

CLIENT ALERT

On and Off Again: Fifth Circuit Reinstates Nationwide CTA Injunction

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On December 26, 2024, only three days after a Fifth Circuit motions panel granted a motion¹ by the U.S. government to resume enforcement of the Corporate Transparency Act (“**CTA**”), a Fifth Circuit merits panel has vacated that order.² The court issued a two page order to “preserve the constitutional status quo” and allow the original preliminary injunction to return to effect until the Fifth Circuit merits panel has an opportunity to hear the parties’ arguments and render a decision.

In its order vacating the motion panel’s decision, the Fifth Circuit reiterated that the U.S. government’s appeal remains expedited to the next available oral argument panel. The briefing schedule set by the Fifth Circuit would not conclude until February 28, 2025, with oral argument not scheduled until March 25, 2025, meaning that (unless the schedule changes), the injunction would not be lifted any earlier than March 25—if at all.

As that process continues, enforcement of the CTA is once again enjoined. Reporting companies are no longer required to file beneficial ownership information (“**BOI**”) reports, and the recently-updated filing deadlines which we reported in our latest client alert on the CTA (available [here](#)) are no longer in effect. That said, reporting companies should remain prepared to file initial BOI reports or any necessary updates quickly once the Fifth Circuit merits panel has had an opportunity to substantively review the district court’s preliminary injunction.

¹ *Texas Top Cop Shop, Inc. v. Garland* ECF 140-2, No. 24-40792 (5th Cir. Dec. 23, 2024) (available [here](#)).

² *Id.* at ECF 160-2 (available [here](#)).

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We will continue to monitor the appeals process going forward, updates from the Financial Crimes Enforcement Network (“FinCEN”) on potential BOI report filing extensions if the CTA goes back into effect, and all other developments.

If you have any questions regarding this client alert, please contact the following attorneys or the Willkie attorney with whom you regularly work.

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