



## Alerts

### UPDATE: U.S. Department of the Treasury Terminates Enforcement of the Corporate Transparency Act Against U.S. Citizens and Domestic Companies

March 4, 2025  
*Hinshaw Alert*

Just under two weeks after the Financial Crimes Enforcement Network (FinCEN), an enforcement bureau within the U.S. Department of the Treasury (the "**Treasury Department**"), officially reinstated the Corporate Transparency Act (CTA), it looks like the CTA is once again dead in the water, possibly for good – at least for U.S. citizens and domestic companies.

In a [statement](#) released late last Sunday, the Treasury Department announced, in no uncertain terms, **that it will *not* enforce any penalties or fines against U.S. citizens or domestic reporting companies (or their beneficial owners) associated with the "beneficial ownership information" (BOI) reporting requirements under the CTA.**

The Treasury Department further noted that even when forthcoming changes to the CTA (as discussed in our prior [update](#)) take effect, they will still *not* be enforcing any related penalties or fines against U.S. citizens or domestic reporting companies (or their beneficial owners).

The Treasury Department also added that they will be "*issuing a proposed rulemaking that will narrow the scope of the [CTA] to foreign reporting companies only.*" Oddly enough, it appears that as of the time of publication of this post, FinCEN has yet to formally acknowledge the Treasury Department's recent statement, as FinCEN's [website](#) still shows the following:

In any case, it would appear that the Treasury Department's recent statement puts an end to the long back-and-forth drama that has played out regarding the enforcement of the CTA, at least with respect to U.S. citizens and domestic companies (and their respective beneficial owners).

As to foreign companies doing business in the United States, however, it is presumed that the CTA (and its reporting obligations) will still continue to apply to those companies (and their respective beneficial owners).

We will continue to monitor further changes to the CTA closely. [Please contact us if you have any questions.](#)

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#### Service Areas

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