company. For example, an individual will have substantial control of a reporting company if they direct, determine, or exercise substantial influence over, important decisions the reporting company makes. In addition, any senior officer is deemed to have substantial control over a reporting company.^{xvi} Other rights or responsibilities may also constitute substantial control. Additional information about the definition of substantial control and who qualifies as exercising substantial control can be found in the Beneficial Ownership Information Reporting Regulations at 31 CFR §1010.380(d)(1).

“Ownership interests” generally refer to arrangements that establish ownership rights in the reporting company, including simple shares of stock as well as more complex instruments. Additional information about ownership interests, including indirect ownership, can be found in the Beneficial Ownership Information Reporting Regulations at 31 CFR §1010.380(d)(2).

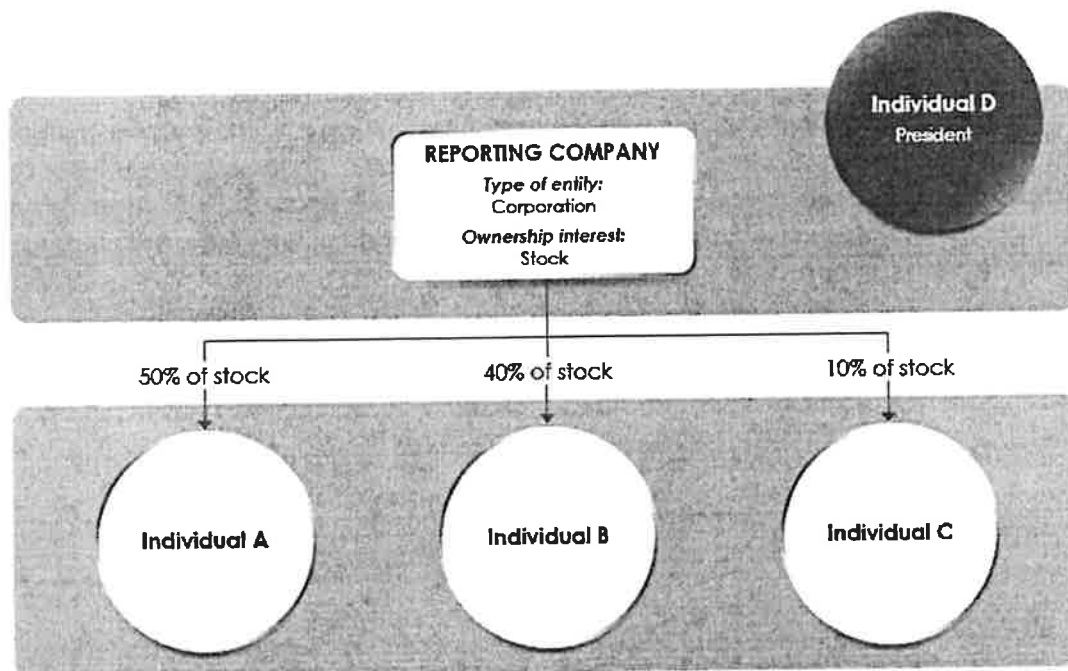
FinCEN expects that the majority of reporting companies will have a simple ownership and control structure. A few examples of how to identify beneficial owners are described below.

Example 1: The reporting company is a limited liability company (LLC). You are the sole owner and president of the company and make important decisions for the company. No one else owns or controls ownership interests in your company or exercises substantial control over your company.

You are a beneficial owner of the reporting company in two different ways, assuming no other facts. First, you exercise substantial control over the company because you are a senior officer of the company (the president) and because you make important decisions for the company. Second, you are also a beneficial owner because you own 25 percent or more of the reporting company's ownership interests.

Because no one else owns or controls ownership interests in your LLC or exercises substantial control over it, and assuming there are no other facts to consider, you are the only beneficial owner of this reporting company, and your information must be reported to FinCEN.

