

Woodland Owners:

The Beneficial Ownership Information Reporting Rule May Apply to YOU!

In September 2022, the U.S. Department of the Treasury's Financial Crimes Enforcement Network (FinCEN) issued the Beneficial Ownership Information Reporting Rule under the Corporate Transparency Act. This rule requires disclosing the identity of beneficial owners of small business entities beginning on January 1, 2024.

The need to make these reports will depend upon the nature, size, and form of your business. If your business (**farm, ranch, agricultural operation, woodland**) is set up as a legal business entity (**such as an LLC, LLP, business trust, corporation, etc.**) created through the state corporation commission (SCC), secretary of state, or other similar office, the operation is likely subject to the new Reporting Rule.

Beneficial Ownership Information reports must be filed by 1/1/2025 if the entity was created before 1/1/2024 or within 90 days if entity was formed after 1/1/2024. The fact sheet linked below titled *Beneficial Ownership Reporting – Key Questions* answers frequently asked questions such as who qualifies as a beneficial owner, what information must be reported, and when to file.

Please note that while there is no charge to file, failure to file required BOI reports may result in fines of \$500.00 a day and/or five years in prison.

The following resources will assist you with understanding this rule and raising awareness among your farm and forest landowners regarding their potential responsibilities.

Overview

- *The New Small Business Reporting Rule and Your Farm.* By Jennifer Friedel
<https://tinyurl.com/JFriedel>

FinCen Fact Sheets

- *An Introduction to Beneficial Ownership Information Reporting.*
https://www.fincen.gov/sites/default/files/shared/BOI_FinCEN_Brochure_508C.pdf
- *Beneficial Ownership Reporting – Key Questions:*
https://www.fincen.gov/sites/default/files/shared/BOI_Reporting_Key_Questions_Published_508C.pdf
- The FinCEN Beneficial Ownership Information Website: <https://www.fincen.gov/boi>.

Special thanks to Tim Williams for bringing this to our attention. Thanks to Jennifer Friedel, Dan Goerlich, Travis Mountain, Kristine Tidgren, and Charles Brown for providing the information.

Please send all questions about BOI reporting to Jennifer Friedel, jfriedel@vt.edu.