

# BALANCE SHEETS & BEYOND

Insight, advice, & guidance on tax news  
that matters to you & your business



## Beneficial Ownership Reporting Requirement

(as of 5/16/2024)

Effective January 1, 2024, all nonpublic companies (i.e. entities formed under state law) are required to report information about the underlying owners and the individuals that control the entity (**Beneficial Owners\***) to the Financial Crimes Enforcement Network (FinCEN).

*\*A beneficial owner is any individual who exercises substantial control (i.e. senior leaders, board of directors, and company decision makers) over the reporting company, or who owns or controls at least 25% of the reporting company.*

### The following entities are exempt from reporting:

- Banks
- Credit unions
- Tax-exempt entities registered with the IRS
- Public utilities
- Publicly traded companies
- Large operating companies\*

*\*Large operating companies are companies that meet the following three requirements:*

1. Reported \$5MM in gross receipts on prior year tax return
2. Has more than 20 full-time employees
3. Has a physical presence in the United States

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## Information to be Reported

Reporting companies will need to provide a few key pieces of information about itself, its beneficial owners, and in some cases the individuals that formed the entity.

Reporting Entity	Beneficial Owners
Legal name/DBA	Legal name
Address	Birthdate
Jurisdiction in which the entity was formed (i.e Minnesota)	Address (Most cases will be home address)
Federal Identification Number	Copies of state ID or passport

## How To File

Reports will be filed electronically using [FinCEN's secure filing system](#).

## Filing Due Dates

- Entities created prior to January 1, 2024, need to file by December 31, 2024
- Entities created after December 31, 2023, need to file within 30 days after creation/ registration

After an entity's initial filing, filing is only required after any ownership, control change, and/or change to reported information (i.e., address change, updated driver's license and any other information reported on original filing). This filing must be completed within 30 days of the change.

## FinCEN ID (Optional)

Beneficial owners who have various reportable entities may want to apply for a [FinCEN identifier](#). This identifier can be used by the various reporting entities and streamlines the reporting process.

[Additional resources here.](#)

## How long should you keep your personal & business records?

The short, conservative recommendation for personal records is to keep for 7 years. For businesses, however, it's recommended to keep several types of records permanently.

Click the buttons below for general guidelines. Remember some situations may dictate other recommendations, so please speak with your accounting or legal professional.

[Personal Record Retention](#)

[Business Record Retention](#)



## JAK Educational Videos & Blogs

[Thank You to Our 2024 Interns!](#)

[4 Tips for Acing Your First Accounting Job Interview](#) by Makenna Gutzman

Subscribe to our [YouTube channel](#) to stay up to date on our latest educational videos! You can view all of our past blogs on our website [Resources](#) page.

## How to Improve Your Household Budgeting

Tax season is complete, and some of us are thinking about how we can improve our financial health during the rest of the year. In this popular Tax Talk Tuesday webisode from our archives, Jonathon Lansink discusses budgeting and taxes.



## Client Line News

[Child and Dependent Care Tax Credit](#)

Kiddos in your household signed up for day camp this summer? Look into the federal child and dependent care tax credit to see what you might be able to claim. [Read the article.](#)

**In this Issue:**

[The Time for Succession Planning is Now](#)

[Protect Your Security Data](#)

[Cutting the Financial Cord](#)

[The Market's Obsession with the CPI](#)



**Due Dates to Remember:**

**June 17**

2024 Quarter 2 Estimates

**August 15**

2023 MN Property Tax Return

**September 16**

2024 Quarter 3 Estimates

Extended 2023 Forms 1120S, 1065

**September 30**

Extended 2023 Form 1041

**October 16**

Extended 2023 Form 1040, 1120C

**We Are Hiring:**

Attention all number crunchers - **JAK + CO IS HIRING!**

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