

# Client Insight: Status of the Corporate Transparency Act as of February 28, 2025

## Insights

February 28, 2025

This client alert is to inform you of the current status of the Corporate Transparency Act (“CTA”). **On February 27, 2025 FinCEN announced it will not issue fines or penalties in connection with any failure to meet the current beneficial ownership reporting deadlines and no enforcement actions will be taken until FinCEN issues revised reporting rules.**

### Latest Status of the CTA

As noted in our [February 20, 2025 Client Insight](#), FinCEN previously extended the beneficial ownership information reporting deadline under the CTA to March 21, 2025. In that announcement, FinCEN noted that it intended to use such extended time period to further assess its options regarding additional modifications to the reporting rules and deadlines.

On February 27, 2025, FinCEN issued a [Notice](#) providing its first set of additional guidance in relation to such ongoing assessment. The Notice states that FinCEN will not issue any fines or penalties to any company based on a failure to comply with the current reporting deadlines (i.e., March 21, 2025 for most companies). Further, FinCEN will, by March 21, 2025, issue an interim final rule further extending the reporting deadlines and any enforcement actions will only resume after the passing of such new deadlines.

### Recommendations

Enforcement of the beneficial ownership reporting rules under the CTA is now back on pause at FinCEN's own discretion. Further guidance on enforcement will be provided in the form of an interim final rule expected to be issued on or before March 21, 2025, which will likely establish extended beneficial ownership information reporting deadlines.

In addition to expecting the interim rule from FinCEN, reporting companies should stay informed regarding the ongoing legal proceedings regarding the CTA, including in respect of any further court orders or federal legislation that might impact the reporting requirements.

Gunderson Dettmer will continue to monitor the situation closely and provide updates as they become available. If you have any questions regarding the status of the CTA, please do not hesitate to contact us.

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