

Telephone Tips and Talking Points

The two easiest ways to get your message to your Members of Congress is either via a phone call or through their website messaging system. See instructions below and sample information **you can edit to fit your personal experience and any expected challenges or concerns you have with these new small business reporting requirements.** Please note “Member of Congress” refers to either Senators or Representatives.

For a phone call with Congressional staff or the Member

1. From your Member of Congress’ website, call the **Washington, D.C.** office to speak to the **“legislative staff member”** responsible for **“financial services issues.”** If the staff person is not available you can leave a message on the staff person’s voicemail or ask for a call back.
2. Identify yourself as a CPA and as a voting constituent of the Representative or Senator. You may be asked to share your email or street address so they can respond to you via a letter or email.
3. Tell the staff person that you are calling to discuss your concerns with the FinCEN (pronounced *fin-sen*) Beneficial Ownership Reporting Requirements.

NOTE: You can use as many or as few of the talking points below as you are comfortable with using. Also, please feel free to speak from your own experience. Personal experience does wonders to help your Member of Congress understand an issue.

Specific Talking Points for a Phone Call with Your Member of Congress’ Staff:

- I am calling to discuss my concerns with the FinCEN (pronounced *fin-sen*) Beneficial Ownership Reporting Requirements
- The FinCEN rule goes into effect on January 1, 2024. Many small businesses do not know this filing requirement will impact them beginning in 2024. We are deeply concerned that the small business community will not be ready to comply and **request that you cosponsor** (**in the House**) H.R. 4035 or (**in the Senate**) S. 2623 the *Protecting Small Business Information Act of 2023*.
- By FinCEN’s own calculations, they expect 32.6 million filings in the first year that filings are due, and 5 or 6 million filings every year thereafter.
- Most businesses will be subject to the filing requirement.
 - Certain large operating entities and certain publicly traded companies are exempt. There is a list of 23 exceptions, but most businesses are not exempt.
 - Most 501(c) and 501(a) organizations are exempt from filing.
- Penalties on the taxpayer are steep:
 - \$500 per day, up to \$10,000;
 - and up to 2 years of imprisonment for willfully not filing.
- Given the steep penalties, we expect many small businesses will seek the assistance of a trusted financial professional to assist with their reporting requirement.
- Any change in beneficial ownership information must be reported to FinCEN within 30 days. This could potentially mean that this would become a monthly

reporting tracking requirement for tax professionals to keep up with client information changes to ensure they are compliant with the reporting requirements.

- There is debate that a tax professional providing any business advice as to who the beneficial owner or company applicant is could be deemed the unauthorized practice of law. CPAs across the country will be contacting their state regulators, insurance carriers and/or legal counsel to further discuss this issue.
 - At the moment, no state has issued any specific guidance regarding whether providing advice on the BOI reporting requirement is considered unauthorized practice of law.
- Because of these concerns, ***we ask that your office cosponsor the “Protecting Small Business Information Act of 2023” (H.R. 4035 or S. 2623)***. This legislation will provide a delay allowing small businesses to ensure they are prepared to report their beneficial ownership information.
- To conclude the call, offer to be a resource to staff on this issue in the future.