

Dear Business Clients,

New year, new name, same old firm, same great service! As always, we like to start with a few reminders of concerning areas we have for business operations. Our primary concern is the **new reporting requirement, under the 2024 Corporate Transparency Act, requiring a business to file a special form directly online with the Financial Crimes Enforcement Network (FINCEN.) See Addendum for instructions.**

We are preparing for a busy tax season and wanted to get information out to you to make it a successful one for all of us. Our goal as a company is to continually improve the quality of our services and to produce the highest quality work for our clients. Consequently, we will be increasing our rates this year.

We have compiled a few key items and a checklist to help guide you in gathering essential information needed to prepare your 2023 Tax return. It will help us be more efficient and better serve you if we receive all the required information at one time. If we do not receive your business information by March 1<sup>st</sup>, we will automatically file an extension on your behalf as we cannot guarantee your return will be completed by the March 15<sup>th</sup> due date. Additionally, with the complexity of returns and IRS changes, there is always the potential for being put on extension due to time constraints.

The IRS is behind from previous filing seasons, and they will be slow to process again this year. We have also seen significant delays with the mail. Because of these delays, we are encouraging all payments due to the IRS and state agencies to be electronic, to ensure timeliness and proper credit to accounts. Please bring in current banking information for automatic payments. Our office will no longer mail estimate payments on your behalf, but will provide vouchers, if you choose to send in the mail.

Our office hours will be Monday – Friday 8:00-5:00. Accountants are available by appointment only, please call to schedule an appointment if you need to meet with them. Appointments will be scheduled on Mondays and Wednesdays. You can drop off, mail (we recommend making copies if mailing your information) or safely upload your information through our electronic client portal. We are happy to assist you in the setup of the portal. There will be a mail charge for mailing any large items back. We highly encourage you to wait until you have **ALL** your tax information gathered before you bring it in. We will not start preparing your return until we have everything needed.

We have updated our website, [www.centralmt.cpa](http://www.centralmt.cpa) and encourage you to reference it for important information on tax, payroll, forms, websites, and due dates. Every year we are reminded how much we value your business and want to again say thank you. Please call our office if you have any questions, 406-535-2352 or email at [office@centralmt.cpa](mailto:office@centralmt.cpa).

Sincerely,

*Arntzen & Ruckman CPA's, PLLP*

Special File Update Information:

1. \_\_\_ Has there been a change in ownership this year? If so, please provide new owner identification information, dates, and percentages.
2. \_\_\_ Please provide us with updated information with your and other officers email addresses and cell phone numbers.
3. \_\_\_ Do you have a foreign bank account? We need the account number, balance, name of bank and copy of December's statement.
4. \_\_\_ Did you use virtual currency in your business to buy or sell items?

Normal year end information needed for 2023:

**The IRS requires that we have a completed balance sheet on Partnership, S Corporation, and C Corporation tax returns. The information below is needed to complete the balance sheet.**

1. \_\_\_ **Print out** of loan ledgers/activities, loan pay offs and ending loan balances for the year.
2. \_\_\_ List by date, amount and individual of any new investments made into the company this year by the owners.
3. \_\_\_ **Copies** of any federal or state **tax correspondence** received during the year.
4. \_\_\_ **Copies** of any **equipment purchase** invoices over \$2,500.
5. \_\_\_ Copies of your year-end bank reconciliation(s) and bank statements.
6. \_\_\_ 12/31/23 Year End Balances of:
  - o Bank Accounts \$ \_\_\_\_\_
  - o Accounts Receivable \$ \_\_\_\_\_
  - o Cost of Inventory on Hand \$ \_\_\_\_\_
  - o Accounts Payable \$ \_\_\_\_\_
  - o Unpaid 941 Deposit for December \$ \_\_\_\_\_
  - o Unpaid State(s) Withholding deposits for December \$ \_\_\_\_\_
  - o Unpaid wages earned through 12/31 \$ \_\_\_\_\_
7. \_\_\_ Year-end summary of business activity-back up, online access or hard copy (Accounting software back-up, trial balance, etc.).
8. \_\_\_ All Forms 1099-K received.
9. \_\_\_ Did Partnership or S Corp pay member's health insurance/HSA for the year? If so, amounts.
10. \_\_\_ Any other 1099s, interest paid, that you received.

## **2024 Corporate Transparency Act Addendum**

A new reporting rule goes into effect on January 1, 2024 requiring the filing of a special form directly online with the Financial Crimes Enforcement Network (FINCEN.)

- Single member LLC's (even if filing Schedule C), multi-member LLC's, S corporations and C Corporations that are not exempt must disclose beneficial ownership:
  - Within 90 days of formation of a new business in 2024; or
  - By December 31, 2024 for companies that were in existence before 2024.
- Beneficial owner information includes full legal name, date of birth, residential street address (No PO Box) and passport or driver's license image (picture) to be uploaded. A beneficial owner is an individual owning 25% or more of the entity, as well as officers, board members and non-owner managers, or anyone that exercises substantial control or influence over the company.
- Ownership, address, and ID changes will have to be reported within 30 days of occurrence.
- Penalties for non-compliance are \$500 per day and up to 2 years in prison.

There are very few exceptions for small businesses, and newly formed LLC's and corporations have the biggest exposure for non-filing. Make sure you tell us about any new entities you establish.

Please get this information together, add it to your calendar and make sure the forms are completed and filed by December 31, 2024 for existing companies before 2024 or within 90 days of a newly formed business in 2024.

You can file your Beneficial Ownership Information Report (BOIR) online at [boiefiling.fincen.gov/fileboir](https://boiefiling.fincen.gov/fileboir)

You can find detailed step-by-step instructions on our website or on the FINCEN's website.

There is no annual requirement for filing. Reporting companies must file an initial BOI report and updated or corrected BOI reports as needed.

*A reporting company is (1) any corporation, limited liability company, or other similar entity that was created in the United States by the filing of a document with a secretary of state or similar office (in which case it is a domestic reporting company), or any legal entity that has been registered to do business in the United States by the filing of a document with a secretary of state or similar office (in which case it is a foreign reporting company), that (2) does not qualify for any of the exemptions provided under the Corporate Transparency Act.*

*FinCEN has indicated in a fact sheet that reporting companies include limited liability partnerships, limited liability limited partnerships, business trusts and most limited partnerships, in addition to corporations and LLCs, because these entities are created by filing with a government agency. Sole proprietorships and general partnerships do not have to file, so are likely exempt from reporting. Additionally, there are 23 types of entities that are specifically identified as exempt, including banks, brokers or dealers in securities, investment companies, insurance companies, accounting firms and tax-exempt entities. The 23 exempt entities are shown in a table in the FinCEN FAQs.*

