



# News—Business

## Full Transparency

During 2021, Congress passed the Corporate Transparency Act (CTA) which is effective January 1, 2024. The intent of this act is to prevent financial crimes that are hidden within small-to-mid size corporations. The CTA accomplishes this by requiring additional information to be reported regarding ownership interests.

It is important to file these reports before the deadline, as failure to do so can result in significant penalties.

### ◆ Who does the CTA apply to?

LLCs, LLPs, and Corporations as well as any company that is created through a filing with the Secretary of State. Certain companies are exempt from filing, such as not-for-profit status, being in a specific field that already has strict regulation standards, or if the company is deemed a large operating company. General partnerships are also exempt from filing by the CTA except in specific states.

### ◆ What is required to be filed?

Companies covered must file a Beneficial Ownership Report. This report requires information such as the full legal name, date of birth, and home address of any beneficial owner. Each beneficial owner must also provide an active form of identification which has a unique identifying number. Acceptable documents include a passport, driver's license, or other forms of government identification. The report is to be submitted to FINCEN, not the Internal Revenue Service or State government.

### ◆ Who is considered a beneficial owner?

Generally, a beneficial owner is anyone who has 25% or more ownership interest in the reporting company. The definition of a beneficial owner can also be expanded to include anyone who is deemed to have substantial control over the decisions of the company. This means that anyone who has a deciding vote or influence that can sway the decision must be reported as a beneficial owner, even if they do not own over 25% interest in the company.

### ◆ When am I required to file?

Existing qualifying businesses must file by January 1, 2025. Reporting companies that are created after the CTA goes into effect must file within 30 days of receiving a notice of incorporation. The Beneficial Ownership Report is not a yearly filing requirement, but it must be updated whenever there is a change in information such as a change to the name or address of the company, a change to who is considered a beneficial owner, or a change to the personal information of a beneficial owner.

## 2024 Pension Contribution Limits

	<u>2023</u>	<u>2024</u>
401(k) and 403(b) Contribution Limit	\$22,500	\$23,000
401(k) and 403(b) Catchup	\$7,500	\$7,500
IRA Contribution Limit	\$6,500	\$7,000
IRA Catchup	\$1,000	\$1,000
SIMPLE IRA Contribution Limit	\$15,000	\$16,000
SIMPLE IRA Catchup	\$3,500	\$3,500
Pension Profit Sharing Limits: Lesser of 100% of compensation or -	\$66,000	\$69,000
Maximum Salary Benefit on Pension Conversion	\$330,000	\$345,000
Traditional IRA Single Phaseout Range	\$73,000-\$83,000	\$77,000-\$87,000
Traditional IRA Married Filing-Jointly Phaseout Range	\$116,000-\$123,000	\$123,000-\$143,000