

New York's LLC Transparency Act Now in Effect

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New York Governor Kathy Hochul signed the New York Limited Liability Company Transparency Act ("NY LLCTA") into law in December 2023. Under the NY LLCTA, covered companies became subject to certain new reporting requirements that became effective January 1, 2026. But the NY LLCTA today is far narrower than the drafters originally intended.

The NY LLCTA was originally designed as a state-level version of the federal Corporate Transparency Act ("CTA"). Both laws require certain companies to disclose to government agencies the identity of the individuals who own or control those companies. While the CTA requires federal filings, the NY LLCTA requires filings with the NY Department of State ("NY DOS"). The CTA is part of the Anti-Money Laundering Act of 2020, which became effective January 1, 2021, as a part of the National Defense Authorization Act.

The CTA was enacted to combat money laundering, terrorism financing, human and drug trafficking, sanctions evasion, tax fraud, and other financial crimes. The CTA established beneficial owner information ("BOI") reporting requirements for a wide range of legal entities nationwide. The NY LLCTA incorporates, by explicit reference, several provisions of the CTA. However, it applies only to limited liability companies formed in New York or qualified to do business in New York unless they fall within a range of specified exemptions ("Reporting LLCs").

The U.S. Treasury's Financial Crimes Enforcement Network (FinCEN) in December 2024 dramatically narrowed the CTA's requirements, excluding all companies formed in the U.S. FinCEN confirmed these changes in its Interim Final Rule on March 26, 2025. In response to the Interim Final Rule, NY's legislature amended the NY LLCTA in 2025 to de-link the NY LLCTA to some extent from the CTA by broadening the coverage of the NY LLCTA to encompass nearly all LLCs formed or registered to do business in New York, whether domestic or foreign, unless exempt (S8432/A8662). However, NY Governor Kathy Hochul vetoed this bill on December 19, 2025. As a result, LLCs formed in New York or LLCs formed elsewhere in the U.S. and registered to do business in New York are currently not required to file BOI reports with the NY DOS. Unless the New York legislature overrides the Governor's veto, only LLCs formed outside the U.S. and registered to do business in New York State now fall within the definition of Reporting LLCs.

Under the NY LLCTA, (foreign) Reporting LLCs formed before January 1, 2026, are required to file initial reports ("BOI reports") by no later than December 31, 2026. Reporting LLCs formed or qualified in New York State in 2026 or later are required to file initial BOI reports within 30 days after formation or qualification. All Reporting LLCs must file annual reports with the NY DOS disclosing their beneficial owners. The reports must disclose certain identifying information about each individual who exercises substantial control over or owns 25% or more of a Reporting LLC. Even exempt LLCs must file initial and annual attestations of exemption. This information will be available to government enforcement agencies but will not be publicly disclosed.

The NY DOS has posted on its website [beneficial ownership disclosure FAQs and beneficial owner disclosure exemptions](#).

Offit Kurman will continue to monitor for any updates to the status of the NY LLCTA and the BOI reporting obligations.