

CORPORATE TRANSPARENCY ACT UPDATE

February 20, 2025

With the February 18 decision by the U.S. District Court for the Eastern District of Texas in *Smith, et al. v. U.S. Department of the Treasury, et al.*, 6:24-cv-00336 (E.D. Tex.), beneficial ownership information (BOI) reporting requirements under the Corporate Transparency Act (CTA) are once again back in effect. However, because the Department of the Treasury recognizes that reporting companies may need additional time to comply with their BOI reporting obligations, the Financial Crimes Enforcement Network (FinCEN) is generally extending the deadline 30 calendar days from February 19 for most companies. For most reporting companies, the new deadline to file an initial, updated and/or corrected BOI report is now March 21.

Congress might step in to delay things further. The U.S. House passed legislation that would delay the enforcement of the CTA until January 1, 2026. That legislation is pending consideration in the U.S. Senate.

For assistance meeting the reporting deadline, please contact any of our attorneys in our Corporate and Securities practice group.

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