



The Final Count Down to BOI Reporting

How to get Compliant with the CTA before the Year-end Deadline



Presented by Frank Tumminello
Co-Founder, CEO - FileForms



INTRODUCTIONS

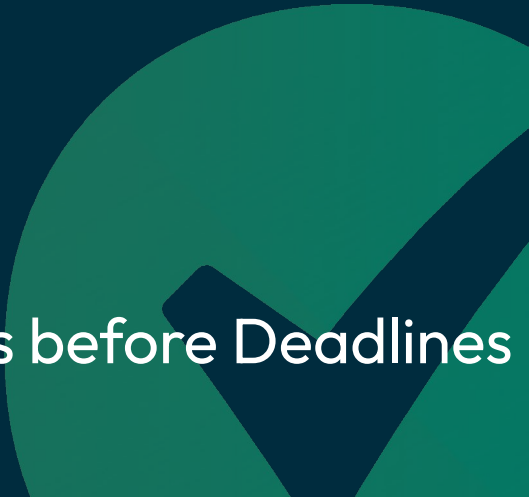


Frank Tumminello
Co-Founder, CEO

Frank Tumminello comes from a decade-long background in the financial services and technology industry.

Prior to FileForms, he was an investor, acquirer, and value-creation resource in several family-owned, operated financial services, insurance, and healthcare businesses throughout his private equity, corporate development, and investment banking career.

AGENDA

- ✓ Who We Are
 - ✓ Why You Should Care about the CTA
 - ✓ Recent FinCEN Updates
 - ✓ What to Expect from the Courts
 - ✓ Deadlines and Volumes of BOIRs
 - ✓ How to Prepare Your Firm and Clients before Deadlines
 - ✓ How We Can Help You or Your Clients
- 

ABOUT FILEFORMS

- ✓ Founded by CPAs, attorneys & industry professionals
- ✓ Based in South Florida with hybrid team members across the U.S.
- ✓ Focused on educating millions about the Corporate Transparency Act with **SOC II Compliant** technology with direct integration to FinCEN



Check out our recent
Announcement!



WHY YOU SHOULD CARE...

- ✔ Virtually all small and medium sized businesses must file a “Beneficial Ownership Information Report” (BOI Report) in 2024
- ✔ Deadlines are approaching, or past due
- ✔ Analysis and data collection can be complex, time-intensive, and a cyber risk
- ✔ Penalties are steep! \$591/day; \$10k maximum
With civil and criminal charges for misconduct



WHY YOU SHOULD CARE...

JOURNAL OF ACCOUNTANCY®

TECHNOLOGY

| TAX

| PRACTICE MANAGEMENT

| FINANCIAL REPORTING

| AUDIT

As first stated in its September 2022 [regulatory impact analysis](#), FinCEN said it is difficult to estimate the number of entities that are reporting companies. It assumes that all entities created or registered before the effective date of Jan. 1, 2024, that are subject to the BOI reporting requirement — **32.6 million entities** — will submit initial BOI reports in the first year. In 2025 and beyond, FinCEN estimates that almost 5 million initial BOI reports will be filed each year, the same estimate as the number of new entities per year that meet the definition of a reporting company and are not exempt. The total five-year average of expected BOI initial reports is about 10.5 million.

FinCEN estimates that about 6.6 million BOI update reports will be filed in 2024, and about 14.5 million such reports will be filed annually for 2025 and beyond. The total five-year average of expected BOI update reports is almost 12.9 million.

WHY YOU SHOULD CARE...

 **Harvard Law School Forum on Corporate Governance**

HOME ABOUT ARCHIVE CATEGORIES CONTRIBUTORS HIRING BLOGROLL GO

Understanding the Corporate Transparency Act's Company Reporting Obligations

Posted by Nathan Barnett, Daniel Bell, and Sebastian Orozco Segre, McDermott Will & Emery LLP, on Friday, November 3, 2023

Supported By: 

THE WALL STREET JOURNAL.

