## Treasury Department Announces Suspension of Enforcement of Corporate Transparency Act

## Corporate News: A Legal Update

By Vic Peterson and Karen Tobin on March 5, 2025

The U.S. Department of the Treasury has announced plans to significantly reduce the number of entities that must report under the Corporation Transparency Act (CTA).

In a press release dated March 2, 2025, the Treasury Department stated that it will not enforce penalties or fines for companies failing to file beneficial ownership information (BOI) reports by the previously announced March 21<sup>st</sup> deadline.

This announcement indicates that it is the Treasury Department's intention to issue proposed rules that would eliminate the reporting obligation for domestic companies. Although we await further rulemaking, the Treasury Department has stated that it will not impose penalties or fines against U.S. citizens, reporting companies, or their beneficial owners even "after the forthcoming rules changes take effect."

What does this mean for you? It is clear that domestic reporting companies that have not already filed BOI reports no longer need to do so by the March 21<sup>st</sup> deadline. While the Treasury Department announcement reflects an intention to completely eliminate potential reporting obligations for domestic companies, this will not occur absent future rulemaking waiving filing obligations for domestic companies or potential congressional action.

The breadth and enforcement of the CTA has been the subject of much litigation, as well as a number of prior rulemaking changes. More will likely follow. Amundsen Davis will provide further updated information as it becomes available.

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