

CTA FAQ

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Deadlines

What are the filing deadlines?

Date of Formation or Change	BOI Report Due
Entities formed before January 1, 2024	January 1, 2025
Entities formed January 1, 2024 to December 31, 2024	90 days after formation
Entities formed January 1, 2025 onward	30 days after formation
Amended, updated, or corrected reports	30 days from the date of the change or discovery of the error

Do I need to file a BOI Report every year?

No. There is no annual reporting requirement. Reporting companies must file an initial BOI report and updated or corrected BOI reports as needed.

Reporting Company Questions

I have multiple entities. Which ones have to file a BOI Report?

Any entity that was formed on or before January 1, 2024 must report unless an exemption applies. Below is a list of common Anderson entities and whether or not they must file.

Type of Entity	YES	NO
LLC, Corporation (Inc. both C and S), Limited Partnership (LP), Professional Corp/LLC (PC/PLLC), Trustee LLC	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Series LLCs (*check local rules for cells)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Sole Proprietorship	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Living Trust, Land Trust, Personal Residence Trust	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Wyoming Statutory Trust, DE Statutory Trust, other business trusts	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Retirement Accounts (Solo401k, IRA, SDIRA, Roth IRA)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
LLC owned by a retirement account	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Non-Profit (private charity, public foundation)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
LLC owned by a Non-Profit or other exempt entity	<input checked="" type="checkbox"/>	<input type="checkbox"/>

If my living trust owns my holding company, am I exempt from filing?

The living trust does not file but the Holding LLC and all subsidiary companies must file, unless they qualify for an exemption.. The Beneficial Owners are the trustee, grantors, and beneficiaries of the living trust.

If my Holding LLC owns my entities, are they exempt from filing?

No. When a company is owned by another company (ex. Parent and subsidiary company), then both companies must file BOI Reports, unless they qualify for an exemption. The Beneficial Owners for each company will likely be the same individuals.

Do Trustee LLCs have to file?

Yes. If your Trustee LLC does not have an EIN and is a single-member entity, you can use the SSN of the sole owner in place of an EIN. If your Trustee LLC has more than one member, you must obtain an EIN to complete the report.

Is a sole proprietorship a reporting company?

No. An individual can operate as a business without creating a business entity. This is known as a sole proprietorship. Sole proprietorships are not required to report because they were not created by “filing documents with the state.” because there were never any documents filed with the state to create the company. Applying for (1) an IRS employer identification number, (2) a fictitious business name, or (3) a professional or occupational license does not create a new entity, and therefore does not make a sole proprietorship a reporting company.

What are the exemptions?

The most common exemptions for Anderson clients will be

- 1. Large Operating Company
- 2. Tax-Exempt Entity
- 3. Inactive Entity

Does my company qualify as a Large Operating Company and thus does not have to report?

MUST check YES to all three requirements	YES	NO
More than 20 full-time employees (full-time equals 30 hours per week or 130 hours per month)	<input type="checkbox"/>	<input type="checkbox"/>
Physical presence in the US (owned or leased, but not charred with affiliated companies)	<input type="checkbox"/>	<input type="checkbox"/>
More than \$5 million in gross sales or receipts from US sources	<input type="checkbox"/>	<input type="checkbox"/>

Does my company qualify as an Tax Exempt Entity and thus does not have to report?

If your entity is a 501(c) entity and exempt from tax then it does not have to report. This includes all Anderson non-profit entities, both public charities and private foundations, which are tax-exempt under 501(c)(3).

Does my company qualify as an Inactive Entity and thus does not have to report?

MUST check YES to all six requirements	YES	NO
Was it formed on or before January 1, 2020	<input type="checkbox"/>	<input type="checkbox"/>
Not engaged in active business.	<input type="checkbox"/>	<input type="checkbox"/>
Not owned by a foreign person	<input type="checkbox"/>	<input type="checkbox"/>
No ownership changes in last 12 months	<input type="checkbox"/>	<input type="checkbox"/>
Not sent or received \$1,000 in last 12 months	<input type="checkbox"/>	<input type="checkbox"/>
Does not own any assets (including membership in other companies)		

If I opened my company after January 1, 2020 but closed it before January 1, 2024, do I have to file?

Yes, because the entity cannot meet the first requirement of the Inactive Entity exemption.

Let's break it down another way:

- Formed on or before January 1, 2020, **and** formally dissolved prior to January 1, 2024.
 - NO filing required
 - These entities were created and shut down before the CTA went into effect so they are not subject to the rules.
- Formed on or before January 1, 2020, **but not** formally dissolved prior to January 1, 2024.
 - No filing required if the entity otherwise meets the Inactive Entity exemption.
 - Filing will be required if the entity fails to meet all six requirements of the Inactive Entity exemption.
- Formed after January 1, 2020
 - Yes, ***even if*** the entity has since been dissolved.

Do LLCs owned by an exempt entity have to file?

Yes, an LLC is owned by an exempt entity which is not specifically exempt on its own, must file a BOI Report. This will most often apply to subsidiaries of Large Operating Companies and Non-Profits.

