



December 4, 2024

The Honorable Janet L. Yellen
Secretary of the Treasury
Department of the Treasury
1500 Pennsylvania Avenue, NW
Washington, DC 20220

The Honorable Andrea Gacki
Director
Financial Crimes Enforcement Network
2070 Chain Bridge Road
Vienna, VA 22182

Dear Secretary Yellen and Director Gacki,

In numerous communications to the Financial Crimes Enforcement Network (FinCEN) throughout the Beneficial Ownership Information (BOI) rulemaking and rollout process, including in a letter as recent as April of this year, we have raised concerns regarding the awareness in the small business community regarding the reporting requirement under the BOI rule. With the January 1, 2025, due date rapidly approaching, and in light of yesterday's decision in the case of *Texas Cop Shop, Inc. et al. v. Garland, et al.* out of Texas, we continue to have grave concerns for the close to 80% of small businesses who have yet to file their BOI information in the FinCEN database. We urge FinCEN and the U.S. Treasury Department to push back the deadline for initial filings by at least one year to no earlier than January 1, 2026.

Our members are working tirelessly to understand the BOI requirements their small business clients are expected to file. When polled, CPA firms have indicated to us that some are offering the service in limited capacity, and many not at all, as they work to unravel the complexities of the program. The constricted timeline for initial filings, several court cases with conflicting outcomes including yesterday's decision, and staggered delays for areas hit by natural disasters this fall, are among just some of the many reasons the program filing deadline must be pushed back.

In recent years, BOI filing has remained a critical topic at our conferences, meetings, and in many of our other member outreach activities. We have watched the confusion build among our members and the small business community. We still get basic questions on the program such as "Which entities need to file? Who is a beneficial owner? What does 'substantial control' mean?" etc. We appreciate that many of these are answered in FinCEN's Frequently Asked Questions. However, as questions become more complex around entities like community state properties, Homeowner Associations (HOA) boards, Trusts, etc. the answers are not often clear. There is a definite need for more clarity and simplicity within the program, as well as for the trusted financial professionals who are working to help their clients navigate the reporting requirement.

The American Institute of CPAs (AICPA) and the State CPA Societies included as signatories to this letter continue to voice our grave concerns with the rollout and continued push to implement BOI reporting requirements without regard for the impact to the small business community. We urge you to suspend the program for at least one year during which time you can continue to

engage the stakeholder community supporting small businesses and work to better inform small businesses of their reporting requirement. Additionally, we ask that you suspend all enforcement actions throughout any delay. During such period, small businesses can voluntarily file, however no small business should be compelled to file, nor should any small business face enforcement for failure to comply while complexities and confusion remain with the filing requirement.

Thank you for your consideration and for your ongoing efforts to inform the small business community. If you have any questions, please contact Kate Kiley, AICPA Director — Congressional and Political Affairs, at 202-434-9219, or Kate.Kiley@aicpa-cima.com; or Melanie Lauridsen, AICPA Vice President — Tax Policy & Advocacy, at (202) 434-9235 or Melanie.Lauridsen@aicpa-cima.com.

Sincerely,

American Institute of CPAs
Alabama Society of CPAs
Alaska Society of CPAs
Arizona Society of CPAs
Arkansas Society of CPAs
California Society of CPAs
Colorado Society of CPAs
Connecticut Society of CPAs
Delaware Society of CPAs
Florida Institute of CPAs
The Georgia Society of CPAs
Guam Society of CPAs
Hawaii Society of CPAs
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Illinois CPA Society
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New York State Society of CPAs
North Carolina Association of CPAs
North Dakota CPA Society
The Ohio Society of CPAs
Oklahoma Society of CPAs
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