

CORPORATE TRANSPARENCY ACT REINSTATED WITH NEW REPORTING DEADLINES

On December 23, 2024, the U.S. Court of Appeals for the Fifth Circuit stayed a preliminary injunction of the Corporate Transparency Act. As a result, the U.S. federal government is again able to enforce the CTA, which includes the reporting of beneficial ownership information. Shortly after the Fifth Circuit issued the stay, the U.S. Financial Crimes Enforcement Network extended the filing deadlines for certain reporting companies to submit beneficial ownership information. The response to the Fifth Circuit's decision by FinCEN^[1] states in part:

"In light of a December 23, 2024, federal Court of Appeals decision, reporting companies, except as indicated below, are once again required to file beneficial ownership information with FinCEN. However, because the Department of the Treasury recognizes that reporting companies may need additional time to comply given the period when the preliminary injunction had been in effect, we have extended the reporting deadline as follows:

- Reporting companies that were created or registered prior to January 1, 2024 have until January 13, 2025 to file their initial beneficial ownership information reports with FinCEN. (These companies would otherwise have been required to report by January 1, 2025.)*
- Reporting companies created or registered in the United States on or after September 4, 2024 that had a filing deadline between December 3, 2024 and December 23, 2024 have until January 13, 2025 to file their initial beneficial ownership information reports with FinCEN.*
- Reporting companies created or registered in the United States on or after December 3, 2024 and on or before December 23, 2024 have an additional 21 days from their original filing deadline to file their initial beneficial ownership information reports with FinCEN."*

Subject to any further developments, in light of the Fifth Circuit's decision and FinCEN's limited reprieve, reporting companies should gather beneficial ownership information as soon as possible in order to prepare the requisite filings by the updated deadlines.

For additional information or questions related to the CTA, please reach out to a member of the O'Neil Cannon team.

[1] The full alert (and other information related to the CTA and beneficial ownership reporting) is available at <https://fincen.gov/boi>.