

# Publications

March 3, 2025 • Updates

## Important Update – Treasury Will Not Enforce CTA Against U.S. Citizens, Domestic Reporting Companies and Their Beneficial Owners – New Rules To Follow (March 3, 2025 Edition)

The U.S. Department of the Treasury announced on Sunday March 2, 2025 that it will “not enforce any penalties or fines against U.S. citizens or domestic reporting companies or their beneficial owners [ ...]” This press release from Treasury followed the February 27, 2025 release wherein FinCEN committed to (i) extending the existing March 21, 2025 filing deadline, (ii) re-writing the reporting rules (and opening the process to public comment) and (iii) not enforcing the CTA based on violations of the extended deadlines.

Thus, once the new reporting rules have been issued, and absent further change, U.S. citizens or domestic reporting companies or their beneficial owners are not expected to have reporting obligations. Non-U.S. entities that have filed in a U.S. jurisdiction to do business are expected to have a CTA filing obligation; however, for now, the scope of such an obligation has not been set, and the applicable deadline has not been determined.

As suggested by Treasury and FinCEN, subject to the additional commitments, the obligations (and applicable timelines) are as follows:

- **U.S. Citizens, Domestic Reporting Companies and Their Beneficial Owners:** No enforcement of the CTA will be effected.
- **Foreign Reporting Companies (and other stakeholders not included above):**
  - **Now (as of February 27, 2025):** FinCEN will not issue fines or penalties for failures to file, correct or update beneficial ownership information (BOI) reports by current deadlines and therefore filing, while mandatory (and subject to changing obligations with respect to the forthcoming new reporting rule), is at your discretion as to timing for the moment.
  - **By March 21, 2025:** FinCEN expressed its intent to issue an interim final rule extending certain, as yet undisclosed, BOI reporting deadlines.
  - **Later in 2025:** FinCEN expressed its plans to solicit public comments on potential revisions to BOI reporting requirements and issue a notice of proposed rulemaking.

## Related People

- Philip G. Feigen
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There will be additional developments in this space, so it is necessary to pay careful attention to CTA updates as they develop.

Please reach out to your Polsinelli contact or the authors of this alert with any questions.