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Navigating the Corporate Transparency Act

Payments Pros – The Payments Law Podcast

SPEAKERS

[Carlin A. McCrory](#)

In this episode of *Payments Pros*, Carlin McCrory is joined by Nick St. John, director of regulatory compliance at America's Credit Unions, to discuss the Corporate Transparency Act (CTA) and related developments from the Financial Crimes Enforcement Network (FinCEN). Enacted in 2021, the CTA aims to combat the use of anonymous legal entities for money laundering. It mandates that legal entities report their beneficial ownership information to FinCEN, which maintains a database accessible to law enforcement, financial institutions, and other entities that meet specific criteria.

Nick explains that the CTA applies to corporations and similar entities, with exceptions like banks and credit unions. Entities must report information about the company and its beneficial owners, defined as any person with a 25% or more ownership interest or who exercises substantial control. Reporting deadlines vary based on the company's creation date.

He also clarifies the difference between beneficial ownership reporting to financial institutions and the new reporting to FinCEN. Under the CTA, there is no numerical limit to the number of control persons that must be reported. Financial institutions can request this information for customer due diligence compliance requirements. Carlin and Nick conclude by discussing future developments from FinCEN, including when the information will be made available to financial institutions and changes to existing rules to align with the CTA.

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