

HR 3416

Incorporation Transparency and Law Enforcement Assistance Act

Congress: 112 (2011–2013, Ended)

Chamber: House

Policy Area: Commerce

Introduced: Nov 14, 2011

Current Status: Sponsor introductory remarks on measure. (CR E2068)

Latest Action: Sponsor introductory remarks on measure. (CR E2068) (Nov 16, 2011)

Official Text: <https://www.congress.gov/bill/112th-congress/house-bill/3416>

Sponsor

Name: Rep. Maloney, Carolyn B. [D-NY-14]

Party: Democratic • State: NY • Chamber: House

Cosponsors (2 total)

Cosponsor	Party / State	Role	Date Joined
Rep. Frank, Barney [D-MA-4]	D · MA		Nov 14, 2011
Rep. Lynch, Stephen F. [D-MA-9]	D · MA		Nov 14, 2011

Committee Activity

Committee	Chamber	Activity	Date
Financial Services Committee	House	Referred To	Nov 14, 2011

Subjects & Policy Tags

Policy Area:

Commerce

Related Bills

Bill	Relationship	Last Action
112 S 1483	Related bill	May 24, 2012: Committee on Foreign Relations. Hearings held. Hearings printed: S.Hrg. 112-602.

Incorporation Transparency and Law Enforcement Assistance Act - Directs the Secretary of the Treasury to: (1) issue regulations requiring corporations and limited liability companies formed in a state that does not have a formation system providing for the disclosure, updating, and verification of beneficial ownership information to file with the Secretary information about their beneficial ownership as required by this Act; and (2) provide such information pursuant to a civil or criminal subpoena or summons from a federal or state agency or a congressional committee or a written request by a federal agency on behalf of another country or by the Financial Crimes Enforcement Network.

Sets forth requirements for state formation systems regarding beneficial ownership information, including: (1) the identification of beneficial owners by name, address, and identifying number from a passport or driver's license; and (2) the updating of lists of beneficial owners not later than 60 days after any change in information. Requires retention of such information for five years after a corporation or limited liability company terminates.

Authorizes a state that maintains a formal licensing system for formation agents to permit applicants to form a corporation or limited liability company or such a corporation or company to provide such information to such an agent residing in that state instead of to that state directly. Specifies exempt entities, including businesses with more than 20 full-time employees in the United States and over \$10 million in gross receipts or sales. Prescribes penalties for: (1) providing false or fraudulent beneficial ownership information; (2) willfully failing to provide complete or updated information; (3) disclosing the existence of a subpoena, summons, or other request for beneficial ownership information, with exceptions; and (4) a formation agent failing to obtain or maintain credible, legible, and updated beneficial ownership information.

Requires the Secretary to publish a proposed and final rule to require persons engaged in the business of forming corporations to establish anti-money laundering programs.

Requires the Comptroller General to study and report to Congress on: (1) state requirements for the disclosure of beneficial ownership information; (2) whether the lack of such information has impeded investigations into entities suspected of terrorism, money laundering, and other criminal activities; (3) whether the failure to require beneficial ownership information for partnerships and trusts formed or registered in the United States has elicited international criticism and what steps the United States has taken or is planning to take in response; and (4) the effectiveness of incorporation practices implemented under this Act in aiding law enforcement.

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## **Actions Timeline**

- **Nov 16, 2011:** Sponsor introductory remarks on measure. (CR E2068)
- **Nov 14, 2011:** Introduced in House
- **Nov 14, 2011:** Referred to the House Committee on Financial Services.