



MEMORANDUM

TO: Clients and Friends of TroyGould PC

FROM: TroyGould PC

DATE: December 24, 2024

RE: **UPDATE:** Corporate Transparency Act Reporting Obligations Reinstated, Filing Deadlines Extended

This memorandum provides an important update regarding compliance with the Corporate Transparency Act (CTA). On December 23, 2024, the U.S. Court of Appeals for the Fifth Circuit granted the government's motion for a temporary stay, overturning the nationwide preliminary injunction that had suspended Beneficial Ownership Information (BOI) reporting requirements under the CTA. This development reinstates the BOI reporting obligations. However, recognizing the time lost during the injunction, the Department of the Treasury has announced extended filing deadlines for certain reporting companies.

Below is a summary of the ruling, updated deadlines, and their implications for businesses.

Injunction Temporarily Stayed

The Fifth Circuit concluded that the CTA's BOI reporting requirements are likely constitutional and that the government's interests in combating financial crimes and protecting national security outweigh any burdens on businesses. The appellate court emphasized that Congress acted within its authority under the Commerce Clause in enacting the CTA and that the reporting requirements constitute a modest disclosure obligation designed to target illicit financial activities and granted the government's motion for a temporary stay of the district court's order and injunction pending appeal.

Updated Filing Deadlines

In light of the stay and the Department of the Treasury's recognition that businesses may need additional time to comply, the following deadlines now apply (See statement [here](#)):

- Reporting Companies Formed Before January 1, 2024: Initial BOI reports must be filed by January 13, 2025 (previously January 1, 2025).
- Reporting Companies Formed on or after September 4, 2024, for which the initial filing deadline had been between December 3 and 23, 2024: Initial BOI reports must now be filed by January 13, 2025.
- Reporting Companies Formed Between December 3, 2024, and December 23, 2024: These entities have an additional 21 days from their original filing deadline to submit BOI reports.
- Reporting Companies Formed On or After January 1, 2025: These entities have 30 days from the effective date of their formation or registration to file their initial BOI reports.

Immediate Impact

Businesses must promptly resume preparations to comply with the updated deadlines. Nonexempt companies should prepare and submit their BOI reports to the Financial Crimes Enforcement Network (FinCEN) in accordance with the revised timeline.

What Should Businesses Do Now?

- Resume Filing Efforts: Ensure that BOI reports are prepared and submitted by the applicable deadlines.
- Consult Legal Advisors: For guidance on compliance and any questions about the reporting requirements, contact your TroyGould attorney.
- Stay Updated: Monitor further developments in this case to remain informed about potential appeals or additional rulings that may impact your reporting obligations.

Important Disclaimers: This update is provided for informational purposes only and does not constitute legal advice. For more detailed information regarding this ruling, please contact your TroyGould attorney.