UPDATE ON THE CORPORATE TRANSPARENCY ACT (CTA)

On March 21, 2025, the U.S. Treasury Department's Financial Crimes Enforcement Network (FinCEN) issued an interim final rule (IFR) that exempts all U.S. companies and U.S. persons from reporting beneficial ownership information (BOI) to FinCEN under the Corporate Transparency Act (CTA). This includes U.S. companies which are owned by foreign companies or individuals. Only foreign companies that have registered to do business in the U.S. by filing a document with a secretary of state or similar office will be required to file BOI reports with respect to their foreign beneficial owners, unless they qualify for an exemption.

The IFR became effective upon publication in the Federal Register on March 26. FinCEN has invited public comment on its IFR for a period of 60 days until May 27. FinCEN expects to issue a final rule later this year. FinCEN's announcement of the IFR can be found here. The IFR can be found here.

As a result of FinCEN's March 21 IFR, entities formed in the U.S. no longer fall under the definition of "reporting company". If you have any questions about the current status of the CTA, please contact one of our attorneys in our Business Law & Transactions group for more information.

Offit | Kurman®

The information contained in this document is intended for informational purposes only, and should not be relied upon or construed as legal advice.