



Client Alert: Corporate Transparency Act Update - Enforcement Suspended for Domestic Companies

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We recently reported that the Corporate Transparency Act (CTA) is back in effect, and that the Financial Crimes Enforcement Network (FinCEN) had extended the reporting deadlines to file Beneficial Ownership Information (BOI) reports to March 21, 2025. There have been further updates since.

Latest Developments

On March 2, 2025, the U.S. Department of Treasury issued a [press release](#) announcing that it will not enforce any penalties or fines associated with the beneficial ownership information reporting rule under the existing regulatory deadlines, and further, **will not enforce any penalties or fines against U.S. citizens or domestic reporting companies or their beneficial owners** after forthcoming rule changes take effect. The Department of Treasury also plans to propose new rules regarding the scope of the CTA to apply only to foreign reporting companies.

This follows FinCEN's [announcement](#) on February 27, 2025, that it will not issue fines, penalties, or take any enforcement actions against companies for failing to file or update BOI reports until a new interim final rule becomes effective and its associated deadlines have passed.¹

Key Takeaways

- **Domestic Companies and U.S. Citizens:** As of the date of this Client Alert, U.S. citizens, domestic companies and their beneficial owners are not required to file a BOI report or update previously submitted reports.
- **Foreign Reporting Companies:** The Treasury has indicated that entities formed outside the U.S. but registered to do business domestically may still need to comply with BOI reporting requirements once the new rules take effect. Such rules are forthcoming.

We will continue to monitor developments related to the CTA and provide updates as new information becomes available.

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¹ See TroyGould's previous updates on the CTA [here](#).