

HR 4450

Incorporation Transparency and Law Enforcement Assistance Act

Congress: 114 (2015–2017, Ended)

Chamber: House

Policy Area: Crime and Law Enforcement

Introduced: Feb 3, 2016

Current Status: Referred to the House Committee on Financial Services.

Latest Action: Referred to the House Committee on Financial Services. (Feb 3, 2016)

Official Text: <https://www.congress.gov/bill/114th-congress/house-bill/4450>

Sponsor

Name: Rep. Maloney, Carolyn B. [D-NY-12]

Party: Democratic • **State:** NY • **Chamber:** House

Cosponsors (17 total)

Cosponsor	Party / State	Role	Date Joined
Rep. Capuano, Michael E. [D-MA-7]	D · MA		Feb 3, 2016
Rep. King, Peter T. [R-NY-2]	R · NY		Feb 3, 2016
Rep. Lynch, Stephen F. [D-MA-8]	D · MA		Feb 3, 2016
Rep. Moore, Gwen [D-WI-4]	D · WI		Feb 3, 2016
Rep. Waters, Maxine [D-CA-43]	D · CA		Feb 3, 2016
Rep. Pingree, Chellie [D-ME-1]	D · ME		Apr 12, 2016
Rep. Ryan, Tim [D-OH-13]	D · OH		Apr 12, 2016
Rep. Ellison, Keith [D-MN-5]	D · MN		Apr 26, 2016
Rep. Bonamici, Suzanne [D-OR-1]	D · OR		Apr 29, 2016
Rep. Honda, Michael M. [D-CA-17]	D · CA		Apr 29, 2016
Rep. Blumenauer, Earl [D-OR-3]	D · OR		May 10, 2016
Rep. Lowenthal, Alan S. [D-CA-47]	D · CA		May 16, 2016
Rep. Foster, Bill [D-IL-11]	D · IL		Jun 9, 2016
Rep. LoBiondo, Frank A. [R-NJ-2]	R · NJ		Jun 9, 2016
Rep. DeFazio, Peter A. [D-OR-4]	D · OR		Jul 6, 2016
Rep. Lee, Barbara [D-CA-13]	D · CA		Jul 14, 2016
Rep. Meeks, Gregory W. [D-NY-5]	D · NY		Sep 22, 2016

Committee Activity

Committee	Chamber	Activity	Date
Financial Services Committee	House	Referred To	Feb 3, 2016

Subjects & Policy Tags

Policy Area:

Crime and Law Enforcement

Related Bills

Bill	Relationship	Last Action
114 S 2489	Related bill	Feb 3, 2016: Read twice and referred to the Committee on the Judiciary.

Summary (as of Feb 3, 2016)

Incorporation Transparency and Law Enforcement Assistance Act

This bill directs the Department 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 Treasury information about their beneficial ownership as required by this bill; 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.

It sets forth requirements for state formation systems regarding beneficial ownership information, including: (1) the identification of beneficial owners by name, residential or business 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. It requires retention of such information for five years after a corporation or limited liability company terminates.

The bill authorizes a state that maintains a formal licensing system for formation agents to permit an applicant to form a corporation or limited liability company, or a corporation or company formed under the laws of the state, to provide such information to such an agent residing in that state instead of to that state directly, under certain conditions. It 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.

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

The Government Accountability Office must 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 bill in aiding law enforcement.

Actions Timeline

- **Feb 3, 2016:** Introduced in House
- **Feb 3, 2016:** Sponsor introductory remarks on measure. (CR H507)
- **Feb 3, 2016:** Referred to the House Committee on Financial Services.