

LAST CALL FOR CTA REPORTING

In the spring, we sent a bulletin to our clients to inform them of the new reporting requirements imposed by the Corporate Transparency Act (“CTA”). As a reminder, the CTA requires nearly all business entities in America to report their “beneficial owners.” A “beneficial owner” is any individual who:

- Owns or controls at least 25% of the ownership interests of a company;
- Exercises “substantial control” over a company.

OR

The CTA imposes harsh penalties, including fines and potential imprisonment, for failure to file the required reports.

Critically, this reporting must be complete **before January 1, 2025**, and FinCen has estimated that more than 30 million entities will be subject to this mandate. All required reporting must be done online, through www.fincen.gov/boi. We anticipate that the last several weeks of the year may be chaotic, and FinCen has stated that they will not extend the deadline, so we encourage you to not delay in contacting us or filing your report. If you have a question regarding this legislation, please contact us immediately.

CTA FRAUD ALERT

Additionally, we have become aware of several scams which prey upon the unaware. These scams reference the CTA but ask that you mail your beneficial ownership information to a physical address, along with a check. Please be advised that the **only manner of reporting is online** through www.fincen.gov/boi.

POST-ELECTION ESTATE PLANNING

Many of our clients are already aware of the sunset of the Tax Cuts and Jobs Act of 2017 (“TCJA”) at the end of 2025, but for those who don’t – the Federal Estate and Gift Tax Exemption is scheduled to be reduced **in half** at the end of 2025. However, presidential candidate and current Vice President Kamala Harris has recently released her own set of tax proposals, which include raising the estate tax rate to 55%, and lowering the Federal Estate and Gift Tax Exemption to only \$3.5 million dollars. Whatever happens, we urge you to not wait until the end of 2025 to begin revisions to your estate planning and explore your legal options to preserve your estate and avoid potential estate taxes.

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