Example 2: The reporting company is a corporation. The company's total outstanding ownership interests are shares of stock. Three people (Individuals A, B, and C) own 50 percent, 40 percent, and 10 percent of the stock, respectively, and one other person (Individual D) acts as the President for the company, but does not own any stock.



Assuming there are no other facts, Individuals A, B, and D are all beneficial owners of the company and their information must be reported. Individual C is not a beneficial owner.

Individual A owns 50 percent of the company's stock and therefore is a beneficial owner because they own 25 percent or more of the company's ownership interests.

Individual B owns 40 percent of the company's stock and therefore is a beneficial owner because they own 25 percent or more of the company's ownership interests.

Individual C is not a company officer and does not directly or indirectly exercise any substantial control over the company. Individual C also owns 10 percent of your company's stock, which is less than the 25 percent or greater interest needed to qualify as a beneficial owner by virtue of ownership interests. Individual C is therefore *not* a beneficial owner of the company.

Individual D is president of the company and is therefore a beneficial owner. As a senior officer of the company, Individual D exercises substantial control, regardless of whether the individual owns or controls 25 percent or more of the company's ownership interests.

Example 3: The reporting company is a corporation owned by four individuals who each own 25 percent of the company's ownership interests (e.g., shares of stock). Four other individuals serve as the reporting company's CEO, CFO, COO, and general counsel, respectively, none of whom hold any of the company's ownership interests.

In this example, there are eight beneficial owners. All four of the individuals who each own 25 percent of the company's ownership interests are beneficial owners of the company by virtue of their holdings in it, even if they exercise no substantial control over it. The CEO, CFO, COO, and general counsel are all senior officers and therefore exercise substantial control over the reporting company, making them beneficial owners as well.

[Issued March 24, 2023]

10. Will a reporting company need to report any other information in addition to information about its beneficial owners?

Yes. The information that needs to be reported, however, depends on when the company was created or registered.

- If a reporting company is created or registered on or after January 1, 2024, the reporting company will need to report information about itself, its beneficial owners, **and** its company applicants.

- If a reporting company was created or registered *before* January 1, 2024, the reporting company only needs to provide information about itself and its beneficial owners. The reporting company does not need to provide information about its company applicants.

[Issued March 24, 2023]

11. Who is a company applicant of a reporting company?

There can be up to two individuals who qualify as company applicants —

- the individual who directly files the document that creates, or first registers, the reporting company; and
- the individual that is primarily responsible for directing or controlling the filing of the relevant document.

No reporting company will have more than two company applicants. If only one person was involved in filing the relevant document, then only that person should be reported as a company applicant.

Only reporting companies formed or registered *on or after* January 1, 2024, will have to report their company applicants. Companies created or registered before January 1, 2024, do not have to report their company applicants.

The following examples illustrate how to identify company applicants in common company creation or registration scenarios.

Example 1: Individual A is creating a new company. Individual A prepares the necessary documents to create the company and files them with the relevant state or Tribal office, either in person or using a self-service online portal. No one else is involved in preparing, directing, or making the filing.

Individual A is a company applicant because Individual A directly filed the document that created the company. Because Individual A is the only person involved in the filing, Individual A is the only company applicant. State or Tribal employees who receive and process the company creation or formation documents should not be reported as company applicants.

Example 2: Individual A is creating a company. Individual A prepares the necessary documents to create the company and directs Individual B to file the documents with the relevant state or Tribal office. Individual B then directly files the documents that create the company.

Individuals A and B are both company applicants—Individual B directly filed the documents, and Individual A was primarily responsible for directing or controlling the filing. Individual B could, for example, be Individual A's spouse, business partner, attorney, or accountant; in all cases, Individuals A and B are both company applicants in this scenario.

[Issued March 24, 2023]

12. What information will a reporting company have to report about itself?

A reporting company will have to report:

- Its legal name;
- Any trade names, "doing business as" (d/b/a), or "trading as" (t/a) names;
- The current street address of its principal place of business if that address is in the United States (for example, a domestic reporting company's headquarters), or, for reporting companies whose principal place of business is outside the United States, the current address from which the company conducts business in the United States (for example, a foreign reporting company's U.S. headquarters);
- Its jurisdiction of formation or registration; and
- Its Taxpayer Identification Number.

