

## Statement by Secretary of the Treasury Janet L. Yellen on New Rule Under the Corporate Transparency Act

September 29, 2022

WASHINGTON – Secretary of the Treasury Janet L. Yellen released the following statement following the announcement of a new rule on beneficial ownership reporting under the Corporate Transparency Act.

“Today’s announcement is a major step forward in giving law enforcement, national security agencies, and other partners the information they need to crack down on criminals, corrupt individuals, and other bad actors who seek to take advantage of America’s financial system for illicit purposes. This rule builds on years of bipartisan work by Congress, Treasury, national security and law enforcement agencies, and other stakeholders to bolster corporate transparency while minimizing the impact of compliance on honest businesses.

In doing so, this rule will make it harder for criminals, organized crime rings, and other illicit actors to hide their identities and launder their money through the financial system. It will help strengthen our national security by making it more difficult for oligarchs, terrorists, and other global threats to use complex legal structures to launder money, traffic humans and drugs, and commit other crimes that threaten harm to the American people. And it will help level the playing field for honest businesses that play by the rules but are at a disadvantage when competing against bad actors who use shell companies to evade taxes, hide their illicit wealth, and defraud customers and employees. On the international front, the rule will also help the U.S. more effectively combat financial crime alongside our partners and allies under strong global standards.

Critically, this rule will also greatly further our Administration’s work to fight corruption and its corrosive effects on our democracy and the rule of law – both at home and around the world.”

[Fact Sheet on Beneficial Ownership Information Reporting](#)

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