

THE CORPORATE TRANSPARENCY ACT IS BACK (AGAIN)

The Corporate Transparency Act (CTA) is back in effect, and most reporting companies now have until March 21, 2025 to comply with its reporting obligations.

On Monday, Feb. 17, 2025, the U.S. District Court for the Eastern District of Texas stayed a nationwide injunction against enforcement of the CTA issued in *Smith v. United States Department of the Treasury, et al.* that had effectively paused CTA beneficial ownership reporting obligations. This is the second nationwide injunction against enforcement of the CTA that has been stayed – the first was issued in *McHenry v. Texas Top Cop Shop, Inc.* and stayed by the U.S. Supreme Court on Jan. 23, 2025.

The staying of the injunction in *Smith* means there is no longer a barrier to enforcement of the CTA and that companies must comply. In response, the Financial Crimes Enforcement Network (FinCEN) issued updated guidance regarding reporting obligations.

Most companies must file an initial, updated and/or corrected BOI report by March 21, 2025. Other companies that were previously given a reporting deadline later than March 21, 2025 must file their initial report by that later date.

The CTA remains the subject of the cases discussed herein among others, and, as a result, additional developments relating to the CTA may follow. Additionally, FinCEN indicated that it will assess its options to further modify deadlines in its most recently published guidance.

Armstrong Teasdale will continue to monitor for developments relating to the CTA. If you have questions regarding your CTA reporting obligations or other concerns, please contact your regular Armstrong Teasdale attorney or a member of our CTA team.

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