A reporting company will also have to indicate the type of filing it is making (that is, whether it is filing an initial report, a correction of a prior report, or an update to a prior report).

[Issued March 24, 2023]

13. What will a reporting company have to report about its beneficial owners and company applicants?

For each individual who is a beneficial owner or a company applicant, a reporting company will have to report:

- The individual's name, date of birth, and address;
- A unique identifying number from an acceptable identification document; and
- The name of the state or jurisdiction that issued the identification document.

Address: For a beneficial owner, the reporting company must report the *residential* street address.

For a company applicant, the reporting company must report the individual's *residential* street address. However, if an individual engages in the business of corporate formation (e.g., as an attorney or corporate formation agent) and files the formation or registration document in the course of that business, then the reporting company must report the current street address of the company applicant's business. For example, if the company applicant is a paralegal who filed the document while working at a law firm, the reporting company must report the business address of the law firm where the paralegal worked when filing the document.

Identification Document: The list below sets out the forms of acceptable identification documents:

- A non-expired driver's license issued by a U.S. state. A "U.S. state" means any state of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, American Samoa, Guam, the U.S. Virgin Islands, and any other commonwealth, territory, or possession of the United States.
- A non-expired identification document issued by a U.S. state or local government, or Indian Tribe that is issued *for the purpose of identifying the individual*. For example, a non-driver identification card issued by a state Department of Motor Vehicles would qualify because it is issued for identification purposes.
- A non-expired passport issued by the U.S. government; or
- *If the individual does not have any of the three forms of identification document described above*, the reporting company may provide the identifying number from a non-expired passport issued by a foreign government.

In addition, the reporting company must submit an image of the identification document associated with the unique identifying number reported to FinCEN.

[Issued March 24, 2023]

14. How will I report my company's beneficial ownership information?

If you are required to report your company's beneficial ownership information to FinCEN, you will do so electronically through a secure filing system available via FinCEN's website. This system is currently being developed and will be available before your report must be filed.

[Issued March 24, 2023]

15. Who will be able to access reported beneficial ownership information and for what purposes?

The Corporate Transparency Act authorizes FinCEN to disclose beneficial ownership information in certain circumstances to six types of requesters:

- U.S. Federal agencies engaged in national security, intelligence, and law enforcement activities;
- State, local, and Tribal law enforcement agencies with court authorization;
- The U.S. Department of the Treasury;
- Financial institutions using beneficial ownership information to conduct legally required customer due diligence, provided the financial institutions have their customer consent to retrieve the information;
- Federal and state regulators assessing financial institutions for compliance with legally required customer due diligence obligations; and
- Foreign law enforcement agencies and certain other foreign authorities who submit qualifying requests for the information through a U.S. Federal agency.

The Corporate Transparency Act imposes stringent access requirements and safeguards on each group of requesters.

[Issued March 24, 2023]

16. How will FinCEN protect beneficial ownership information reported to it?

Protecting the security and confidentiality of beneficial ownership information is a top priority for FinCEN. Federal law requires FinCEN to implement protocols to safeguard beneficial ownership information, to build a secure IT system to store the information, and to establish processes and procedures to ensure that only authorized users can access beneficial ownership information for authorized purposes.

FinCEN is developing the policies and procedures that will govern access to and handling of beneficial ownership information. FinCEN is also building a secure and confidential IT system to store the information. Consistent with Federal law, the system will be cloud-based, and will meet the highest Federal Information Security Modernization Act (FISMA) level to keep beneficial ownership information secure.

Published: March 24, 2023

FinCEN will work closely with those authorized to access beneficial ownership information to ensure that they understand their roles and responsibilities to ensure that the reported information is used only for authorized purposes and handled in a way that protects its security and confidentiality.

