

# Business Owners Alert: U.S. Department of the Treasury Suspends Enforcement of the Corporate Transparency Act

March 6, 2025

We are issuing an important update regarding Beneficial Ownership Information (“BOI”) reporting requirements under the Corporate Transparency Act (“CTA”).

On March 2, 2025, the Treasury Department announced that it will not enforce any penalties or fines against reporting companies for failure to file BOI reports within the currently imposed deadlines. It also announced that the Treasury intends to narrow the scope of the CTA BOI reporting rules to apply to foreign companies only.

How does this affect your company? While the BOI reporting requirements remain in effect, at least for the moment, reporting is voluntary since no penalties or fines will be imposed on companies or beneficial owners who fail to file by the March 21, 2025 deadline. Given the Treasury’s announcement, we expect that BOI reporting requirements will eventually be imposed (with revised deadlines) upon foreign companies, but will be eliminated for U.S. reporting companies and U.S.-based beneficial owners. We are monitoring updates from the Treasury Department and Financial Crimes Enforcement Network (“FinCEN”) and will continue to update you as they proceed with their rulemaking and related guidance.

Please note that the applicability of the CTA and BOI reporting requirements is a developing situation and we will continue to monitor this matter and keep you informed of any further updates. Please also note this is a general overview of developments in the law and does not constitute legal advice. Nothing herein creates an attorney-client relationship between the sender and the recipient. If you have any questions, please feel free to contact Ilana T. Pearl at (212) 701-4011 or via email at [IPearl@cullenllp.com](mailto:IPearl@cullenllp.com), or Gabriella Greenhoward at (212) 510-2204 or via email at [GGreenhoward@cullenllp.com](mailto:GGreenhoward@cullenllp.com).

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