

Corporate Transparency Act: FinCEN Narrows Reporting Rules, Exempting U.S. Entities and Beneficial Owners

Description

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On March 21, 2025, the Financial Crimes Enforcement Network issued an interim final rule exempting all U.S. entities and their beneficial owners from beneficial ownership information (BOI) reporting requirements under the Corporate Transparency Act (CTA). The new rule narrows the definition of “reporting company” to exclusively apply to entities formed under foreign law that have registered to do business in the United States. Notably, even these foreign entities are not required to report U.S. persons as beneficial owners.

As a result, U.S. reporting companies will not currently be subject to enforcement actions for failure to file a BOI report. Further, previously filed BOI reports by U.S. companies are no longer required to be updated or corrected. Given the legal saga involving the CTA so far, we expect that there will be ongoing litigation involving the CTA and the proposed interim final rule. The interim final rule is also subject to a public comment period and may be revised before becoming a final rule.

[Partridge Snow & Hahn](#)’s [Corporate & Business](#) attorneys will continue to closely monitor developments in the CTA and can help to answer any questions you may have about the matters above or the CTA generally. Connect with [Lawrence Sheh](#), [Brian Reilly](#), or Madeline Ursini to learn more.

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