

March 7, 2025

ARE DOMESTIC COMPANIES SAFE FROM THE CORPORATE TRANSPARENCY ACT?

By: Jennifer A. Golub, Esq.

On February 21, 2025 we reported that reporting obligations under the Corporate Transparency Act (CTA) were back, with a new deadline to file a beneficial ownership interest report (BOIR) of March 21, 2025.

Since that date, FinCEN, an agency of the Treasury Department, announced that it will not issue any fines or penalties or take any other enforcement action against any company who fails to file a BOIR by the March 21, 2025 deadline. FinCEN further announced that it intends to issue an interim final rule that extends BOIR reporting deadlines and will seek public comment on potential revisions to reporting requirements.

The Treasury Department went even further in a March 2, 2025 announcement, which advised that the Department was suspending enforcement of the CTA against U.S. citizens and domestic reporting companies and their beneficial owners, even after the forthcoming rule changes take effect. The Department further apprised that it intends to issue a proposed rulemaking to narrow the scope of the forthcoming rule to only apply to foreign companies registered to do business in the U.S.

While the future of the CTA is uncertain, it appears that at the moment domestic companies are safe from any fines or penalties that could be imposed for non-compliance with the CTA. Further announcements from FinCEN and/or the Treasury Department are expected no later than March 21, 2025.

For further information or to discuss, please contact Jennifer Golub, Esq. at jgolub@spsk.com.

DISCLAIMER: This Alert is designed to keep you aware of recent developments in the law. It is not intended to be legal advice, which can only be given after the attorney understands the facts of a particular matter and the goals of the client.

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