

## Corporate Transparency Act *Beneficial Ownership Reporting Requirement*

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### Key Takeaways:

- The BOI reporting requirements are back in effect as a result of judicial action.
- The new deadline for most reporting companies to file an initial, updated, or corrected report is now **March 21, 2025**.

The Corporate Transparency Act (CTA) requires certain companies – including most small businesses – to provide information regarding beneficial ownership and control. The CTA is part of the Bank Secrecy Act, which is a set of federal laws that require record-keeping and reporting on certain types of financial transactions. The CTA requires disclosure of the beneficial ownership information (BOI) of certain entities from individuals who own or control a company. The intent of the BOI reporting is to help U.S. law enforcement combat money laundering, financing of terrorism, and other illicit activity.

In connection with ongoing litigation challenging the CTA and its BOI reporting requirements, a nationwide injunction has been in place prohibiting the Financial Crimes Enforcement Network (FinCEN) from requiring BOI reporting or otherwise enforcing the CTA. However, on February 18, 2025, a district court in Texas signed an order effectively lifting the injunction. In response, FinCEN issued a [notice](#) that states:

***“For the vast majority of reporting companies, the new deadline to file an initial, updated, and/or corrected BOI report is now March 21, 2025. FinCEN will provide an update before then of any further modification of this deadline, recognizing that reporting companies may need additional time to comply with their BOI reporting obligations once this update is provided.”***  
(emphasis added)

The FinCEN notice clarifies that any reporting company that was previously given a reporting deadline later than March 21, 2025 (e.g., due to disaster relief extensions) would still be subject to that later deadline.

Prior to the injunction, the filing deadline for companies in existence prior to January 1, 2024, was January 1, 2025. Reporting companies created in 2024 were required to file an initial BOI report within 90 days after receiving actual or public notice that the creation or registration is effective (whichever is earlier). **Reporting companies created in 2025 or later are required to file a BOI report within 30 days of formation.** There is not an annual reporting requirement; however, any change in previously reported information must be reported **within 30 days** of the change becoming known. Required information includes the name, date of birth, and home address of each beneficial owner, along with a copy of an acceptable identification document (e.g., driver’s license or passport). Effective January 17, 2025, the penalties for BOI reporting violations increased to \$606 per day.

The U.S. House of Representatives unanimously passed a bill that would provide a one-year delay (i.e., until January 1, 2026) in the reporting deadline for companies in existence prior to January 1, 2024. The Senate has introduced a companion bill. The American Institute of Certified Public Accountants (AICPA) continues to advocate for a one-year delay. However, it is uncertain whether there is a realistic avenue for the legislation to become law prior to the new March 21, 2025, reporting deadline.

Further information about the CTA, BOI reporting requirements, and other important updates can be found on [FinCEN's BOI webpage](#).

***Please note that the CTA falls within Title 31 (Money and Finance) of the United States Code, distinct from Title 26 (Internal Revenue Code). Regulatory authority currently permits accountants limited authority to interpret tax law exclusively under Title 26. The extent of their authority to interpret Title 31 remains unclear. Consequently, services a CPA provides in connection with the CTA may be deemed the unlicensed practice of law. Accordingly, assisting with BOI reporting matters is outside the scope of services JTaylor is authorized to provide. We advise that you consult with qualified legal counsel if you need assistance understanding your filing requirements.***

While we are precluded from providing advice regarding whether specific entities are subject to the BOI reporting requirements, contact one of the following members of our team if you have questions or need assistance finding resources:

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