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NEWSLETTER

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CORPORATE TRANSPARENCY ACT -----ENJOINED...AGAIN-----

Reporting companies making the mad dash to comply with FinCEN's beneficial owner registration requirements by the January 13, 2025 extended deadline undoubtedly came to the following message on the FinCEN BOI webpage (www.fincen.gov/boi):

In light of a recent federal court order, reporting companies are not currently required to file beneficial ownership information with FinCEN and are not subject to liability if they fail to do so while the order remains in force.

Thus, the Fifth Circuit Court of Appeals reversed itself and let stand a nationwide injunction prohibiting enforcement of the Corporate Transparency Act and its implementing regulations. The Court of Appeals reinstated the injunction, "to preserve the constitutional *status quo* while the merits panel considers the parties' weighty substantive arguments." The most recent order reaffirmed that the Government's pending appeal should occur expeditiously.

KEY TAKEAWAYS: Registration Deadline Halted. Companies may report voluntarily but are not required to do so.