[Issued March 24, 2023]

Endnotes

- i Any issuer of securities that is: an issuer of a class of securities registered under section 12 of the Securities Exchange Act of 1934 (15 U.S.C. 78l); or (B) required to file supplementary and periodic information under section 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78o(d)). 31 CFR 1010.380(c)(2)(i).
- ii Any entity that: (A) is established under the laws of the United States, an Indian tribe, a State, or a political subdivision of a State, or under an interstate compact between two or more States; and (B) exercises governmental authority on behalf of the United States or any such Indian tribe, State, or political subdivision. 31 CFR 1010.380(c)(2)(ii).
- iii Any bank, as defined in: (A) section 3 of the Federal Deposit Insurance Act (12 U.S.C. 1813); (B) section 2(a) of the Investment Company Act of 1940 (15 U.S.C. 80a-2(a)); or (C) section 202(a) of the Investment Advisers Act of 1940 (15 U.S.C. 80b-2(a)). 31 CFR 1010.380(c)(2)(iii).
- iv Any money transmitting business registered with FinCEN under 31 U.S.C. 5330, and any money services business registered with FinCEN under 31 CFR 1022.380. 31 CFR 1010.380(c)(2)(vi).
- v Any other entity not described in paragraph (c)(2)(i), (vii), or (viii) of this section that is registered with the Securities and Exchange Commission under the Securities Exchange Act of 1934 (15 U.S.C. 78a et seq.). 31 CFR 1010.380(c)(2)(ix).
- vi Any investment adviser that: (A) Is described in section 203(l) of the Investment Advisers Act of 1940 (15 U.S.C. 80b-3(l)); and (B) has filed Item 10, Schedule A, and Schedule B of Part 1A of Form ADV, or any successor thereto, with the Securities and Exchange Commission. 31 CFR 1010.380(c)(2)(xi).
- vii The term “has an operating presence at a physical office within the United States” means that an entity regularly conducts its business at a physical location in the United States that the entity owns or leases and that is physically distinct from the place of business of any other unaffiliated entity. 31 CFR 1010.380(f)(6).
- viii Any entity that: (A) is a registered entity as defined in section 1a of the Commodity Exchange Act (7 U.S.C. 1a); or (B) is: (1) a futures commission merchant, introducing broker, swap dealer, major swap participant, commodity pool operator, or commodity trading advisor, each as defined in section 1a of the Commodity Exchange Act (7 U.S.C. 1a), or a retail foreign exchange dealer as described in section 2(c)(2)(B) of the Commodity Exchange Act (7 U.S.C. 2(c)(2)(B)); and (2) registered with the Commodity Futures Trading Commission under the Commodity Exchange Act. 31 CFR 1010.380(c)(2)(xiv).
- ix Any entity that is a regulated public utility as defined in 26 U.S.C. 7701(a)(33)(A) that provides telecommunications services, electrical power, natural gas, or water and sewer services within the United States. 31 CFR 1010.380(c)(2)(xvi).
- x Any pooled investment vehicle that is operated or advised by a person described in paragraph (c)(2)(iii), (iv), (vii), (x), or (xi) of this section. 31 CFR 1010.380(c)(2)(xviii). The term “pooled investment vehicle” means: (i) any investment company, as defined in section 3(a) of the Investment Company Act of 1940 (15 U.S.C. 80a-3(a)); or (ii) any company that: (A) would be an investment company under that section but for the exclusion provided from that definition by paragraph (1) or (7) of section 3(c) of that Act (15 U.S.C. 80a-3(c)); and (B) is identified by its legal name by the applicable investment adviser in its Form ADV (or successor form) filed with the Securities and Exchange Commission or will be so identified in the next annual updating amendment to Form ADV required to be filed by the applicable investment adviser pursuant to rule 204-1 under the Investment Advisers Act of 1940 (17 CFR 275.204-1). 31 CFR 1010.380(f)(7).
- xi Any entity that: (A) operates exclusively to provide financial assistance to, or hold governance rights over, any entity described in paragraph (c)(2)(xix) of this section; (B) is a United States person; (C) is beneficially owned or controlled exclusively by one or more United States persons that are United States citizens or lawfully admitted for permanent residence; and (D) derives at least a majority of its funding or revenue from one or more United States persons that are United States citizens or lawfully admitted for permanent residence. 31 CFR 1010.380(c)(2)(xx). The term “lawfully admitted for permanent residence” has the meaning given the term in section 101(a) of the Immigration and Nationality Act (8

