

December 24, 2024

CTA Injunction Lifted: Filing Deadlines Extended

The Fifth Circuit Court of Appeals has lifted the preliminary nationwide injunction imposed on the Corporate Transparency Act (CTA) earlier this month by a district court in Texas. The appellate court's decision issued on December 23 reinstated the January 1, 2025 reporting deadline for pre-2024 reporting companies, leaving them with little over a week to comply. But only a few hours later, the Financial Crimes Enforcement Network (FinCEN), which is tasked with administering the CTA, announced that due to the effects of the injunction, "[r]eporting companies that were created or registered prior to January 1, 2024 have until **January 13, 2025** to file their initial beneficial ownership information reports with FinCEN." FinCEN also detailed extension dates relative to reporting companies recently formed in 2024. The full extension detail can be found here.

Reporting companies now have a few days' breathing room to comply with the new January 13, 2025 deadline. Congress gave up an opportunity mere days ago to extend the CTA deadline by another year when it passed a Continuing Resolution to keep the federal government open without just such an amendment that had been present in an earlier version of the bill.

For more detail on the CTA and the required beneficial ownership information reports required to be filed by many closely held entities, see our prior alerts on this topic.

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