# TREASURY ANNOUNCED IT WILL NOT ENFORCE THE CORPORATE TRANSPARENCY ACT

*Posted on March 4, 2025 by Laura E. Krebs Al-Shathir*

**Tags:** Corporate Transparency Act, CTA

On March 2, 2025, the U.S. Department of Treasury ("**Treasury**") announced that: (1) it will not enforce the Corporate Transparency Act (the "**CTA**") under the current deadlines (generally, March 21, 2025); (2) Treasury will not enforce fines or penalties against U.S. citizens or domestic reporting companies, even after the Financial Crimes Enforcement Network ("**FinCEN**") passes new rules with revised due dates for filing beneficial ownership information ("**BOI**") reports under the CTA; and (3) Treasury intends to issue a proposed rulemaking to limit the CTA's reporting requirements to foreign reporting companies only.

Such proposed rules limiting the applicability of the CTA to foreign companies, if enacted, would appear to conflict with the statutory language of the CTA, which requires both U.S. and foreign reporting companies to comply.

The March 2 announcement from Treasury comes days after the announcement by FinCEN on February 27, 2025, which stated that Treasury would not enforce the CTA until FinCEN has passed an interim final rule with new due dates.

This most recent flurry of announcements comes just over a week following the issuance of a federal court order that reinstated enforceability of the CTA . Meanwhile there continue to be several law suits challenging the constitutionality of the CTA in courts, the most prominent of which, *Texas Top Cop Shop v. Bondi (previously styled Texas Top Cop Shop, Inc. v. McHenry)*, is now set to be argued at the Fifth Circuit on March 25, 2025.

**What Does This Mean For Reporting Companies?**

For U.S. Companies:

The choice of a lawyer is an important decision and should not be based solely upon advertisements.

Failures to file BOI reports by the current deadlines (generally March 21, 2025) will not result in fines or penalties. Until such time (if ever) as Treasury determines that it will enforce the CTA, or Treasury is forced by court order to do so, failure to comply with the CTA will not result in fines or penalties.

For Foreign Companies:

Failures to file BOI reports by the current deadlines (generally March 21, 2025) will not result in fines or penalties. The new deadline for reporting will be set by FinCEN under an anticipated interim final rule.

*All reporting companies may continue to voluntarily comply with the CTA by filing BOI reports.*

**Could the BOI Filing Deadlines, BOI Reporting Requirements and/or Enforceability of the CTA Change Again?**

Yes. As noted above, FinCEN already has plans to reconsider BOI filing deadlines and reporting requirements for certain types of reporting companies later this year. Additionally, there are still several court cases pending that could impact the enforceability of the CTA.

**Need Assistance?**

For more information on the CTA and guidance on how to comply, please visit our Corporate Transparency Act Guidance page. Our team at Capes Sokol is here to assist you in navigating these requirements and ensuring your company meets all necessary deadlines and regulations.

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