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## Corporate Transparency Act practical considerations: US street address

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### Introduction

Beginning in 2024, the Corporate Transparency Act (CTA) requires US corporations, limited liability companies and statutory partnerships to file a beneficial ownership information (BOI) report with the US Financial Crimes Enforcement Network (FinCEN), unless an exemption applies. The report must include the reporting company's US street address. The address must be determined based on the definitions in and requirements of the law. A reporting company's BOI report must be true, complete and correct or penalties apply.

For further details on the CTA in general please see "Corporate Transparency Act: beneficial ownership information reporting begins", "Corporate Transparency Act: identifying individuals who own or control interests in reporting companies", "Corporate Transparency Act: identification of individuals who exercise substantial control over reporting companies".

### Required information about reporting company

A reporting company must include in the BOI report the following details about itself:

1. Its legal name;
2. Any trade names, "doing business as" (d/b/a), or "trading as" (t/a) names;
3. The current street address of its principal place of business if that address is in the United States (for example, a U.S. reporting company's headquarters), or, for reporting companies whose principal place of business is outside the United States, the current address from which the company conducts business in the United States (for example, a foreign reporting company's U.S. headquarters);
4. Its jurisdiction of formation or registration; and
5. Its Taxpayer Identification Number (or, if a foreign reporting company has not been issued a TIN, a tax identification number issued by a foreign jurisdiction and the name of the jurisdiction).

### Current street address

When a reporting company is an operating business with a storefront or office space, determining the address of its principal place of business in the United States is straightforward. When a reporting company is a holding company, careful consideration should be given to the address to be reported to FinCEN.

As FinCEN FAQ F.8. confirmed, the reporting company address must be a US street address and cannot be a post office (PO) box. FinCEN's Supplementary Information to the CTA Final Regulations clarified that a third-party address is also not acceptable. Thus, addresses that a reporting company may use for other purposes, such as tax returns or mail, may not be accurate for its FinCEN BOI report.

### Address decision tree

To determine a reporting company's US street address in compliance with the CTA and Final Regulations, the following decision tree may be helpful:

1. First, look to the reporting company's principal place of business in the US, or if multiple, the primary location where the reporting company conducts business (e.g., its storefront or office building).
2. If no such place of business exists, for companies established to purchase and hold US real estate, that address may be appropriate.
3. For a holding company with no US place of business or appropriate real estate address, look to the place where the manager or director conducts business functions in the US.
  1. For example, the address of the US-based manager, director or senior officer who makes decisions for the reporting company. Details regarding that individual will also be included on the reporting company's BOI report.
  2. Or, perhaps, the family office address will be appropriate if, in fact, business functions, such as company meetings, are conducted and books and records are kept at that address.
  3. Another option might be for a reporting company to enter into a lease arrangement for a shared business location where meetings can be held and that street address can be used on business cards and legal documents. Something more than a mail forwarding address.
4. As a last resort, FinCEN FAQ F.12. provides that, if the reporting company has no US place of business and does not conduct business functions at any US location, then the reporting company may provide: "the address in the United States of the person that the reporting company, under State or other applicable law, has designated to accept service of legal process on its behalf. In some jurisdictions, this person is referred to as the reporting company's registered agent, or the address is referred to as the registered office. Such a reporting company should report this address to FinCEN as its address." The person designated to accept service of process is a factual legal determination. This option is appropriate for reporting companies that are owned by non-US persons and whose managers, directors, and officers are all non-US persons.

As noted in Supplementary Information, FinCEN believes that having a US address for a reporting company will enable law enforcement to reach a point of contact more effectively in case of an inquiry or investigation. FinCEN believes that reporting a third-party address "would create opportunities for illicit actors to create ambiguities or confusion regarding the location and activities of a reporting company and thereby undermine the objectives of the beneficial ownership reporting regime."

### Document the address decision

Accurately reporting the company's street address on the initial BOI report is important to avoid liability and penalties for the company and its senior officers. Going forward, to stay compliant, companies will need to remember what BOI was submitted to FinCEN and why. The senior officer who prepares and files the reporting company's initial BOI report should document in company records why the reported street address is appropriate.

### Updating street address

Once a reporting company's initial BOI report is filed, the company is required to submit an updated report within 30 days of the date any reported information changes. Especially in the case of a holding company with no storefront or office building, the senior officer must be cognizant of what street address was reported and why, because if circumstances change, that address must be updated by filing an amended BOI report in a timely manner.

### Comment

It is unlawful for any person to willfully provide, or attempt to provide, false or fraudulent beneficial ownership information to FinCEN, or to willfully fail to report complete or updated beneficial ownership information to FinCEN. The reporting company's US street address is required data for the BOI report. Companies with no storefront or office building address must carefully consider and report an address that can be supported if questioned. PO boxes, including commercial mail-forwarding services, and third-party addresses, such as the lawyer's or accountant's address, are not acceptable.

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