

Corporate Transparency Act Nationwide Injunction Stayed; New Filing Deadline is January 13, 2025

Alert

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By William Kearney, Jill Radloff & Zachary Taylor

On December 23, 2024, the U.S. Court of Appeals for the Fifth Circuit granted the government's emergency motion to stay the nationwide preliminary injunction against enforcement of the Corporate Transparency Act (CTA). Earlier this month, the injunction had been ordered by the U. S. District Court for the Eastern District of Texas in *Texas Top Cop Shop, Inc. v. Garland*. This temporary ruling reinstates the CTA and the associated Beneficial Ownership Information (BOI) reporting rules while the Fifth Circuit considers the merits of the appeal. The Fifth Circuit has not yet provided information regarding its schedule for the appeal, making only a brief mention in the stay order that oral arguments are to be moved up to the next available timeslot.

In response to the stay by the Fifth Circuit, the Financial Crimes Enforcement Network (FinCEN) of the U.S. Department of Treasury published the following modified CTA reporting deadlines for submitting initial BOI reports:

- Reporting companies that were created or registered in the United States prior to January 1, 2024, have until January 13, 2025, to file their initial BOI reports.
- 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 BOI reports.
- 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 BOI.

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Entities which have already filed their initial BOI reports will now continue to be required to submit updated reports within 30 days of any change to their beneficial ownership. Also, all reporting companies formed on or after January 1, 2025, will now continue to have 30 days following their formation or registration to file their initial BOI reports. The reporting timeline remains 90 days for entities formed on or after December 24, 2024, and through the end of 2024.

As noted above, this ruling is temporary and may yet be reversed or even further appealed to the U.S. Supreme Court. But, for now, the CTA is once again in effect.

CONTACTS

William (Bill) L. Kearney, Jr.

Jill R. Radloff

Zachary D. Taylor

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