

Corporate Transparency Act Regulations: Where We Are & What's Next

Lauren A. White

July 13, 2023



1

What is the CTA?

- The Corporate Transparency Act (the “**CTA**”)
- Enacted as part of the Anti-Money Laundering Act of 2020
- Establishes reporting obligations that will require reporting companies to file a report with FinCEN identifying beneficial owners and company applicants
- Designed to primarily apply to smaller, private entities, not large or otherwise highly regulated companies
- Intended to address anonymous shell companies and money laundering activities

2

Timeline At-a-Glance



What Entities Are “Reporting Companies”?

- Domestic entities created by the filing of a document with a secretary of state or similar office of a U.S. state or Indian tribe
- Similar foreign entities registered to do business in the United States

Includes:	Doesn't Include:
<ul style="list-style-type: none">- Corporations- Limited Liability Companies- Limited Partnerships- LLPs and LLLPs- Most Business Trusts	<ul style="list-style-type: none">- General Partnerships- Most Trusts

REPORTING COMPANY EXEMPTIONS

Public Companies / Securities Reporting Issuers	Governmental Authorities
Banks	Credit Unions
Depository Institution Holding Companies	Registered Money Services Businesses
Brokers and Dealers	Securities Exchanges or Clearing Agencies
Other Exchange Act Registered Entities	Investment Companies / Investment Advisers
Venture Capital Fund Advisers	Insurance Companies
State-Licensed Insurance Producers	Commodity Exchange Act Registered Entity
Registered Public Accounting Firms	Public Utilities
Financial Market Utilities	Certain Pooled Investment Vehicles
Tax-Exempt Entities	Certain Entities Assisting Tax-Exempts
Certain Controlled Subsidiaries	Certain Inactive Entities
Large operating companies with (i) more than 20 full-time U.S. employees, (ii) an operating presence at a U.S. physical office, and (iii) a federal tax return for the prior year with more than \$5 million in gross receipts or sales	

What Information Must Be Reported?



Reporting Company Information

- Legal name
- Assumed names
- Business address
- Jurisdiction of formation
- Tax identification number



Beneficial Owner & Company Applicant Information

EITHER

- Full legal name
- FinCEN Identifier
- Date of Birth
- Current residential (or business if company applicant) address
- Identifying number from a passport, drivers license, etc. with a copy of such document

Find the full text of this and thousands of other resources from leading experts in dozens of legal practice areas in the [UT Law CLE eLibrary \(utcle.org/elibrary\)](https://utcle.org/elibrary)

Title search: Part One: Corporate Transparency Act Regulations (Replay)

First appeared as part of the conference materials for the 2023 Corporate Transparency Act: Regulations and Practical Implications (Replay) session "Part One: Corporate Transparency Act Regulations (Replay)"