

Resource Center

CORPORATE TRANSPARENCY ACT BACK IN EFFECT: UPDATED DEADLINE OF MARCH 21, 2025

02.21.2025

IMPORTANT NOTICE: *As of March 2nd, 2025, the U.S. Treasury Department announced it will not pursue enforcement actions against domestic reporting companies or their beneficial owners for failing to file their Beneficial Ownership Information (BOI) reports by the deadline, and plans to narrow the scope of reporting requirements only to foreign reporting companies. Read the latest update [here](#), and we will keep you updated on the ongoing saga of uncertainty surrounding the status of the Corporate Transparency Act.*

Last week, a federal judge in the Eastern District of Texas granted the U.S. government's request to stay the nationwide injunction issued on January 7, 2025, in *Smith v. U.S. Department of Treasury*, Case No. 6:24-cv-336. **This decision removes the last (current) hurdle to enforcement of the Corporate Transparency Act (CTA).**

Judge Jeremy Kernodle granted the stay, citing the U.S. Supreme Court's ruling in favor of the government and staying a separately issued nationwide injunction preventing enforcement of the CTA in *Texas Top Cop Shop, Incorporated et al. v. McHenry (formerly Garland)*, Case No. 4:24-cv-00478.

Following this decision, the Financial Crimes Enforcement Network (FinCEN) released a statement on February 19, 2025, providing the following updates:

- Beneficial ownership information (BOI) reporting requirements under the CTA are once again back in effect.
- FinCEN is extending the BOI reporting deadline to March 21, 2025 for the vast majority of Reporting Companies.

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- FinCEN will issue a further update prior to the March 21st reporting deadline of any additional modification of this deadline for some Reporting Companies that may need more time to comply with their BOI reporting obligations.
- Reporting Companies that have been given a later deadline than the March 21st deadline (i.e., Reporting Companies that have qualified for certain disaster relief extensions), may file by the later deadline.
- FinCEN 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, though no specific details regarding proposed changes have been released.

Given this most recent decision, **we recommend Reporting Companies begin filing their BOI reports to ensure completion by the March 21, 2025 deadline.**

For detailed information about the requirements of the Corporate Transparency Act, click the image below to download our PDF guide, "Preparing for The Corporate Transparency Act".

As a reminder:

- Reporting Companies may file initial BOI reports at <https://boiefiling.fincen.gov/fileboir>.
- Reporting Companies formed prior to January 1, 2024 must file their initial reports with FinCEN by the March 21, 2025 deadline.
- Reporting Companies formed between January 1, 2025 and February 18, 2025 must file their initial reports by the March 21, 2025 deadline.
- Those Reporting Companies formed on or after February 19, 2025 will have only 30 days from the date of formation to file.
- Going forward, if any of the previously reported information about the Reporting Company or Beneficial Owners changes, then a Reporting Company must file an updated report within 30 days of a change. If a change to previously reported information occurred while the injunction was in place, then a Reporting Company must file an updated report by the March 21, 2025 deadline.
- Each Reporting Company must report the following information about itself: (a) Full legal name; (b) All trade names or doing business as names; (c) Address of the company's principal place of business in the U.S.; (d) Jurisdiction of its formation; and (e) EIN issued by the IRS. If the company is wholly-owned and disregarded for tax purposes and does not have its own EIN, this should be the owning individuals SSN, or the owning company's EIN.

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- Each Reporting Company must also report the following information about each of its Beneficial Owners: (a) Full legal name; (b) Date of birth; (c) Current residential address; (d) A unique ID number for a non-expired (i) U.S. Passport, (ii) state, local or tribal ID document issued for identification purposes, (iii) state issued driver's license, or (iv) for a foreign person who does not have one of the foregoing documents, a foreign passport; and (e) An image of the identifying document.

Conner & Winters will continue monitoring this evolving legal landscape to ensure we support clients in remaining proactive in their compliance efforts. For further guidance, contact your attorney at Conner & Winters.