

The Corporate Transparency Act is Back On (For Now)

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The beneficial ownership information (BOI) reporting obligations under the Corporate Transparency Act (CTA) have been reinstated, and are, once again, mandatory after a Texas federal district court judge's order on Tuesday, February 18, lifting its previous stay of enforcement.

The next day, the U.S. Treasury's Financial Crimes Enforcement Network (FinCEN) issued a statement, which provides:

1. For the majority of reporting companies, unless subject to a later deadline, the new deadline to file an initial, updated and/or corrected BOI report with FinCEN is now **March 21, 2025**.
2. FinCEN may "further modify deadlines" for entities that do not pose significant national security risks before the March 21, 2025 deadline. If FinCEN proceeds to modify existing reporting requirements, it will issue an update "recognizing that reporting companies may need additional time to comply[.]"
3. Although no information has been publicly released regarding any proposed changes, "FinCEN also intends to initiate a process this year to revise the BOI reporting rule to reduce the burden for lower-risk entities, including many U.S. small businesses." This statement by FinCEN could be interpreted as a signal that the Trump Administration will seek formal amendments to the BOI Rule. **But this is only speculation.**

To keep things interesting during this merry-go-round ride, there are numerous lawsuits challenging the CTA, which will continue to navigate through the legal channels, and Congress might take preemptive action. The U.S. House of Representatives unanimously passed H.R. 736 on February 10, which (in its current form) would extend the initial report deadline for pre-2024 reporting companies that have not yet filed an initial report to January 1, 2026. A companion bill was introduced the following day in the U.S. Senate. Bills to fully repeal the CTA are pending as well but, to date, appear to have garnered less support.

There are a lot of moving parts, so reporting companies should monitor for further developments as the March 21 deadline approaches. They may not want to rush to file, but they should, at a minimum, make an effort to collect all of the necessary information so they can file when ready. FinCEN has stated repeatedly that (1) a reporting company must file a complete report (not a partial one) and (2) there is no exception for a reporting company if it is unable to gather all of the necessary information (i.e., a recalcitrant or unavailable beneficial owner is not a valid excuse).

Miller & Martin's Corporate Transparency Act Working Group, which includes [Evan Sharber](#), [Matt Jannerbo](#), [Bruce McCall](#), [Mike Marshall](#), and [Alan Madison](#), will be monitoring these developments. Please stay tuned for additional updates.

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