

Corporate Transparency Act Enforcement Suspended

Description

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In a February 27, 2025 press release, FinCEN announced that despite the updated March 21, 2025 beneficial ownership information ("BOI") report filing deadline, the agency will not issue any fines or penalties or take any other enforcement actions for noncompliance with the Corporate Transparency Act based on any failure to file or update BOI reports by the current deadlines. FinCEN indicated that it intends to issue an interim rule to extend BOI reporting deadlines and that no fines or penalties will be issued, and no enforcement actions will be taken, until that rule becomes effective and the new deadlines have passed.

Subsequently, on March 2, 2025, the Treasury Department announced that not only will it not enforce any penalties or fines associated with failing to meet the current deadlines, but it will also not enforce any penalties or fines against U.S. citizens or domestic reporting companies or their beneficial owners even after FinCEN's new interim rule takes effect. The Treasury Department indicated that it intends to issue a proposed rulemaking to narrow the BOI reporting requirements to foreign reporting companies only.

The Corporate Transparency Act currently remains an enforceable Federal law, but based on these recent press releases, it does not appear that any enforcement actions are imminent. This could change based on the outcome of ongoing litigation or changes in Federal policy.

[Partridge Snow & Hahn's Corporate & Business](#) attorneys are continuing to closely monitor developments regarding the Corporate Transparency Act. Connect with [Lawrence Sheh](#), [Brian Reilly](#), or Madeline Ursini to learn more.

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