

Publications

Corporate Transparency Act Update—U.S. Entities Are No Longer Required to Make CTA Filings

Related Professionals

Russell R. Rosler

Nicole K. Walt

Related Services

Corporate and Business
Organizations

Corporate Governance

CLIENT ALERT | 4.1.2025

The U.S. Treasury's Financial Crimes Enforcement Network (FinCEN) issued an interim final rule effective March 26, 2025 which exempts U.S. entities and individuals from Corporate Transparency Act (CTA) reporting requirements and extends the deadline for foreign entities registered to do business in the U.S. to file beneficial ownership information (BOI) reports.

Major Takeaways:

- The rule revised the definition of “reporting company” to mean only those entities that are formed under the law of a foreign country and have registered to do business in any U.S. State or Tribal jurisdiction by the filing of a document with a secretary of state or similar office. Accordingly, entities formed under the laws of the U.S. are no longer considered “reporting companies.”
- The rule includes an additional exemption for “domestic entities.” Any entity that is (a) a corporation, limited liability company, or other entity and (b) created by the filing of a document with a secretary of state or any similar office under the law of a State or Indian tribe (i.e., those entities previously defined as “domestic reporting companies”) is no longer required to file a BOI report with FinCEN.
- Domestic entities that previously filed BOI reports with FinCEN similarly are no longer required to file updated or corrected reports.
- The rule exempts U.S. citizens from the definition of “beneficial owner.” Accordingly, U.S. citizens are not required to report any information to FinCEN in connection with any BOI report, and foreign entities which are required to file BOI reports are not required to include any information about U.S. citizens in any BOI report.
- Foreign entities that have registered to do business in the U.S. and do not meet the criteria for an exemption must file their BOI reports with FinCEN by the following deadlines:

- Foreign entities that become reporting companies prior to March 26, 2025 must file their initial report no later than April 25, 2025.
- Foreign entities that become reporting companies on or after March 26, 2025 must file their initial report within 30 days of becoming a reporting company.
- Foreign companies must report changes to the information previously submitted to FinCEN concerning the company or its foreign beneficial owners within 30 days after the change.
- Foreign individuals that have obtained a FinCEN identifier number must report changes to the information previously submitted to FinCEN within 30 days after the change.
- Note, however, that U.S. citizens who have obtained FinCEN identifier numbers remain obligated to update the information they previously submitted to FinCEN in an application for a FinCEN identifier number within 30 days of a change to the previously submitted information.

FinCEN is accepting public comments on the interim final rule until May 27, 2025 and anticipates issuing a final rule later this year. Please contact one of the authors of this alert or your regular Vorys contact attorney for more information about the CTA.