

# Publications

December 3, 2024 • Updates

## Texas Federal Court Issues Nationwide Injunction Against Enforcement of the Corporate Transparency Act

Today, December 3, 2024, the U.S. District Court for the Eastern District of Texas (Sherman Division) issued a preliminary injunction in favor of the plaintiffs in the case of Texas Top Cop Shop, Inc. et al. vs. Garland (U.S. Attorney General). In so ruling, “[t]he Court has determined that the CTA and Reporting Rule are *likely* unconstitutional for purposes of a preliminary injunction. It has not made an affirmative finding that the CTA and Reporting Rule are contrary to law or that they amount to a violation of the Constitution.” The Court went further and ruled that this is a nationwide injunction, applying against enforcement of the CTA and its impending January 1, 2025 filing deadline.

The Court stated: “...the CTA, 31 U.S.C. § 5336 is hereby enjoined. Enforcement of the Reporting Rule, 31 C.F.R. 1010.380 is also hereby enjoined, and the compliance deadline is stayed under § 705 of the APA. Neither may be enforced, and reporting companies need not comply with the CTA’s January 1, 2025, BOI reporting deadline pending further order of the Court.”

We note this is a preliminary injunction, and we urge reporting companies to pay attention for additional updates and proceedings in this and other cases which could modify or change this order. You can find a copy of the order [here](#).

## Related People

- Philip G. Feigen
- Bert Stemmler
- Mark A. Olthoff