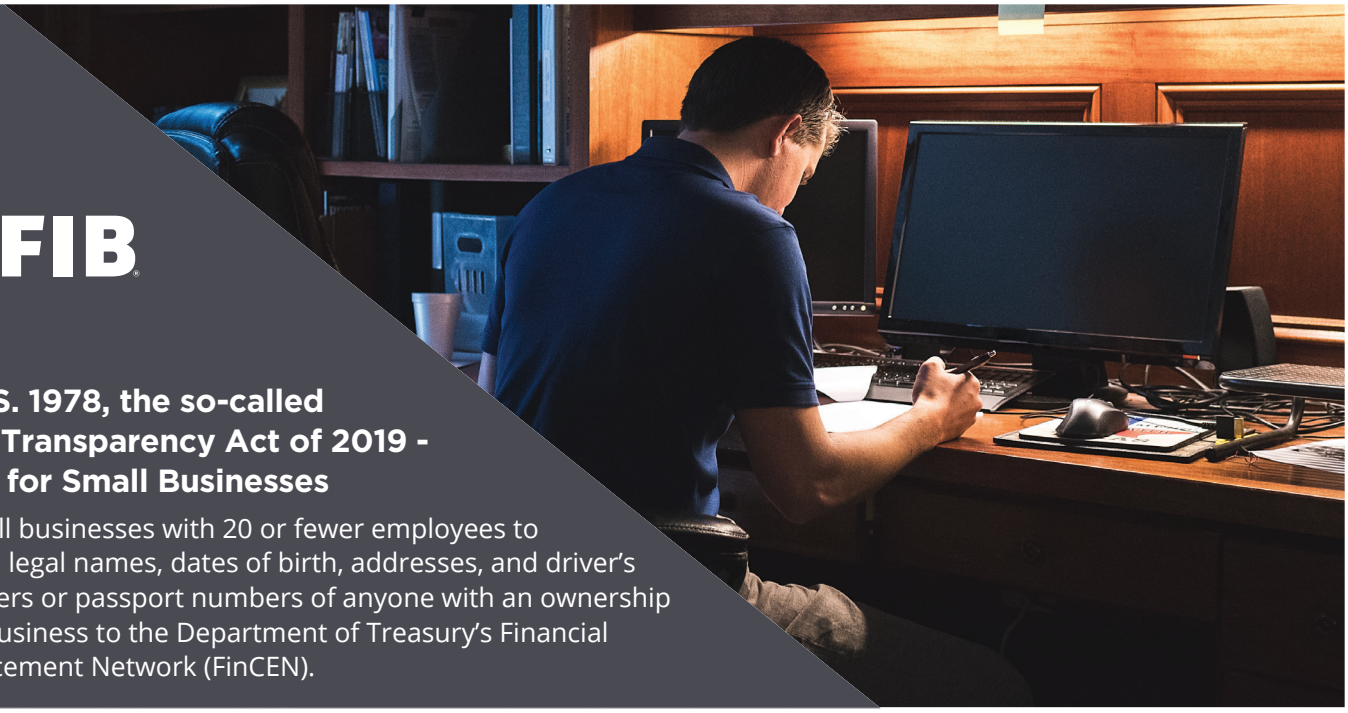

NFIB

H.R. 2513/S. 1978, the so-called Corporate Transparency Act of 2019 - A Problem for Small Businesses

Requires small businesses with 20 or fewer employees to report the full legal names, dates of birth, addresses, and driver's license numbers or passport numbers of anyone with an ownership stake in the business to the Department of Treasury's Financial Crimes Enforcement Network (FinCEN).

131.7 million
new paperwork hours for small businesses to complete.[1]

$5.7 billion burden
on small business owners.[1]

$10,000
FINE
+
3 years
in prison

80%
of NFIB members oppose Congress requiring small business owners to file additional paperwork each time they form or change ownership in a business.

Violates Privacy

Allows local, state, and federal law enforcement to view private small business information without a subpoena or warrant.

The reality

is that the law would hit small businesses with another compliance burden, their confidential information would become less secure, and real criminals are unlikely to be deterred.[2]

1 NFIB Research Center, Economic Costs to Small Businesses Due to the Corporate Transparency Act

2 The Wall Street Journal, A New Small Business Burden, July 16, 2019