CLIENT ALERTS & INSIGHTS

Domestic BOI Reporting Requirements Ended; Foreign Companies Must Still Report

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On March 21, 2025, the Financial Crimes Enforcement Network (FinCEN) issued an interim final rule removing the requirement for U.S. companies and U.S. persons to report beneficial ownership information (BOI) under the Corporate Transparency Act. This decision, which revokes the previous March 21, 2025, reporting deadline, comes after months of uncertainty and the Treasury Department's March 2, 2025 announcement that it would not enforce any penalties associated with not reporting BOI.

In the interim final rule, FinCEN exempted domestic entities from BOI reporting requirements by narrowing the definition of "reporting company" in its regulations. Under the new definition, the only entities required to report their BOI are those that are formed under the law of a foreign country and have registered to do business in the United States by filing a document with a secretary of state or similar office (previously called "foreign reporting companies").

Foreign entities that meet this new definition of a "reporting company" and do not qualify for an exemption from the reporting requirements must report their BOI to FinCEN by April 20, 2025. These foreign entities, however, will not be required to report any U.S. persons as beneficial owners, and U.S. persons will not be required to report BOI with respect to any such entity for which they are a beneficial owner.

Companies should continue working with knowledgeable counsel to navigate BOI reporting requirements. If you have questions regarding the CTA or the impact of this interim final rule, the White Collar and Corporate & Securities Practice Groups at Benesch are here to help.

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