

Publications

December 23, 2024 • Updates

Corporate Transparency Act Filing Deadlines Reinstated for Now; Appeals Court Sides with Government in Stay of Nationwide Injunction

On December 23, 2024, the U.S. Fifth Circuit Court of Appeals issued an Order that served to stay the nationwide preliminary injunction in respect of CTA enforcement. In that ruling, the Fifth Circuit found the government met its burden to show that the nationwide injunction was not appropriate.

The effect of this ruling is that the CTA may once again be enforced by FinCEN and that all of the CTA deadlines are back in effect, including the January 1, 2025 deadline for entities existing before January 1, 2024.

Absent intervening action by the Court or FinCEN, reporting companies should act to file their beneficial ownership information reports in the remaining days of 2024. In issuing its ruling the Court stated:

“IT IS ORDERED that the government’s emergency motion for a stay pending appeal is GRANTED. IT IS FURTHER ORDERED that this appeal is EXPEDITED to the next available oral argument panel.”

The Court also noted:

“The [plaintiffs] warn that lifting the district court’s injunction days before the compliance deadline would place an undue burden on them. They fail to note, however, that they only filed suit in May 2024 and the district court’s preliminary injunction has only been in place for less than three weeks as compared to the nearly four years that the [plaintiffs] have had to prepare since Congress enacted the CTA, as well as the year since FinCEN announced the reporting deadline.”

We encourage all reporting companies to proceed with their filings as soon as possible in order to meet the January 1, 2025 deadline and to monitor additional developments from the Court and FinCEN as guidance may continue to change.

Related People

- Philip G. Feigen
- Bert Stemmler
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