U.S.C. 1101(a)). 31 CFR § 1010.380(f)(5). The term "United States person" has the meaning given the term in section 7701(a)(30) of the Internal Revenue Code of 1986. 31 CFR 1010.380(f)(10).

xii The term "employee" has the meaning given the term in 26 CFR 54.4980H-1(a)(15). 31 CFR 1010.380(f)(1).

xiii The term "has an operating presence at a physical office within the United States" means that an entity regularly conducts its business at a physical location in the United States that the entity owns or leases and that is physically distinct from the place of business of any other unaffiliated entity. 31 CFR 1010.380(f)(6).

xiv Any entity whose ownership interests are controlled or wholly owned, directly or indirectly, by one or more entities described in paragraphs (c)(2)(i), (ii), (iii), (iv), (v), (vii), (viii), (ix), (x), (xi), (xii), (xiii), (xiv), (xv), (xvi), (xvii), (xix), or (xxi) of this section. 31 CFR 1010.380(c)(2)(xxii).

xv Any entity that: (A) was in existence on or before January 1, 2020; (B) is not engaged in active business; (C) is not owned by a foreign person, whether directly or indirectly, wholly or partially; (D) has not experienced any change in ownership in the preceding twelve month period; (E) has not sent or received any funds in an amount greater than \$1,000, either directly or through any financial account in which the entity or any affiliate of the entity had an interest, in the preceding twelve month period; and (F) does not otherwise hold any kind or type of assets, whether in the United States or abroad, including any ownership interest in any corporation, limited liability company, or other similar entity. 31 CFR 1010.380(c)(2)(xxiii). The term "foreign person" means a person who is not a United States person. 31 CFR 1010.380(f)(3).

xvi The term "senior officer" means any individual holding the position or exercising the authority of a president, chief financial officer, general counsel, chief executive officer, chief operating officer, or any other officer, regardless of official title, who performs a similar function. 31 CFR 1010.380(f)(8).

ATTACHMENT D

BOI REPORT SUMMARY OF DATA FIELDS

billion.²⁷ The total five-year average of costs is \$6,996,732,512 for initial reports and \$2,033,391,518 for updated reports.

Please note, there are no non-labor costs associated with these collections of information, because FinCEN assumes that reporting companies already have the necessary equipment and tools to comply with the regulatory requirements.

Request for Comments:

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. Comments submitted in response to this notice will be summarized and included in the request for OMB approval. All comments will become a matter of public record. Comments are invited on: (a) whether the collection of information is necessary for the proper performance of the functions of the agency, including whether the information shall have practical utility; (b) the accuracy of the agency's estimate of the burden of the collection of information; (c) ways to enhance the quality, utility, and clarity of the information to be collected; (d) ways to minimize the burden of the collection of information on respondents, including through the use of technology; and (e) estimates of capital or start-up costs and costs of operation, maintenance, and purchase of services required to provide information.

Himamauli Das,
Acting Director,
Financial Crimes Enforcement Network.

Appendix—Beneficial Ownership Information (BOI) Report Summary of Data Fields

Note: Lines that must be filled in for a report to be accepted are identified with the * symbol next to the line number. *Italicized text* provides a description and/or explanation of lines and response options for purposes of this PRA notice.