RISK & COMPLIANCE JOURNAL

FinCEN's Efforts to Implement Shell-Company Law Draw Criticism

Supporters of corporate-ownership database say the Treasury's financial crimes bureau's plans to gather information and access the repository have potential loopholes

By [Dylan Tokar](#) [Follow](#)

March 23, 2023 2:20 pm ET

November 07, 2023
Volume XIII, Number 311

THE NATIONAL LAW REVIEW

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Are You Ready? The Corporate Transparency Act is Coming and Many Businesses Will be Required to Report Ownership Disclosures

by Jason B. Sims of Dinsmore & Shohl LLP - Publications
© Posted On Thursday, October 26, 2023

Forbes

FORBES > MONEY > WEALTH MANAGEMENT

Get Ready for the Corporate Transparency Act

Matthew Erskine Contributor [Follow](#)

I am a trusts and estates attorney writing on estate and tax planning.

Jan 17, 2023, 11:14am EST

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Tax Insights & Commentary



A view of Dean Street in Englewood, N.J. on April 10, 2020. Photographer: Michael Nagle/Bloomberg via Getty Images

Aug 2, 2023, 4:45AM EDT

Complex Beneficial Ownership Reporting Rules Require Preparation

 **Melanie Lauridsen**
Association of International Certified Public Accountants

Recent FinCEN Updates

- ✓ FAQs being released weekly, providing some clarity
- ✓ FinCEN has hosted some live events to spread awareness on CTA/BOI though overall, businesses continue to be in the dark
- ✓ Limited marketing efforts and customer support has led to many clients looking to their CPA or Attorney to get guidance on CTA/BOI as FinCEN is unreachable
- ✓ Six-month extension provided to FEMA relief and storm-impacted regions
- ✓ Less than 20% of reporting companies have filed through November

What to Expect from the Courts

- In late September, an Oregon District court denied a preliminary injunction, leading the CTA to likely be Constitutional
- On September 27, oral arguments in the Eleventh Circuit regarding the Alabama case where Judge provided a tone that was in support of DOJ, calling the plaintiff's case "far-reaching"
 - On March 1st: the District Court of Alabama Ruled the CTA unconstitutional
 - Verdict only applies to Plaintiffs (National Small Business Association, or 40,000 specific reporting companies, that are members as of March 1st)
 - On March 11th: FinCEN and DOJ appealed the District Court decision to U.S. Court of Appeals for the 11th Circuit court and stated all entities NEED to FILE outside of the plaintiffs
- Other pending legislation in Maine, Massachusetts, Michigan, Ohio, Texas, Utah

DATES & DEADLINES

LESS THAN 30 DAYS!

- ✓ Reporting began: Jan. 1, 2024
- ✓ Entities formed before Jan. 1, 2024:
Jan. 1, 2025
- ✓ Entities formed after Jan. 1, 2024:
Within 90 days from
formation date*

*The 90-day extension only applies to those new entities filed through December 31, 2024. New entities formed January 1, 2025, and onward will have 30 days to file.

DATES & DEADLINES

LESS THAN 30 DAYS!

- ✔ Change of Information (“COI”) Filings:
Within 30 Days of “Change”
- ✔ Previously Exempt Reporting Companies:
Within 30 Days of
“Non-Exempt Date”



PENALTIES

- ✓ Civil penalties:
\$591 / day per entity
- ✓ Criminal penalties*:
Up to two years imprisonment

*Individuals may also be subject to civil or criminal penalties for willfully causing a company not to file a required BOI report or by providing incomplete or false information.

Expect Volumes of BOIRs Soon

- ✓ FinCEN is expecting to receive more than 30 million BOI reports in the next six months
- ✓ Less than 15% of reporting companies have filed
- ✓ Year to date, FinCEN has only received less than 6 million reports
- ✓ 5x as much volume will happen in coming months

HOW TO PREPARE YOUR FIRM

- ✓ BOI Reports can be submitted using:
 - ✓ FinCEN.gov for manual inputs and single filings
 - ✓ Industry-leading filing software with secure storage and reporting features:





The FinCEN Portal

Current Struggles

Issues related by users of the FinCEN reporting portal

TIME CONSUMING

- Too long - 93 pages to process
- 1-2 hours per report (longer process for multi-owner businesses)

MASSIVE MARGIN FOR ERROR

- Not designed for complex corporate structures
- Previously reported info is not saved for future updates

LACK OF SUPPORT

- Thin guidance through the process
- No point of contact post submission

HOW FILEFORMS HELPS

- ✔ TurboTax-like experience for DIY
- ✔ Reduces filing time: hours to minutes
- ✔ Bulk upload for efficient data entry
- ✔ Secure data storage
- ✔ Expert assistance available
- ✔ One-click “COI” filings
- ✔ Data Monitoring for continuous compliance and ID expiration



FileForms – How it works

FileForms

Companies
Ownership
Settings

Jared Albright
jared@fileforms.com

Welcome back, Jared

Track, manage, and submit your BOI reports.

