



CTA Update — FinCEN Extends BOI Reporting Deadline

Corporate Transparency Act (CTA) Team

Foster Swift Business & Tax Law News E-blast

February 20, 2025

On February 17, 2025, the U.S. District Court for the Eastern District of Texas overturned a nation-wide injunction issued in the case of *Smith, et al. v. U.S. Department of the Treasury, et al.* (E.D. Tex.), allowing for the Corporate Transparency Act (CTA) to be enforced by the United States Department of Treasury.

Currently, the Financial Crimes Enforcement Network (FinCEN), an agency of the U.S. Department of Treasury, has issued a statement on their website (<https://fincen.gov/boi>) that the new deadline for filing an initial, updated, and/or corrected beneficial ownership information (BOI) report is now **March 21, 2025**. This new deadline applies both to businesses formed or registered before February 18, 2025, as well as those businesses that were dissolved during 2024. Businesses formed or registered after February 18, 2025, must file within 30 days from the date of formation or registration.

FinCEN has indicated that during the period between now and March 21, 2025, it “will assess its options to further modify deadlines, while prioritizing reporting for those entities that pose the most significant national security risks. FinCEN also intends to initiate a process this year to revise the BOI reporting rule to reduce burden for lower-risk entities, including many U.S. small businesses.”

Separately, there are two parallel events which may impact the CTA’s future. First, there is pending legislation, recently passed by the House of Representatives 408-0, to push the reporting deadline to January 1, 2026; it is unknown whether this legislation, if passed by the Senate, will be signed into law before the March 21, 2025, deadline. Second, oral arguments are scheduled in the Court of Appeals on April 1 in the *Texas Top Cop Shop v. Garland* matter.

Although this deadline may be further modified, it is imperative that businesses impacted by the new ruling begin to compile the necessary information needed to timely file their BOI reports. Compliance under this new deadline is important, as there are significant penalties for failure to file.

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While the legal status of the CTA is constantly changing, our team will continue to monitor the ongoing developments under the CTA and the impact that it has on our clients. We encourage you to continue to follow Foster Swift's CTA page for future updates.

Please reach out to a member of Foster Swift's CTA Working Group if you have any questions.