Filing Information

²⁷ $((0.59 \times 14,456,452) \times \$37.84) + ((0.361 \times 14,456,452) \times \$299.33) + ((0.049 \times 14,456,452) \times \$560.81) = \$2,282,108,290.77.$

1. * Type of filing *(check only one box for lines 1a-1d)*
- a. Initial report
 - b. Correct prior report *(if this box is checked, then you must fill out lines 1e-1h (Reporting Company information associated with most recent report))*
 - c. Update prior report *(if this box is checked, then you must fill out lines 1e-1h (Reporting Company information associated with most recent report))*
 - d. New exempt entity *(if this box is checked, then you must fill out lines 1e-1h (Reporting Company information associated with most recent report) and no other lines in the report)*

Reporting Company information associated with most recent report, if any:
(Lines 1e-1h must be filled out when the type of filing is "Correct prior report" (line 1b), "Update prior report" (line 1c), or "Newly exempt entity" (line 1d) in order to link the new filing to the previous filing)

- e. Legal name
 - f. Tax identification type *(select one from list of options)*
 - EIN
 - SSN/ITIN
 - Foreign
 - g. Tax identification number
 - h. Country/Jurisdiction (if foreign tax ID only) *(select from list of countries/jurisdictions)*
2. Date prepared (assigned automatically when filer finalizes report) *(line 2 populates automatically with the date when the filer selects "Finalize" on the form)*

Part I. Reporting Company Information

3. Request to receive FinCEN Identifier (FinCEN ID) *(check the box to receive a FinCEN ID)*
4. Foreign pooled investment vehicle *(check the box if Reporting Company is a foreign pooled investment vehicle)*

Full legal name and alternate name(s):

5. * Reporting Company legal name
6. Alternate name (e.g., trade name, DBA) *(multiple alternate names may be reported)*

Form of identification:

7. * Tax identification type *(select one from list of options)*
- EIN
 - SSN/ITIN
 - Foreign
8. * Tax identification number
9. Country/Jurisdiction (if foreign tax ID only) *(select from list of countries/jurisdictions)*

Jurisdiction of formation or first registration:

10. * a. Country/Jurisdiction of formation *(select from list of countries/jurisdictions, including the United States, each U.S. Territory,²⁸ and all foreign countries. If United States is selected, complete lines 10b, 10c, or 10d as applicable; if a U.S. Territory is selected, line 10b populates automatically with the selected U.S. Territory; if a foreign country is selected, complete lines 10e, 10f, or 10g as applicable.)*

Domestic Reporting Company:

- b. State of formation *(select from list of U.S. States; if a U.S. Territory is selected in line 10a, line 10b populates automatically with the selected U.S. Territory)*
- c. Tribal jurisdiction of formation *(select from list of Tribes and "Other Tribe")*
- d. Name of other Tribe *(enter name of other Tribe not included in list for line 10c, only available if "Other Tribe" selected in line 10c)*

Foreign Reporting Company:

- e. State of first registration *(select from list of U.S. States and U.S. Territories)*
- f. Tribal jurisdiction of first registration *(select from list of Tribes and "Other Tribe")*
- g. Name of other Tribe *(enter name of other Tribe not included in list for line 10f, only available if "Other Tribe" selected in line 10f)*

Current U.S. address:

11. * Address (number, street, and apt. or suite no.)
12. * City
13. * U.S. or U.S Territory
14. * State *(select from list of U.S. States; if a U.S. Territory is selected in line 13, line 14 populates automatically with the selected U.S. Territory)*
15. * ZIP Code
16. Existing Reporting Company (check if Reporting Company was created or registered before January 1, 2024) *(if this box is checked, then Company Applicant information is not required)*

Part II. Company Applicant Information *(report up to two Company Applicants, lines 18-33 are repeated for each Company Applicant)*

17. Unable to identify all Company Applicants (check if you are unable to obtain any required information about one or more Company Applicants)

Company Applicant FinCEN ID:

18. FinCEN ID *(if FinCEN Identifier is not provided, information about the Company Applicant must be provided in the lines below)*

Full legal name:

19. * Individual's last name
- z. Unknown *(check the box if you are not able to obtain this information about the Company Applicant)*
20. * First name

²⁸ U.S. Territories are considered part of the United States for purposes of determining the reporting obligations of domestic and foreign Reporting Companies. However, per ISO standard 3166-1, U.S. Territories are listed as jurisdictions separate from the United States for database management purposes.

