



# Client Insight: Corporate Transparency Act Enforcement Suspended Again

## Insights

December 27, 2024

The enforcement of the Corporate Transparency Act (CTA) has been suspended once more following a series of rapid legal developments.

### Current Status

On December 26, 2024, the U.S. Court of Appeals for the Fifth Circuit (Fifth Circuit) vacated the stay and reinstated the nationwide preliminary injunction that enjoins enforcement of the CTA and its Reporting Rule, including all reporting deadlines. This decision effectively pauses the CTA's reporting requirements.

### Key Points

- 1. No Filings Required:** As of now, no filings under the CTA are required by law, including the initial beneficial ownership information (BOI) reports for entities formed prior to January 1, 2024 that were due by January 13, 2025.
- 2. FinCEN Response:** While not mandatory, FinCEN has indicated that voluntary filings are still permissible. While FinCEN effectively tolled the compliance deadline while the prior injunction was in place, they have not committed to do so again [in their latest guidance](#).
- 3. Ongoing Litigation:** The case remains before the Fifth Circuit, with oral arguments scheduled En Banc for March 25, 2025. In the meantime, the government could apply for and receive emergency relief from the Fifth Circuit or the U.S. Supreme Court.

4. **Government Prohibition:** The federal government is currently prohibited from enforcing the CTA while litigation continues.

### What This Means for Reporting Companies

- Reporting companies may choose to delay filing until the Fifth Circuit reaches a decision on the merits of the appeal regarding the CTA's constitutionality. Reporting companies that choose this approach should be ready to file if and when necessary.
- Alternatively, reporting companies can voluntarily file.
- Companies should continue to monitor the situation closely, as further legal developments may occur rapidly.

Gunderson will continue to monitor this situation and provide updates as they become available.

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