

CLIENT ALERT

CTA Reporting Deadlines Back In Effect Following Last Minute Stay of Nationwide Injunction; FinCEN Grants Brief Deadline Extensions

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Earlier today, the Fifth Circuit stayed the nationwide injunction enjoining the Corporate Transparency Act (“**CTA**”) issued by the district court in *Texas Top Cop Shop v. Garland* three weeks ago (described in our Client Alert, [here](#)).¹ The stay reinstates the requirement that reporting companies submit and update beneficial ownership information (“**BOI**”) reports to the Financial Crimes Enforcement Network (“**FinCEN**”). In recognition of this last-minute change, FinCEN has extended CTA deadlines for reporting companies.² The current reporting deadlines are as follows:

1. Entities formed before 2024 must file BOI reports by January 13, 2025.
2. Entities formed on or after September 4, 2024 that had a filing deadline between December 3, 2024 and December 23, 2024 must file BOI reports by January 13, 2025.

¹ *Texas Top Cop Shop, Inc. v. Garland* ECF 140-2, No. 24-40792 (5th Cir. Dec. 23, 2024) (available [here](#)); *Texas Top Cop Shop v. Garland* ECF No. 33, No. 4:24-cv-00478-ALM (E.D. Tex. Dec. 5, 2024). While the initial order was issued December 3, 2024, an amended memorandum opinion and order was issued by the court two days later to correct a typographical error.

² FinCEN also notes separate filing deadlines for reporting companies that qualify for disaster relief and plaintiffs in *National Small Business United v. Yellen*, No. 5:22-cv-01448 (N.D. Ala.), which are not subject to the standard reporting deadlines.

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3. Entities formed between December 3, 2024 and December 23, 2024, have an additional 21 days from their original filing deadline to file their BOI report.
4. Entities formed in 2025 or later must file BOI reports within 30 days of formation.
5. All entities that have filed BOI reports must report updates or corrections within 30 days of any changes.

In its order staying the nationwide CTA injunction, the Fifth Circuit found that the government had made a strong showing that it is likely to succeed on the merits in defending the CTA's constitutionality, noting that courts in the District of Oregon and Eastern District of Virginia have held that the CTA is likely constitutional, and the Northern District of Alabama, while finding the CTA unconstitutional, had issued a more narrowly tailored injunction limited to the plaintiffs in that case. The Fifth Circuit also found that "a last-minute injunction of" a duly-passed law "necessarily inflicts irreparable harm," favoring a stay in this instance. The Fifth Circuit noted that BOI reporting imposes minimal burdens on reporting companies, but that the stay undermines the United States' ability to combat financial crime, protect U.S. national security and push other countries to reform their own anti-money laundering and counterterrorism regimes. Considering all these factors, the Fifth Circuit granted the government's motion for a temporary stay of the district court's order and injunction pending appeal.

The Fifth Circuit expedited the government's separate appeal of the injunction to the next available oral argument panel. But, regardless of the outcome at oral arguments, the district court will still have an opportunity to rule on the merits of the plaintiffs' underlying motion for declaratory judgment on the constitutionality of the CTA when the case is remanded.

We will continue to monitor these developments in order to assist our clients in navigating the CTA's requirements.

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