

Department of Licensing and Consumer Protection

	District of Columbia	FinCEN
Definition of a Beneficial Owner	<p>A person whose aggregate share of direct or indirect, legal, or beneficial ownership of a governance or total distributional interest of the entity:</p> <ul style="list-style-type: none"> • Exceeds 10% or • Does not exceed 10% provided that the person: <ul style="list-style-type: none"> ○ Controls the financial or operational decisions of the entity; or ○ Has the ability to direct the day-to-day operations of the entity 	<p>An individual who either directly or indirectly:</p> <p>(1) exercises substantial control over the reporting company, or</p> <p>(2) owns or controls at least 25% of the reporting company’s ownership interests</p> <p>More information, including definitions of “substantial control” and “ownership interests” can found on FinCEN’s website.</p>
What Type of Entities Need to Report Beneficial Owners	<p>All entities registered with Corporations Division need to report their beneficial owners.</p>	<p>Many entity types will need to report their beneficial owners – FinCEN refers to these as ‘reporting companies’.</p> <p>There are 23 types of entities not considered a “reporting entity” that are exempt from filing a beneficial ownership information report. For a list of exempted companies, consult FinCEN.</p>
Frequency of Reporting	<p>Beneficial ownership information needs to be reported to DC’s Corporations Division:</p> <ol style="list-style-type: none"> a) At the time an entity is formed/registered in DC <p>Beneficial ownership information needs to be updated:</p> <ol style="list-style-type: none"> b) When an entity files its BRA-25 Biennial Report, the first of which is due by April 1 the very next calendar year after an entity registers and by April 1 every two years there on after. c) Any time this information changes 	<p>A reporting company created or registered to do business before January 1, 2024, will have until January 1, 2025, to file its initial beneficial ownership information report with FinCEN.</p> <p>A reporting company created or registered on or after January 1, 2024, will have 30 days to file its initial beneficial ownership information report.</p>

<p>How to Report Beneficial Ownership Information</p>	<p>The collection of beneficial ownership information is built into DC’s initial formation/registration process and into the BRA-25 biennial reporting process (which all entities need to file periodically to stay in active status in the District).</p> <p>If an entity’s beneficial ownership changes in between BRA-25 biennial reports, entities should file an amendment to update this information.</p>	<p>The beneficial ownership information report will be collected electronically through a secure filing system available via FinCEN’s website.</p>
<p>Information Needed to be Reported</p>	<p>The names and business and home addresses of those who meet the District of Columbia’s definition of a beneficial owner.</p>	<p>The name, date of birth, residential address and identifying number from an acceptable identification document (license, passport etc.) of those who meet the CTA’s definition of a beneficial owner.</p>
<p>Supporting Evidence</p>	<p>Entities provide the legal names and addresses of their beneficial owners under penalty of perjury. No supporting documentation is required.</p>	<p>The reporting company will have to provide an image of the identification document used to obtain the identifying number.</p>
<p>Must the incorporator/organizer or company applicant be reported?</p>	<p>The incorporator or organizer of a domestic entity is provided to DC Corporation’s Division at the time of formation and does not need to be reported in the ‘beneficial owners’ section of formation articles or the BRA-25 Biennial Report, unless of course, that person is also a beneficial owner.</p> <p>More than one person may be listed as the incorporator/organizer.</p>	<p>Reporting companies created or registered on or after January 1, 2024, will need to report their company applicants. FinCEN defines a company applicant as either:</p> <ol style="list-style-type: none"> 1. The individual who directly files the document that creates or registers the company; and 2. If more than one person is involved in the filing, the individual who is primarily responsible for directing or controlling the filing.
<p>Fee of Report</p>	<p>Beneficial ownership information is submitted to DC’s Corporations Division as part of an entity’s initial registration and later, via its BRA-25 Biennial Report.</p> <p>If beneficial ownership changes between report filings, an amendment filing must be submitted to update this information in our records.</p> <p>These filings carry a fee.</p>	<p>There is no fee to submit the beneficial ownership information report to FinCEN.</p>