

NCPA Member Summary: Pharmacies With 20 or Fewer FTEs Must Submit Beneficial Ownership Information Report

Pharmacies that have 20 or fewer full-time employees that do not otherwise meet an exemption will be required to report a “[beneficial ownership information report](#)” (BOI Report) with the US Treasury’s Financial Crimes Enforcement Network (FinCEN) beginning January 1, 2024 under the Corporate Transparency Act. Companies required to report are called reporting companies.

Filing dates. A reporting company created or registered in 2024 will have [90 calendar days](#) from the time the company receives actual notice from its state of incorporation that its creation or registration is effective, or after a secretary of state or similar office first provides public notice of its creation or registration, whichever is earlier, to file their initial reports. FinCEN will not accept BOI reports from reporting companies until January 1, 2024—no reports should be submitted to FinCEN before that date. Reporting companies created or registered before January 1, 2024, will have until January 1, 2025, to file their initial BOI reports with FinCEN, and reporting companies created or registered on or after January 1, 2025, will have 30 calendar days to file their initial BOI reports with FinCEN.

Reporting companies. A reporting company is 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 that does not qualify for any of the exemptions provided under the Corporate Transparency Act.

Exemptions. Under the CTA, the term “reporting company” (31 C.F.R. 1010(c)) exempts 23 different types of entities. Pharmacies may meet an exemption for reporting under the “large operating company” exception (Exemption #21) if the pharmacy employs more than 20 full time employees, has filed a federal income tax or information return in the United States for the previous year demonstrating more than \$5,000,000 in gross receipts or sales, and other requirements. A subsidiary of such a large operating company may also qualify for an exemption (Exemption #22). See page 12-13 of this [guide](#) for details.

Beneficial owners. If your company is a reporting company and does not meet any of the exemptions, your next step is to identify its beneficial owners. A beneficial owner is any individual who, directly or indirectly: 1) exercises substantial control over a reporting company; or 2) owns or controls at least 25 percent of the ownership interests of a reporting company.

For frequently asked questions, click [here](#). For FinCEN’s BOI Small Entity Compliance Guide, click [here](#).