Fifth Circuit Revives Corporate Transparency Act, Filing Deadlines Reinstated

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Authors: Marisa T. Darden, Robert J. Kolansky, Jennifer L. Stapleton, Connie A. Porter

As we previously reported, on December 3, 2024, the U.S. District Court for the Eastern District of Texas issued a nationwide preliminary injunction blocking the U.S. Department of Treasury from enforcing the Corporate Transparency Act's (CTA) new beneficial ownership information (BOI) reporting requirements. Texas Top Cop Shop v Garland et al., 4:24-cv-00478 (Dec. 3, 2024). Then, on December 10, 2024, FinCEN alerted businesses that they did not need to report BOI while that ruling was in effect.

But, on December 23, 2024, the Fifth Circuit Court of Appeals stayed the Eastern District of Texas preliminary injunction, restoring the January 1, 2025, initial filing deadline.

The situation is rapidly evolving, and it is likely that challengers to the CTA will seek further review form the Fifth Circuit or from the Supreme Court in the coming days.

At this time, FinCEN has not extended filing deadlines. Companies required to file a beneficial ownership information report with FinCEN should do so by January 1, 2025.

Due to the uncertainty surrounding the CTA's fate, companies should continue working with knowledgeable counsel to comply with BOI reporting requirements. If you have questions regarding the CTA or the impact of the *Texas Top Cop Shop* decision, the White Collar and Corporate & Securities Practice Groups at Benesch are here to help.

Marisa T. Darden at mdarden@beneschlaw.com or 216.363.4440.

Robert J. Kolansky at rkolansky@beneschlaw.com or 216.363.4575.

Jennifer L. Stapleton at jstapleton@beneschlaw.com or 216.363.4428.

Connie A. Porter at cporter@beneschlaw.com or 216.363.4433.