- z. Unknown (*check the box if you are not able to obtain this information about the Company Applicant*)
- 21. Middle name (*required if the Company Applicant has a middle name*)
- 22. Suffix (*required if the Company Applicant's name has a suffix*)

Date of birth:

- 23. * Date of birth
 - z. Unknown (*check the box if you are not able to obtain this information about the Company Applicant*)

Current address:

- 24. * Address type (*check the appropriate box for lines 24a, 24b, or 24z*)
 - a. Business address
 - b. Residential address
 - z. Unknown (*check the box if you are not able to obtain this information about the Company Applicant*)
- 25. * Address (number, street, and apt. or suite no.)
 - z. Unknown (*check the box if you are not able to obtain this information about the Company Applicant*)
- 26. * City
 - z. Unknown (*check the box if you are not able to obtain this information about the Company Applicant*)
- 27. * Country/Jurisdiction (*select from list of countries/jurisdictions*)
 - z. Unknown (*check the box if you are not able to obtain this information about the Company Applicant*)
- 28. * State (*select from list when United States, Canada, or Mexico is the country/jurisdiction selected in line 27; if a U.S. Territory is the country/jurisdiction selected in line 27, line 28 populates automatically with the selected U.S. Territory; if a foreign country is the country/jurisdiction selected in line 45, line 46 remains empty*)
 - z. Unknown (*check the box if you are not able to obtain this information about the Company Applicant*)
- 29. * ZIP/Foreign postal code
 - z. Unknown (*check the box if you are not able to obtain this information about the Company Applicant*)

Form of identification and issuing jurisdiction:

- 30. * Identifying document type (*select one from list of lines 30a-30d or check box 30z*)
 - a. State-issued driver's license
 - b. State/local/Tribe-issued ID
 - c. U.S. passport
 - d. Foreign passport
 - z. Unknown (*check the box if you are not able to obtain this information about the Company Applicant*)
- 31. * Identifying document number
 - z. Unknown (*check the box if you are not able to obtain this information about the*

Company Applicant)

32. * Identifying document issuing jurisdiction (select country/jurisdiction in line 32a or checkbox 32z, and complete lines 32b-32d if applicable)

a. Country/Jurisdiction (select from list of countries/jurisdictions)

z. Unknown (check the box if you are not able to obtain this information about the Company Applicant)

b. State (select from list when the United States is the country/jurisdiction selected in line 32a and the identifying document is issued by a State; if a U.S. Territory is the country/jurisdiction selected in line 32a, line 32b populates automatically with the selected U.S. Territory; if a foreign country is the country/jurisdiction selected in line 32a, line 32b remains empty)

z. Unknown (check the box if you are not able to obtain this information about the Company Applicant)

c. Local/Tribal (select from list when the United States is the country/jurisdiction selected in line 32a and the identifying document is issued by a local jurisdiction or Tribe; if local jurisdiction or Tribe is not included in list, select "Other" and go to line 32d; if a U.S. territory or foreign country is the country/jurisdiction selected in line 32a, line 32c remains empty)

z. Unknown (check the box if you are not able to obtain this information about the Company Applicant)

d. Other local/Tribal name (only available if "Other" selected in line 32c; enter name of local jurisdiction or Tribe that was not included in the list for line 32c)

33. * Identifying document image (attach image of identifying document referred to in lines 31-33) (instructions on upload process will be provided here)

a. Unknown (check the box if you are not able to obtain this information about the Company Applicant)

Part III. Beneficial Owner Information (multiple Beneficial Owners may be reported, lines 35-51 are repeated for each Beneficial Owner)

34. Unable to identify all Beneficial Owners (check if you are unable to obtain any required information on one or more Beneficial Owners)

