

The Winding Road Continues - Corporate Transparency Act Back on with BOI Filings Required by March 21

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The last remaining nationwide injunction prohibiting enforcement of the Corporate Transparency Act (CTA) has been stayed, permitting the enforcement of the Beneficial Ownership Information Reporting Requirements final rule (31 C.F.R. 1010.308) (Reporting Rule), promulgated under the CTA.

After this ruling, on Feb. 19, the U.S. Department of Treasury's Financial Crimes Enforcement Network (FinCEN) posted an alert that for most reporting companies, the new deadline to file Beneficial Ownership Information (BOI) reports will be **March 21, 2025**.

On Feb. 18, in the case of *Smith, et al. v. U.S. Department of the Treasury*, the U.S. District Court for the Eastern District of Texas ruled that, in light of the U.S. Supreme Court's Jan. 23 order lifting an injunction issued in December 2024 by the Eastern District of Texas in the *Texas Top Cop Shop* litigation, that court would stay the previously issued nationwide injunction pending appeal.

As a result of this order, the federal government may proceed to enforce the CTA and its BOI reporting requirement. FinCEN intends to enforce the BOI reporting requirement and stated in its alert: "Given this decision, FinCEN's regulations implementing the BOI reporting requirements of the CTA are no longer stayed. Thus, subject to any applicable court orders, BOI reporting is now mandatory, but FinCEN is providing additional time for companies to report."

Reporting companies and their beneficial owners should closely follow developments, as there remain pending appeals court cases and proposed legislation regarding the CTA. For the time being, however, the reporting deadline for most reporting companies is now **March 21, 2025**.

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REQUIRED BY MARCH 21 *Cont.*

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