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Dear Client,

I'm writing to inform you about important updates regarding Beneficial Ownership Information (BOI) reporting requirements that affect your business.

Current Status: As of December 26, 2024, due to the U.S. Court of Appeals for the Fifth Circuit, companies are not currently required to file beneficial ownership information with the Financial Crimes Enforcement Network (FinCEN) and are not subject to liability for failing to do so while the court order remains in force. However, companies may continue to voluntarily submit BOI reports during this filing period.

Legal Background: A federal court in Texas initially blocked BOI reporting requirements on December 3, 2024. There was a brief period where this injunction was lifted by the Fifth Circuit Court of Appeals. However, as of December 26, 2024, the injunction has been reinstated by a Fifth Circuit Court of Appeals merits panel. This means that BOI reporting requirements are currently suspended pending further court decisions.

Former Deadlines: These deadlines are not currently enforceable due to the Fifth Circuit Court of Appeals. However, the planned filing schedule has the potential to be reinstated. If the injunction is lifted, the following could be included:

- Companies existing before January 1, 2024: File by January 13, 2025
- Companies created September 4 - December 23, 2024: File by January 13, 2025
- Companies created after January 1, 2025: File within 30 days of registration
- Companies qualifying for disaster relief may have different deadlines

Basic Requirements: Under the Corporate Transparency Act, your company must report:

1. Company Information: Legal name, address, jurisdiction of formation, and tax identification number
2. Beneficial Owner Information: For each beneficial owner (individuals who own 25% or more of the company or exercise substantial control):
 - Full legal name
 - Date of birth

- Current residential address
 - Unique identification number (such as passport or driver's license)
3. Company Applicant Information: For companies formed after January 1, 2024, details about individuals who filed formation documents

Next Steps: Our firm is prepared to help you through BOI reporting changes. We recommend that the following should be obtained to prepare for unexpected changes in BOI reporting compliance deadlines and requirements:

1. Identify all beneficial owners of your company
2. Gather required identification documents
3. Contact our office to schedule a consultation

We are closely monitoring these developments and will keep you informed of any significant changes. While reporting is currently voluntary, being prepared will help ensure compliance if the requirements are reinstated and help avoid the potential for civil penalties of up to \$500 per day and potential criminal penalties.

Best regards, [Your Name] [Your Firm]

P.S. Please contact us immediately if you have any questions or concerns about these requirements.