35. Parent/Guardian information instead of minor child (check if the Beneficial Owner is a minor child and the parent/guardian information is provided instead)

Beneficial Owner FinCEN ID:

36. FinCEN ID (if FinCEN Identifier is not provided, information about the Beneficial Owner must be provided in the lines below)

Exempt entity:

37. Exempt entity (check the box when an exempt entity is being reported in lieu of a Beneficial Owner's information; if checked, provide the legal name of the exempt entity in line 38, and lines 39-41 are grayed out)

Full legal name:

38. * Individual's last name (or Exempt entity's legal name if line 37 box is checked)

z. Unknown (check the box if you are not able to obtain this information about the Beneficial Owner)

39. * First name

- z. Unknown (*check the box if you are not able to obtain this information about the Beneficial Owner*)

40. Middle name (*required if the Beneficial Owner has a middle name*)

41. Suffix (*required if the Beneficial Owner's name has a suffix*)

Date of birth:

42. * Date of birth

- z. Unknown (*check the box if you are not able to obtain this information about the Beneficial Owner*)

Residential address:

43. * Address (number, street, and apt. or suite no.)

- z. Unknown (*check the box if you are not able to obtain this information about the Beneficial Owner*)

44. * City

- z. Unknown (*check the box if you are not able to obtain this information about the Beneficial Owner*)

45. * Country/Jurisdiction (*select from list of countries/jurisdictions*)

- z. Unknown (*check the box if you are not able to obtain this information about the Beneficial Owner*)

46. * State (*select from list when United States, Canada, or Mexico is the country/jurisdiction selected in line 45; if a U.S. Territory is the country/jurisdiction selected in line 45, line 46 populates automatically with the selected U.S. Territory; if a foreign country is the country/jurisdiction selected in line 45, line 46 remains empty*)

- z. Unknown (*check the box if you are not able to obtain this information about the Beneficial Owner*)

47. * ZIP/Foreign postal code

- z. Unknown (*check the box if you are not able to obtain this information about the Beneficial Owner*)

Form of identification and issuing jurisdiction:

48. * Identifying document type (*select one from list of lines 48a-48d or checkbox 48z*)

- a. State-issued driver's license
- b. State/local/Tribe-issued ID
- c. U.S. passport
- d. Foreign passport
- z. Unknown (*check the box if you are not able to obtain this information about the Beneficial Owner*)

49. * Identifying document number

- z. Unknown (*check the box if you are not able to obtain this information about the Beneficial Owner*)

50. * Identifying document issuing jurisdiction (select country/jurisdiction in line 50a or checkbox 50z, and complete lines 50b-50d if applicable)

- a. Country/Jurisdiction (select from list of countries/jurisdictions)
 - z. Unknown (check the box if you are not able to obtain this information about the Beneficial Owner)
- b. State (select from list when the United States is the country/jurisdiction selected in line 50a and the identifying document is issued by a State; if a U.S. Territory is the country/jurisdiction selected in line 50a, line 50b populates automatically with the selected U.S. Territory; if a foreign country is the country/jurisdiction selected in line 50a, line 50b remains empty)
 - z. Unknown (check the box if you are not able to obtain this information about the Beneficial Owner)
- c. Local/Tribal (select from list when the United States is the country/jurisdiction selected in line 50a and the identifying document is issued by a local jurisdiction or Tribe (if local jurisdiction or Tribe is not included in the list, select "Other" and go to line 50d); if a U.S. Territory or foreign country is the country/jurisdiction selected in line 50a, , line 50c remains empty)
 - z. Unknown (check the box if you are not able to obtain this information about the Beneficial Owner)
- d. Other local/Tribal name (only available if "Other" selected in line 50c; enter name of local jurisdiction or Tribe that was not included in list for line 50c)

51. * Identifying document image (attach image of identifying document referred to in in lines 48-50) (instructions on upload process will be provided here)

- z. Unknown (check the box if you are not able to obtain this information about the Beneficial Owner)