



## **LegalZoom Launches Beneficial Ownership Information Report to Help Businesses Satisfy New Federal Mandate under the Corporate Transparency Act**

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**The Beneficial Ownership Information Report simplifies the new legal requirement, delivering an accurate filing to help businesses save time, avoid serious criminal and civil penalties, and remain compliant**

MOUNTAIN VIEW, Calif., Jan. 04, 2024 (GLOBE NEWSWIRE) -- [LegalZoom](#), the No. 1 choice in online small business formations, announced the release of its Beneficial Ownership Information Report, a new addition to LegalZoom's ecosystem of compliance services. The new service helps customers satisfy the federally mandated beneficial ownership information reporting rule under the Corporate Transparency Act, which went into effect on January 1, 2024. According to the Financial Crimes Enforcement Network ("FinCEN"), a bureau of the United States Department of Treasury, 89% of all business entities must file identifying information with FinCEN about the individuals who own or control a business.

The Corporate Transparency Act is one of the most important legislations to impact small business owners. This new rule supports the ongoing focus and efforts of the U.S. Government to deter those who would hide or benefit from actions that would harm others, aiming to prevent financial crimes and fraud, such as money laundering, human trafficking, drug trafficking, tax fraud, and fraud against employees, customers, and other businesses.

Business owners who fail to comply with this law, such as failure to file timely or correctly, can face severe criminal and civil penalties, which can include imprisonment for up to two years and/or fines up to \$10,000, and civil fines of up to \$500 per day. Business entities formed before January 1, 2024 will have until December 31, 2024 to file, those formed on or after January 1, 2024 will have 90 days after formation to file, and those formed on or after January 1, 2025 will have 30 days to file. Business entities that amend their formation documents or change their residential address or ID on or after January 1, 2024 will have 30 days to submit an updated report.

LegalZoom's Beneficial Ownership Information Report service, which is available now, aims to bring small business owners confidence in their compliance with this new law, helping businesses stay on top of the requirement with notifications leading up to their filing deadline. Once it's time to file, LegalZoom's simplified questionnaire and guided process delivers a customized report that meets all federal requirements. LegalZoom then timely and accurately files the report with the government, and businesses receive confirmation that the report was successfully filed with FinCEN.

"Business owners can save time navigating the complexities of a new federal law and gain peace of mind with our customized and compliant filings. In a few simple steps, we help ensure that reports are filed correctly and on time, so business owners can eliminate the worry and risk, allowing them to focus on running and growing their business," said Dan Wernikoff, CEO at LegalZoom.

LegalZoom's Beneficial Ownership Information Report service is available as a one-time filing to help customers avoid noncompliance and consequences. It is also featured in the Compliance Filings and Compliance Filings plus Licenses & Permits packages, which include updated beneficial ownership information report filings to cover ongoing changes to the business or its owners and controlling members. LegalZoom has over 20 years of experience helping entrepreneurs form and protect their businesses and continues to be the most favored brand amongst small business owners. To learn more about LegalZoom's offerings, including its Beneficial Ownership Information Report service, please visit [LegalZoom.com](#).

### **About LegalZoom.com, Inc.:**

LegalZoom is the leading online platform for business formation in the United States. Driven by a mission to unleash entrepreneurship, LegalZoom delivers comprehensive legal, tax and compliance products and expertise for small business owners through easy-to-use technology. From free business formations to business management solutions and professional advisory services, LegalZoom supports millions of small business owners and their families throughout the entrepreneurial journey. Founded on the belief that everyone should have affordable access to legal and financial expertise, LegalZoom empowers entrepreneurs to make their dream a reality. To learn more about LegalZoom, visit [www.LegalZoom.com](http://www.LegalZoom.com).

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