

# Appellate Court Ruling Reinstates Enforcement of Corporate Transparency Act Reporting Requirements

## Background

On December 23, 2024, the U.S. Court of Appeals for the Fifth Circuit granted the federal government's motion to stay the federal district court nationwide injunction that had previously enjoined enforcement of the Corporate Transparency Act ("CTA"). The Financial Crimes and Enforcement Network ("FinCEN") may once again enforce reporting obligations, including reporting deadlines, against applicable Reporting Companies.

On December 3, 2024, a federal district court issued a nationwide preliminary injunction suspending enforcement of the entire CTA and its implementing regulations. *See Texas Top Cop Shop, Inc. v. Garland*, No. 4:24-cv-478 (E.D. Tex.). The government appealed the decision and filed emergency motions at the district court and appellate court to stay the injunction pending appeal, and the district court denied the motion. Under the December 23, 2024, order, the injunction has been stayed while the Fifth Circuit considers the federal government's appeal.

The CTA requires "Reporting Companies" doing business in the United States to disclose information about the beneficial owners of these companies (Beneficial Ownership Information, or "BOI") to FinCEN. The definition of Reporting Companies is broad, but there are also several exceptions that eliminate the reporting obligations for certain organizations.

## Reporting Obligations Reinstated

Under the December 23, 2024, order, the CTA and its implementing regulations represent current law. In response to this order, FinCEN has [issued the following deadlines](#) for Reporting Companies:

- Reporting Companies that were created prior to January 1, 2024, have until **January 13, 2025**, to file their BOI reports. (These companies would otherwise have been required to report by January 1, 2025.)
- Reporting Companies created on or after September 4, 2024, that had a filing deadline between December 3, 2024, and December 23, 2024, have until **January 13, 2025**.
- Reporting Companies created between December 3, 2024, and December 23, 2024, have an **additional 21 days from their original filing deadline** of 90 days after formation to file.
- Reporting Companies that are created on or after January 1, 2025, have 30 days after receiving notice that their creation is effective to file.

As we have previously advised, we recommend assessing your organization and its affiliates to determine whether any of your entities qualify for an exemption from reporting obligations. For more guidance on exempt entities, we suggest reviewing Chapter 1 of the [Small Entity Compliance Guide](#) ("Does my company have to report its beneficial owners?").

If your entities are Reporting Companies, gather the appropriate BOI for each Reporting Company and [submit the BOI report to FinCEN](#). For more guidance on the type of information contained in a BOI submission, we suggest reviewing Chapter 4 of the Small Entity Compliance Guide ("What specific information does my company need to report?").

## What Next?

Reporting obligations—with the modest extensions issued by FinCEN—remain in place and enforceable as the courts continue to decide *Top Cap Shop* on its merits.

This remains a dynamic situation and it is prudent to consult with your attorneys on developments. Contact Estrella Lucero ([elucero@goldfarblipman.com](mailto:elucero@goldfarblipman.com)), Jeff Streiffer ([jstreiffer@goldfarblipman.com](mailto:jstreiffer@goldfarblipman.com)), or any other attorney at Goldfarb & Lipman with any questions.

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