

ASTERITA & ASSOCIATES, LLC

–Attorneys At Law–

Welcome to the latest edition of our newsletter!
We offer this newsletter as a trusted resource to keep you updated on important legal topics, news about our firm and upcoming events.

Statement of Beneficial Interest Deadline Approaching for Business Owners: What to Know

Business owners must stay informed about federal and state transparency requirements, especially with the new Corporate Transparency Act (CTA) at the federal level and the New York LLC Transparency Act. These new laws mandate increased transparency in [business ownership](#) to help combat illegal activities like money laundering and tax evasion.



Here's everything you need to know:

What is the federal Corporate Transparency Act?

The federal CTA requires most corporations, LLCs, and similar entities registered to do business in the United States to file a statement of beneficial interest with the Financial Crimes Enforcement Network (FinCEN).

You'll need to provide personal identifying information for all beneficial owners of your business (BOI). A beneficial owner is anyone who directly or indirectly exercises substantial control over the entity or owns at least 25% of its equity. The information required includes:

- Full legal name
- Date of birth
- Current residential address
- A unique identification number from an acceptable document (like a passport or driver's license)

When is the deadline to file under the federal Corporate Transparency Act?

Existing entities must file their initial reports by January 1, 2025. New entities created or registered after January 1st of this year have 30 days from the date of formation to comply. Filing can be completed online through FinCEN's secure system [here](#).

What is the New York LLC Transparency Act?

New York passed a similar law known as the New York LLC Transparency Act (NYLTA) which imposes further reporting obligations on businesses. The core objective remains the same: to increase transparency in business ownership. This law requires LLCs formed or authorized to do business in New York to file a BOI report with the state identifying:

- Information about each individual who directly or indirectly exercises substantial control or owns or controls 25% or more of the ownership interests
- The individuals involved in the LLC's formation or registration to do business in New York

When is the deadline to file under the New York LLC Transparency Act?

LLCs in New York must comply with both the New York state and the federal filing requirements. Existing LLCs formed or authorized to do business in New York before January 1, 2026, must file their initial BOI report or attestation of exemption as applicable, by January 1, 2027. New LLCs formed or authorized to do business in New York on or after that 2026 deadline must file their report or attestation of exemption as applicable, within 30 days of an initial filing of articles of organization or an application for authority.

In addition, All New York LLCs are required to electronically file an annual statement with the New York Department of State (DOS) confirming or updating their BOI disclosure statement, the street address of its principal executive office, status as an exempt company if applicable, and any other information that may be required.

What are the penalties for non-compliance?

The CTA establishes civil penalties of up to \$500 each day a violation continues or has not been remedied. Criminal violations produce fines of up to \$10,000, imprisonment for up to two years, or both.

New York LLCs that fail to comply with the New York LLC Transparency Act will be marked past due in New York DOS records. If an LLC is marked as past due for more than two years, it will be marked as delinquent. For each day a New York LLC is past due or delinquent, the New York attorney general may assess a penalty of up to \$500. They may also dissolve, annul, and or suspend a delinquent LLC.

These actions are also the case if fraudulent beneficial ownership information is found. A person will not be found in violation of providing false disclosures if the

person “voluntarily and promptly” provides corrected information within ninety days of the submission or if the person did not willfully submit the information to evade reporting requirements.

Suspended entities will not be able to conduct business until they comply with federal and New York state requirements. Once an entity files a BOI report or attestation of exemption as applicable, the suspension will be annulled and all corporate powers, privileges, immunities, duties, and liabilities will be restored. Unlike the CTA, the NYLTA does not impose criminal penalties for all impositions disclosed.

Take action NOW!

Don't wait until the last minute. Start gathering the necessary information to meet both federal and state filing requirements on time. For assistance with your filings or to determine if your business is exempt, [contact our office today](#).

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