

CAMPANIE & WAYLAND-SMITH PLLC

A T T O R N E Y S A T L A W

S. JOHN CAMPANIE

TINA M. WAYLAND-SMITH

MELISSA E. MARTEL FELTON

123 FARRIER AVENUE
ONEIDA, NEW YORK 13421
TELEPHONE (315) 363-0585
FAX (315) 363-1952
cwspllc.com

LEGAL ASSISTANTS:

JENNIFER M. COSSETTE
SUSAN I. FRANK
RACHAEL A. GILMORE-GARDNER
ILIANA M. LOPEZ

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To Our Clients and Friends:

In 2021, Congress passed the Corporate Transparency Act (“CTA”). The CTA expanded anti-money laundering laws and created new reporting requirements for most companies doing business in the U.S. beginning in 2024. Most companies will now be required to file a report identifying beneficial ownership information (“BOI”) with the U.S. Treasury’s Financial Crimes Enforcement Network (“FinCEN”) before December 31, 2024. Affected companies formed in or after 2024 will be required to file the same FinCEN report within 90 days of their formation. Among those affected are closely-held companies formed by a filing with a secretary of state (e.g., corporations, limited liability companies, and limited partnerships) and having under 20 full time employees, or \$5 million dollars or less in annual revenues. This requirement includes single-owner entities and those entities that were in existence on January 1, 2024, even if those entities have subsequently been dissolved.

FinCEN has published a BOI Small Entity Compliance Guide available at https://www.fincen.gov/sites/default/files/shared/BOI_Small_Compliance_Guide.v1.1-FINAL.pdf to help entities comply with the requirements, which guide will assist you in better understanding the reporting requirements as they may apply to your business or businesses. The reports are informational in nature and require basic information and a driver’s license for 25% or greater owners as well as certain key employees of most businesses. In total, there are twenty-three categories of exempt entities that will not have to file BOI Reports. If you have questions as to the applicability of these requirements to your business or concerns as to who is considered a beneficial owner of your business, we recommend visiting the FinCEN FAQ page here:

<https://www.fincen.gov/boi-faqs>

PENALTIES FOR NON-FILING: Your failure to submit a required report may result in civil and criminal penalties. The penalties for willfully failing to file both initial and updated reports are steep - \$500 for each day the report is late, up to \$10,000, and imprisonment for up to two years.

Filing must be done electronically, by means of secure filing system available on the FinCEN website. The following options are available to complete the filing:

1. **You can do it yourself.** If you want to handle your own BOI filing, you may do so at the following website: <http://boiefiling.fincen.gov>.

2. **You can use a third party for your BOI filing.** This may include your company accounting firm, which we encourage you first contact to see if they offer the service. If you choose not to follow that route or your accounting firm is not offering that service, we understand the following companies (among others) can provide the service.
 - a. **Bowers CPAs & Advisors.** Bowers is a large, regional firm with its home office at 333 West Washington St, Syracuse NY 13202 (www.bcpllc.com). Recommended contact is Bowers' partner Gregory M. Jarvis, CPA (315-234-1123/GMJ@bcpllc.com).
 - b. **CSC Global.** CSC is a very large international firm which, among its services, handles corporate compliance (www.cscglobal.com). A personal contact is Walker Luke (302-265-3681/walker.luke@cscglobal.com). Services include compliance with beneficial ownership reporting requirements. We are advised they have a process set up to facilitate these filings, including provision of an Excel order sheet and fixed rate for filing. Additional information can be found at the following link:
https://www.cscglobal.com/service/business-administration/transactional-filings/corporate-transparency-act/?utm_source=gen&utm_medium=postal&utm_content=vurl_cta&utm_campaign=cta.

Please be aware: New York State has passed a similar reporting act for limited liability companies formed or registered in New York State. For LLCs formed or applying to do business in New York after the January 1, 2026 effective date of the act, the initial BOI filing will be due within 30 days of formation. For LLCs formed or authorized to conduct business in New York on or before the January 1, 2026 effective date of the act, the reporting date will be January 1, 2027.

Please also be aware: In addition to filing an initial BOI report, reporting companies must also update and correct information in their previously filed BOI reports should a CTA compliance triggering event occur including, for example, a change in ownership interests.

Our firm is providing this email to our clients and friends for initial informational purposes only, and at this time will not be directly providing CTA filing and compliance legal services. Accordingly, we strongly encourage that you undertake your filing directly or immediately reach out to the referral sources we have identified so as to avoid the year-end rush. You can also find a copy of this letter and the links referenced above on our website, www.cwspllc.com.

Very truly yours,



S. John Campanie