



FINCEN REMOVES REQUIREMENT THAT DOMESTIC REPORTING COMPANIES DISCLOSE BENEFICIAL OWNERSHIP INFORMATION

March 25, 2025

On March 21, 2025, the Financial Crimes Enforcement Network (FinCEN) issued an interim final rule removing all requirements that domestic reporting companies disclose their beneficial ownership information (BOI) to FinCEN pursuant to the Corporate Transparency Act (CTA) or update any previously filed report with FinCEN pursuant to the CTA. More specifically, the interim final rule exempts from the definition of a “reporting company” all entities (including corporations and limited liability companies) created by the filing of a document with a secretary of state or similar office under the law of any U.S. State.

The interim final rule further exempts foreign reporting companies from having to disclose BOI of any U.S. persons who are beneficial owners of such foreign reporting companies. U.S. persons are also exempted from disclosing such information to the foreign reporting company (at least by the CTA; such U.S. persons may still have to disclose such information by other law or contract).

The changes are effective as of March 21, 2025.

With the interim final rule, the BOI filing requirements now apply just to foreign reporting companies with non-U.S. beneficial owners doing business in the United States. Those foreign reporting companies have a further 30 days from the date of the publication of the interim rule

The interim final rule is subject to public comments before FinCEN issues a final rule later this year. It is possible that the final rule differs from the interim final rule. It is also possible that the interim final rule is challenged in court.

However, for now, the interim final rule will be the operative law and domestic entities need no longer file their BOI pursuant to the CTA.

Please find FinCEN’s press release (and interim final rule) here (<https://fincen.gov/news/news-releases/fincen-removes-beneficial-ownership-reporting-requirements-us-companies-and-us>).

Please find our previous client alerts on the CTA down below.

FinCEN and U.S. Treasury Department State Intention to Suspend Corporate Transparency Act Enforcement Efforts (March 5, 2025)

Corporate Transparency Act Reporting Deadline Now March 21, 2025 (February 24, 2025)

Enforcement of Corporate Transparency Act Suspended Again (December 30, 2024)

Corporate Transparency Act Injunction Lifted (December 24, 2024)

Injunction Against Enforcement of the Corporate Transparency Act (December 4, 2024)

CUMMINGS & LOCKWOOD LLC

Corporate Transparency Act and the New Federal Reporting Requirements (September 20, 2024)