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CTA Alert

February 21, 2025

CORPORATE TRANSPARENCY ACT UPDATE – FILING REQUIREMENT BACK IN EFFECT NEW MARCH 21, 2025 DEADLINE

Recent Court Rulings Override District Court Injunctions

Earlier this week, the United States District Court for the Eastern District of Texas in *Smith, et al. v. U.S. Department of the Treasury, et al.* granted the government a stay of the district court’s injunction barring enforcement of the Corporate Transparency Act (“CTA”). This was expected after the United States Supreme Court granted a stay of a similar injunction from another Texas district court.

Current Requirements and Updated Deadlines

The courts’ rulings reinstate the requirements of the CTA, and the beneficial ownership information (BOI) reporting requirements under the CTA are once again back in effect. FinCEN has extended the filing deadlines. The **new deadline** to file an initial, updated, and/or corrected BOI report is now **March 21, 2025**.

Potential Changes

FinCEN has noted that during this 30-day period it will assess its options to further modify deadlines, while prioritizing reporting for those entities that pose the most significant national security risks. FinCEN also indicated that it intends to initiate a process this year to revise the BOI reporting rule to reduce burden for lower-risk entities, including many U.S. small businesses.

This stay of the injunction may not be the final ruling on the constitutionality of the CTA as the case will still be appealed, and legislation has been proposed to modify the reporting requirements and deadlines. However, given the new March 21, 2025 deadline, reporting companies that have not yet filed BOI reports should do so promptly.

(For background and more details on the CTA, please see our prior alert [here](#).)

Summary

- Reporting companies are once again required to comply with the CTA’s requirement to file BOI reports.
- FinCEN has extended the filing deadline to March 21, 2025 and has indicated that it may further adjust BOI reporting rules in the future.

If you have questions or would like more information, please contact [Yitz Weiss](#), [Natanya H. Allan](#), [Benjamin L. Grosz](#), or your primary IPB contact from our [Estate Planning practice](#).