

Beneficial Ownership Legislation 116th Congress

HR 2513, CTA

S. 2563 ILLICIT CASH Act

S. 1889 TITLE Act

Who Has to Report?	All LLC's, and corporations with 20 or less employees, less than \$5 million in revenue, and a physical operating presence in the US	Same as House	All LLC's and corporations with 20 or less employees, less than \$5 million in revenue, a physical operation presence in the US and less than 100 shareholders
How Often Do They Report?	For new businesses at incorporation and annually thereafter. For all businesses within 2 years. The Secretary has the authority to increase the frequency of reporting requirements pending the outcome of a cost benefit analysis.	For new businesses at incorporation, and within 90 days of any beneficial ownership changes. For all businesses within 2 years.	At incorporation, updates within 60 days for ownership changes, as well as annually. Existing businesses must comply within 2 years.
What Information is Being Reported	Full legal name, date of birth, home or business address, unexpired driver's license or passport number of all beneficial owners	Full legal name, date of birth, current home or business address, unexpired driver's license or passport number, of all beneficial owners (Same as House)	Same as HR 2513. Please note this bill requires individual states to collect and hold the info.
Beneficial Owner Definition	A person that exercises substantial control over an entity, owns 25% or more equity in an entity, receives substantial economic benefits from the assets of an entity	Same as House but defines substantial economic benefits as a person having access to 25% or more of the funds of the assets of the entity. Requires a rulemaking on the definition.	A person who exercises substantial control over a corporation or LLC through ownership interests, voting rights, agreement, or otherwise; or has a substantial interest in or receives substantial economic benefits from the assets of a corporation or the assets of a limited liability company.
Who Can Access the Database?	Any law enforcement agency at the federal, state, or local level as well as a request made by a Federal agency on behalf of a law enforcement agency of another country under an international treaty, agreement, or convention, or an order under section 3512 of title 18 or section 1782 of title 28; as well as financial institutions with customer consent	Local, State, Tribal, or Federal law enforcement, national security, or intelligence agency, request made by a Federal agency on behalf of a law enforcement agency of another country under an international treaty, agreement, or convention, or an order under section 3512 of title 18 or section 1782 of title 28; as well as financial institutions with customer consent	A local, state, or federal agency, or congressional committee or subcommittee with a subpoena. A written request by FinCEN or Treasury, written request by a bank with customer consent. Federal agency for a foreign gov (same as other two bills)
Does law enforcement need a subpoena to access the database?	NO	NO	Everyone but FinCEN, Treasury, foreign governments, and banks need subpoenas
Penalties for Violations	Civil penalty of not more than \$10,000, and imprisoned for not more than 3 years, or both	Civil penalties of \$500 per day up to \$10k total and up to 4 years of prison. Negligent violations shall not be subject to civil or criminal penalties. Failure to update expired documentation or addresses shall be considered de-minimis and not result in a penalty if the applicant seeks to remedy the situation.	Up to 3 years in prison and \$1 million in fines
Public Access to Information	NO	NO	Allows Congressional Chairs and Subcommittee Chairs to access via Congressional subpoena. Allows states to post any information collected publicly.