
Hughes Hubbard & Reed

New York's Beneficial Ownership Reporting Regime to Take Effect Jan. 1, 2026 – What to Know

Client Advisories

Hughes Hubbard & Reed LLP • A New York Limited Liability Partnership
One Battery Park Plaza • New York, New York 10004-1482 • +1 (212) 837-6000

Attorney advertising. This advisory is for informational purposes only and is not intended as legal advice. Prior results do not guarantee a similar outcome. For more information: <https://www.hugheshubbard.com/legal-notices>.

Dec. 12, 2025 – The New York LLC Transparency Act (NYLLCTA) takes effect on Jan. 1, 2026 (as we previously covered [here](#) and [here](#)). The NYLLCTA was largely modeled on the Corporate Transparency Act (CTA), a federal law that came into effect in 2024 nationwide but whose effect has been drastically narrowed in scope over the course of the past year by the Trump administration's enforcement policy as reflected through the Financial Crimes Enforcement Network adoption of an interim rule applying the CTA only to foreign reporting companies (as we have covered extensively in previous alerts).

Because the NYLLCTA, as enacted in 2023, cross-references the definitions in the CTA and its implementing regulations of "beneficial owner," "reporting company" and "exempt company," the New York Legislature recently passed amendments to the NYLLCTA (S8432/A08662) decoupling the NYLLCTA from the CTA to reduce uncertainty and confusion regarding applicability of the NYLLCTA in light of the CTA's diminishing scope. S8432/A08662 must still be signed into law by the governor to become effective, but we expect this to occur prior to the end of the year.

Below is a short overview of the NYLLCTA, as amended by the proposed [SB8432/A8662](#). New York state has not released any guidance on the implementation of the NYLLCTA, and there is no online filing database as of the date of this alert.

1. Who must file? All limited liability companies (LLCs) formed or authorized to do business in New York state, except those that qualify for an exclusion or are otherwise exempt (as summarized in No. 6 below), must file a beneficial owner statement with the New York Department of State (NYDOS).

Note that each LLC claiming an exemption must file an attestation of exemption detailing the specific exemption claimed and the facts on which such exemption is based. No such filing is (or was) required under the CTA.

2. Who is a "beneficial owner"? Per the proposed S8432/A08862, an individual or entity who, directly or indirectly, through any contract, arrangement, understanding, relationship or otherwise, exercises substantial control over the LLC or owns or controls not less than 25% of the ownership interests of the LLC. The proposed S8432/A08862 does

not define “substantial control” or “ownership interest.”

3. What information is required in the disclosure? The following information must be included for each beneficial owner and “applicant” (as defined by the CTA) of the reporting LLC: (i) full legal name, (ii) date of birth, (iii) current home or business street address and (iv) a unique identifying number from a government-issued identification card (but such identification card does not need to be uploaded with the filing). An updated and corrected beneficial ownership statement may be submitted up to 90 days after the original filing.

Note that each reporting LLC is required to file an annual statement with the NYDOS confirming or updating (1) its beneficial ownership disclosure information, (2) the street address of its principal executive office, (3) status as an exempt company, if applicable, and (4) such other information as may be designated by the NYDOS. This differs from the CTA, which only requires a filing update upon a change in the information filed.

4. When do filings have to be made? LLCs formed or authorized to do business in New York on or after Jan. 1, 2026, must file a beneficial ownership disclosure statement or an attestation of exemption within 30 days of filing the articles of organization or an application for authority to do business in New York. LLCs formed or authorized to do business in New York before Jan. 1, 2026, must file their first beneficial ownership disclosure statement or an attestation of exemption on or before Dec. 31, 2026.

5. What is the penalty for not making a required filing? Any LLC that is 30 or more days delinquent in filing a beneficial ownership statement, attestation of exemption, or required annual filing may be assessed a fine of up to \$500 for each day that such LLC has a “past due” or “delinquent” record. Further, the New York attorney general may bring an action to dissolve, cancel or annul authorization to do business for any LLC that is delinquent in filing its beneficial ownership disclosure statement or attestation of exemption, or that has knowingly provided, or attempted to provide, false or fraudulent beneficial ownership information.

6. What types of LLCs are exempted from filing? Per the proposed S8432/A08862, (i) LLCs that employ more than 20 employees on a full-time basis in the U.S. and have annual U.S.-sourced gross receipts or sales of greater than \$5 million that operate in a physical office within New York state, (ii) LLCs that are issuers of Securities and Exchange Commission (SEC)-registered securities, (iii) SEC-registered investment companies and investment advisors, (iv) tax-exempt nonprofit entities, (v) banks, credit unions and registered broker-dealers, (vi) insurance companies and certain other highly regulated entities, (vii) certain pooled investment vehicles, (viii) wholly owned/controlled subsidiaries of certain exempt companies and (ix) certain inactive LLCs.

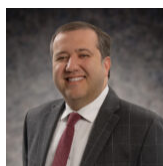
7. Are the filings confidential? Beneficial owners’ information included in a beneficial ownership disclosure will be deemed confidential except to federal, state and local governmental agencies in limited circumstances, among other limited exclusions.

We continue to monitor developments from New York related to the implementation of the NYLLCTA and plan to keep you apprised of any updates. Please reach out to us with any questions.

Related People



Gerold Niggemann



Michael Traube



Charles A. Samuelson



Devon Pope

Related Areas of Focus

Corporate

Corporate Governance