5 of your companies are unpaid.
Pay now to take one more step towards compliance!

[Pay Now](#)

Company List

Here are all the companies you have added to your FileForms account.

[File a new BOI report +](#)

Search by Company Name

Company Name	BOI Status Report	EIN	Beneficial Owners
ABC Company - ABC 123 Fake Street, Linton, Indiana, 47441	In Progress	45-6465465	1
FileForms LLC - FileForms Fake st. 123, Austin, Texas, 12311	In Progress	76-7643210	2
Acme Inc. - Acme 123 Street, New York, New York, 77777	In Progress	78-9465633	3
ABC Incorporated 123 Street, Dugger, Indiana, 47441	In Progress	12-4564563	1
Stark & Crooner LLC PO Box 226, Linton, Illinois, 45698	In Progress	12-4565566	4

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Try Our **free Filing Wizard** provides a step-by-step process for users to determine BOI reporting requirements.

Let's get you filing...

Simple, transparent filing that grows with you.
Easy BOI report submission.

Company Details Beneficial Owners Review & Submit

Company Details

[Edit](#)

Company Legal Name: Acme Inc.
Trade Name or DBA (Doing Business As): Acme

Country / Jurisdiction of Formation *: United States of America
Employer Identification Number (EIN): 78-9465633

State of Formation: Illinois

-OR-

Tribal Jurisdiction of Formation *: Select a Tribe

Company Address: 123 Street

City: New York U.S. or U.S. Territory *: United States of America State *: New York



How to Prepare Your Firm and Clients before Deadlines

Have Plan in Place

- ✓ Send a letter to your clients about CTA and BOIR
- ✓ Explain that they need an active ID to report and EIN
- ✓ Determine your approach to using FinCEN ID
- ✓ Identify clients that have many entities who might need more time to prepare

Determine how many reports will need to be filed

- ✓ Consider if it makes sense to use a technology solution or to outsource work, given the nature of continuous reporting of changes of information

HOW FILEFORMS HELPS

We partner with:

- ✔ Accountants, CPAs & Bookkeepers
- ✔ Attorneys' Offices
- ✔ Company Formation & Registered Agents
- ✔ Investment Professionals & Family Offices

helping them service their clients
better with a remarkable experience

BOI REPORTING MADE EASY



Serving Firms and Organizations with Features to File

Accountants

- ✓ Bulk upload features for quick reporting for large volumes of BOIRs

Law Firms

- ✓ End-to-end BOI reporting in less than 10 minutes using DIY solution for clients

Family Offices

- ✓ SOClI compliant with top-tier security storage

Investors

- ✓ Direct integration to FinCEN for instant filings
- ✓ Full white label and branding capability

Associations

- ✓ Send notifications for secure info-gathering
- ✓ Leading insights, support, and data monitoring

accountingTODAY

2024
**Top New
Products**



CASE STUDY

FileForms^{PRO} serves Accounting Firm



FileForms

Key Outcomes:

- ✓ 200+ Hours Saved
- ✓ \$1,000,000 in Penalties Avoided

Client: Mid-west CPA Firm

Challenge:

- 100 clients from LLCs to Corps serving primarily business owners and real estate investors
- Several legal entities across client base with most information stored in Tax Prep Software and CRM
- Focus on managing risks on behalf of the firm as not to practice any forms of legal advice or service
- Thin back-office support at the firm and not able to take on manual filing process with FinCEN while tracking BOI changes after initial filing
- Data privacy concerns relating to collection of government issued IDs of Beneficial Owners

Solution:

- ✓ Referred to FileForms by National Law firm
- ✓ Used FileForms Bulk Upload Template (CSV) downloaded from site to upload entity info which was exported from Tax Prep Software
- ✓ Drag-and-dropped the template into FileForms
- ✓ Dashboard populated with all uploaded companies
- ✓ Automated notification sent to Beneficial Owners to upload IDs using contact info on Bulk Upload Template and push notification features in app
- ✓ Clients reviewed and submitted to FinCEN
- ✓ FinCEN confirmation number and transcript received instantly

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wholesale pricing with PRO!

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PARTNER
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Questions & Answers



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