



CT Corporation

Know your BOI exemptions.

The Corporate Transparency Act requires that effective January 1, 2024, every “reporting company” must file a beneficial ownership information report with the Financial Crimes Enforcement Network (FinCEN).

However, a corporation, LLC, or other entity is not considered a reporting company, and is not required to file a report, if it qualifies for one of these 23 exemptions:

1 Securities reporting issuer



2 Governmental authority



3 Bank



4 Credit union



5 Depository institution holding company



6 Money services business



7 Broker or dealer in securities



8 Securities exchange or clearing agency



9 Other Exchange Act registered entity

Any entity other than a securities reporting issuer, broker or dealer in securities, or securities exchange or clearing agency.

10 Investment company or investment adviser



11 Venture capital fund adviser



12 Insurance company



13 State-licensed insurance producer



14 Commodity Exchange Act registered entity



15 Accounting firm



16 Public utility



17 Financial market utility



18 Pooled investment vehicle

Any pooled investment vehicle that is operated or advised by a bank, credit union, broker or dealer in securities, investment company or investment adviser, or venture capital fund adviser.



19 Tax-exempt entity

Any entity that is exempt as described in Sec. 501(c) of the Internal Revenue Code, a political organization as defined in the Code, or a trust as described in the Code.

20 Entity assisting a tax-exempt entity



21 Large operating company

Any entity that employs more than 20 full-time employees in the United States reporting more than \$5,000,000 in gross receipts or sales in the previous year.



22 Subsidiary of certain exempt entities

Any entity whose ownership interests are controlled or wholly owned by one or more entities in exemptions 1, 2, 3, 4, 5, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 19, or 21.



23 Inactive entity

For example, meeting all of these conditions may exempt an entity for inactivity:

- In existence on or before January 1, 2020
- Not engaged in active business
- Not owned by a foreign person, (directly or indirectly, wholly or partially)
- Experienced no change in ownership in the preceding 12 months
- Not sent or received any funds in an amount greater than \$1,000 in the preceding 12 months
- Does not hold any kind or type of assets, in the United States or abroad.

Anyone owning, managing, or advising entities should review these exemptions as soon as possible. This [article](#) offers details of each exemption from the Corporate Transparency Act. For definitions of terms used in the Act, see this [overview](#). If you have questions about your specific requirements, [contact your CT Corporation representative](#).

