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BOI Update: Puerto Rico Entities Now Exempt from BOI Reporting Requirements

In the latest development regarding beneficial ownership information (“BOI”) reports, the Financial Crimes Enforcement Network (the “FinCEN”) published an interim final rule that excludes U.S. companies (including Puerto Rico companies) from the scope of the term “reporting companies,” as such term was defined in the Corporate Transparency Act (the “CTA”) and its regulations. Additionally, the rule added the term “domestic entity” to the list of entities that are exempt from BOI reporting obligations, thereby eliminating such requirement for entities organized, incorporated or created under the laws of a State, **which includes the Commonwealth of Puerto Rico** for purposes of the CTA, or an Indian tribe.

Moreover, the rule also exempts “foreign reporting companies” from submitting BOI reports of their beneficial owners that are U.S. persons, **which includes citizens and residents of the Commonwealth of Puerto Rico**. Therefore, foreign reporting companies must only provide information to FinCEN of their beneficial owners that are not U.S. persons. The new **deadline** for **foreign reporting companies** that were subject to the previous deadline for submitting their BOI reports is thirty (30) days from the publication of the rule on March 21st, 2025.

FinCEN will be accepting public comments on this rule for sixty (60) days after its publication, as the bureau plans to issue a final rule later this year.

In sum, these regulatory changes consist of the following:

- **U.S. companies**, which include those organized, incorporated or created under the laws of the Commonwealth of Puerto Rico, **are now exempt from BOI reporting requirements.**
- **Foreign reporting companies are exempt from submitting BOI reports of their beneficial owners that are U.S. persons.**

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