In the Beneficial Owner section of the BOI Report, you will check the box next to #37. Exempt Entity to indicate that the owner of the LLC is an exempt entity. You will then enter the name of the parent company (the exempt entity) in the space for #38.

Can a reporting company report a P.O. box as its current address?

No. The reporting company address must be a U.S. street address and cannot be a P.O. box.

Beneficial Owner Questions

Who are the Beneficial Owners of my entities?

A Beneficial Owner is someone who

- (1) Owns 25% or more of the company or
- (2) Substantially controls the company

In a typical asset protection structure, the Beneficial Owners will be the individuals who own the WY Holding LLC. The same people will typically control the structure so they qualify as BOs in both ways.

What does substantial control mean?

Substantial control means the ability to make major decisions for the company. In an LLC that will be the managers and members. In a corporation it will be the shareholders and officers (president, vice president, CEO, CFO, etc).

Who is the Beneficial Owner of my living trust?

Living trusts do not have to file BOI Reports so they do not have Beneficial Owners. However, if your structure is owned by your living trust then the individuals who own and control the trust will be the BOs of your entities.

A living trust is owned and controlled by the trustee, grantors, and beneficiaries. If it's your living trust then you are the all of those parties and thus, the BO of any entity owned and controlled by the living trust is YOU.

If you inherited business entities that are still in someone else's living trust, please see FAQ D.15 published by FinCEN at https://www.fincen.gov/boi-faqs#Top_section

FinCEN Identifier Questions

What information do I need to provide to obtain a FinCEN ID?

1. Legal name,
2. Residential address,
3. Birthdate, and
4. Copy of photo ID

What do I use for my residential address if I have more than one home or split time in multiple places? Can I use a PO Box?

You must use the address that is current at the time of filing. If you move, then you must update that information with FinCEN either on each individual report, or through your FinCEN ID.

You cannot live at a PO Box.

If you split your time between two residences, you can add more than one residential address on the BOI Report.

Why type of ID can I use?

1. A non-expired U.S. driver's license (including any driver's license issued by a commonwealth, territory, or possession of the United States);
2. A non-expired identification document issued by a U.S. State or local government, or Indian Tribe;
3. A non-expired passport issued by the U.S. government; or
4. A non-expired passport issued by a foreign government (permitted only when an individual does not have one of the other three forms of identification listed above).

What are the benefits of a FinCEN ID?

The main reason to obtain a FinCEN ID is for ease of reporting. Beneficial Owners must provide their (1) legal name, (2) residential address, (3) birthdate, and (4) a copy of their photo ID on each BOI Report. This can be tedious and time consuming if you have multiple entities. Instead you can provide the same information to FinCEN one-time and it will issue you a 12-digit number to use on each report.

The CTA also requires an updated BOI Report any time the information on a report changes. This means, if your name changes due to marriage or divorce, you move to a different residence, or your driver's license expires, you must file an updated BOI Report for each entity where this information is listed. You avoid this hassle when using a FinCEN ID because the ID never changes. Instead, you will update the information associated with the FinCEN ID which will apply to all reports where the ID was listed.

Does my spouse need a FinCEN ID?

If your spouse owns 25% or more of your businesses OR makes major decisions regarding that business entity, then yes, your spouse will need their own FinCEN ID to use for reporting.

Does my entity need a FinCEN ID?

No, but it is recommended in some cases. Specifically, you should obtain a FinCEN ID for your WY Holding LLC when completing the WY Holding LLC's BOI Report. You can then use the WY Holding LLC's FinCEN ID in lieu of your own FinCEN ID or personal information on all subsidiary LLC BOI Reports. The parent company FinCEN ID will be entered in the Beneficial Owner section of the BOI Report.

I have a business partner but they will not obtain a FinCEN ID. What do I do?

In lieu of a FinCEN ID, you can submit the following information for each beneficial owner:

- Full legal name
- Residence address
- Copy of government issued photo ID
- Identifying number
- State or Country of registration

If your business partner refuses to provide any information, then you should still file a BOI report with the information you have and attach a statement regarding the partner's refusal to cooperate in lieu of their ID or attached as an additional page of the PDF submission.

Company Applicant Questions

Who is my Company Applicant?

The Company Applicant is the individual who physically sent the documents to the state for form your company. This could be you, an attorney, a paralegal, or even an administrative employee at a legal services firm. If Anderson Advisors formed your company, then one of our employees is your Company Applicant. Due to privacy regulations, we are unable to provide the FinCEN ID or any other identifying information for our employees to clients.

How do I get the Company Applicant information if someone else created my entity?

If Anderson Advisors created your entity in 2024 or later, then we will file the initial report on your behalf as part of the entity formation process. You will need to obtain a FinCEN ID and provide that to us as soon as possible to avoid an expedite fee.

If your company wa created before January 1, 2024, then the Company Applicant information is not required on the Initial BOI Report. Make sure to check the box for “Initial Report” (Question 1a) and Existing Reporting Company (Question 16)