

The Corporate Transparency Act Is Back in Effect With a March 21 Reporting Deadline

Corporate News: A Legal Update

By Vic Peterson and Karen Tobin on February 20, 2025

The U.S. Department of the Treasury's Financial Crimes Enforcement Network (FinCEN) announced in a February 19, 2025 alert that the Corporate Transparency Act (CTA) is back in effect. The new deadline for most companies to file beneficial ownership information (BOI) reports is now March 21, 2025.

FinCEN's announcement follows a February 17, 2025 order by the U.S. District Court for the Eastern District of Texas in *Smith, et al. v. U.S. Department of Treasury, et al.*, which effectively lifts the earlier nationwide injunction by the same court that had temporarily halted enforcement of the CTA and its requirement to file BOI reports.

FinCEN stated that 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 noted that it "intends to initiate a process this year to reduce [the] burden for lower-risk entities, including many U.S. small businesses."

FinCEN said it would provide an update of any further modification of the March 21, 2025, reporting deadline, "recognizing that reporting companies may need additional time to comply with their BOI reporting obligations once this update is provided."

To avoid potential scams, BOI reports can be filed through FinCEN's portal.