



Risk Tip: Did you know.....



FOR IMMEDIATE RELEASE | 12-29-2023

Media Contact | JP Martin
Direct | (602) 542-0728
E-mail | jpmartin@azcc.gov

Arizona Corporation Commission Announces a New Federal Reporting Requirement Under the Corporate Transparency Act

Phoenix, Ariz. — The Arizona Corporation Commission (ACC) is committed to supporting and facilitating business operations in Arizona. In line with this commitment and our ongoing efforts to keep business owners well-informed, the ACC wishes to inform you about a significant new reporting requirement effective from January 1, 2024.

The United States Congress has passed the Corporate Transparency Act (CTA) to combat money laundering and terrorist financing. This Act mandates beneficial ownership reporting for corporations, limited liability companies, and similar entities registered in the United States. Entities formed or registered before January 1, 2024, must file an initial beneficial ownership report before January 1, 2025.

Key Points of the Corporate Transparency Act:

- Reports must be filed with the Financial Crimes Enforcement Network (FinCEN), not the ACC.
- Most businesses registered with the ACC are subject to this requirement.
- Non-compliance may lead to significant civil and criminal penalties.

For detailed information about this new requirement, please visit our [CRIB sheet](#), [Consumer Alerts](#) page, and [FinCEN's BOI](#) page.

Frequently Asked Questions:

General Awareness and Reporting Process

- FinCEN is actively raising awareness about the BOI reporting requirements through various channels and will provide continuous updates on its website.

- Authorized individuals, including employees or third-party service providers, can file a BOI report, providing their basic contact information.

Reporting Company Criteria and Requirements

- The definition of a reporting company is broad but excludes certain entities based on their activities, revenue, or other specific exemptions.
- Reporting companies are required to provide detailed information about their beneficial owners and, for those created or registered after January 1, 2024, their company applicants.

Compliance and Enforcement

- Reporting companies are responsible for the accuracy of the information reported to FinCEN.
- Individuals and entities can face severe penalties for violations of the BOI reporting requirements, including willful failure to report or providing false information.
- Updated BOI reports must be filed within 30 days of any change, and all fields in the report must be completed.

Third Party Service Providers

- Reporting companies can use third-party service providers for filing, and these providers can submit multiple reports simultaneously through an API.

The Commission urges all affected businesses to familiarize themselves with these new requirements to ensure full compliance. We are dedicated to assisting Arizona businesses in navigating these changes and remain available for any further information or clarification needed.

For additional queries or more information, please contact us at answers@azcc.gov or call our customer service line at (602) 542-3026.

Sincerely,

The Arizona Corporation Commission, Corporations Division

This tip is not legal advice. It should not be a substitute for advice from professional counsel or the assistance provided by an agent's Designated Broker.