



**WES ALLEN**  
SECRETARY OF STATE



**Michael Watson**  
SECRETARY OF STATE

March 13, 2024

The Honorable Robert B. Aderholt  
United States House of Representatives  
266 Cannon House Office Building  
Washington, DC 20515

The Honorable Katie Boyd Britt  
United States Senate  
502 Hart Senate Office Building  
Washington, DC 20510

The Honorable Jerry L. Carl  
United States House of Representatives  
1330 Longworth House Office Building  
Washington, DC 20515

The Honorable Barry Moore  
United States House of Representatives  
1504 Longworth House Office Building  
Washington, DC 20515

The Honorable Gary J. Palmer  
United States House of Representatives  
170 Cannon House Office Building  
Washington, DC 20515

The Honorable Mike D. Rogers  
United States House of Representatives  
2469 Rayburn House Office Building  
Washington, DC 20515

The Honorable Terri A. Sewell  
United States House of Representatives  
1035 Longworth House Office Building  
Washington, DC 20515

The Honorable Mike Ezell  
United States House of Representatives  
443 Cannon House Office Building  
Washington, DC 20515

The Honorable Trent Kelly  
United States House of Representatives  
2243 Rayburn House Office Building  
Washington, DC 20515

The Honorable Michael Guest  
United States House of Representatives  
450 Cannon House Office Building  
Washington, DC 20515

The Honorable Cindy Hyde-Smith  
United States Senate  
702 Hart Senate Office Building  
Washington, DC 20510

The Honorable Bennie Thompson  
United States House of Representatives  
2466 Rayburn House Office Building  
Washington, DC 20515

The Honorable Roger Wicker  
United States Senate  
425 Russell Senate Office Building  
Washington, DC 20510

ALABAMA STATE CAPITOL  
600 DEXTER AVENUE, SUITE S-105  
MONTGOMERY, AL 36130  
(334) 242-7200  
[WWW.SOS.ALABAMA.GOV](http://WWW.SOS.ALABAMA.GOV)  
[WES.ALLEN@SOS.ALABAMA.GOV](mailto:WES.ALLEN@SOS.ALABAMA.GOV)

MISSISSIPPI STATE CAPITOL  
401 MISSISSIPPI STREET  
JACKSON, MS 39201  
(601) 359-1350  
[WWW.SOS.MS.GOV](http://WWW.SOS.MS.GOV)  
[MICHAEL.WATSON@SOS.MS.GOV](mailto:MICHAEL.WATSON@SOS.MS.GOV)

Aderholt, Britt, Carl, Moore, Palmer, Rogers, Sewell, Strong, Tuberville, Ezell, Kelly, Guest,  
Hyde-Smith, Thompson, Wicker  
March 13, 2024  
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The Honorable Dale W. Strong  
United States House of Representatives  
13307 Longworth House Office Building  
Washington, DC 20515

The Honorable Tommy Tuberville  
United States Senate  
455 Russell Senate Office Building  
Washington, DC 20510

**VIA U.S. MAIL AND ELECTRONIC EMAIL TRANSMISSION**

Dear Senators/Representatives Aderholt, Britt, Carl, Moore, Palmer, Rogers, Sewell, Strong,  
Tuberville, Ezell, Kelly, Guest, Hyde-Smith, Thompson, and Wicker,

We are fortunate to serve as our states' elected Secretaries of State. In that capacity, we have become increasingly concerned with too many unnecessary burdens placed on businesses owned and operated by Alabama and Mississippi citizens. While some of these requirements appear to be the result of well-meaning policymakers, others unfortunately appear to be the result of laws enacted without much thought or basis.

Please consider this joint letter an official request to pursue repealing one such measure: the recently effective requirement under the Corporate Transparency Act, which burdens small businesses operating in the United States by forcing them to report and update beneficial ownership information to the Department of the Treasury's Financial Crimes Enforcement Network (or FinCEN). Implementation of the Act has been an absolute train wreck. It was enacted, presumably, as a counterterrorism and anti-illicit finance effort, but the law focuses on businesses with 25 employees or less while exempting publicly traded companies meeting specific requirements, many nonprofits, and certain large operating companies. Under this law, the bad actors will either simply not comply or they will find loopholes to slip through while legitimate hardworking, American small business owners will shoulder the additional burden of navigating unnecessary bureaucratic red tape in an attempt to comply. Please visit <https://www.fincen.gov/boi> for further information about these new requirements.

Our offices have received calls from tax attorneys and CPAs asking for explanations and guidance to make sure their clients are complying. If they are having trouble figuring out the requirements, imagine the difficulties the small mom and pop businesses around our states will have, especially when they can't afford the services of expensive tax attorneys and CPAs. Not only that, but these firms are also concerned with what liability they may face if errors are made. Additionally, when our offices attempt to reach out for information from FinCEN, we rarely, if ever, have our calls returned with fruitful information. Another alarming concern is the number

of small businesses who have no idea this burdensome requirement even exists, much less the extreme penalties they'll face for noncompliance.

In a recent meeting with FinCEN representatives, we were told they aren't sure how many businesses this will impact, thus they won't really be able to track full compliance. We have hundreds of thousands of businesses in our states alone, and we are two of the smaller states. Additionally, they tell us they plan to be lenient and work with businesses, but that friendliness certainly isn't allowed for in the text of the law.

We fully support rooting out terrorists and other bad actors, but we know they have a solid track record of not following the law. While well intentioned, this is just another burden placed on honest, hardworking, American citizens. Again, on behalf of all impacted small business owners in Alabama and Mississippi, who are simply trying to be successful in difficult economic times, we ask that you immediately pursue repealing the beneficial ownership information reporting requirements under the Corporate Transparency Act. Repealing this requirement is the best and right thing to do for our states and the rest of the country.

Please contact either of our General Counsel, Mike Jones in Alabama, at (334) 353-7857 or by email at [mike.jones1@sos.alabama.gov](mailto:mike.jones1@sos.alabama.gov), or Leigh Janous in Mississippi, at (601) 359-6318 or by email at [leigh.janous@sos.ms.gov](mailto:leigh.janous@sos.ms.gov) with any questions.

Sincerely,



Wes Allen  
Alabama Secretary of State



Michael Watson  
Mississippi Secretary of State