

U.S. Companies and Business Owners Exempted from CTA Reporting Requirements

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The Financial Crimes Enforcement Network (“FinCEN”) has issued an interim final rule that would exempt U.S. companies and U.S. persons from reporting their beneficial ownership information (“BOI”) as part of the Corporate Transparency Act’s reporting requirements. Under the new proposed rule, only entities previously defined as “foreign reporting companies” are required to report BOI.

The CTA’s deadlines have been stalled by preliminary injunctions, such as those ordered in two cases in Texas, *Texas Top Cop Shop, Inc. v. Bondi*, and *Smith v. U.S. Department of the Treasury*. The reporting deadlines recently went back into effect after the government appealed both injunctions. [As Bodman previously reported](#), after the last injunction was lifted, FinCEN extended the reporting requirements for most reporting companies until March 21, 2025, but further indicated it would revise the reporting rules by that date to prioritize reporting for “those entities that pose the most significant national security risks.”

The new interim final rule exempts all U.S. domestic reporting companies and their U.S. beneficial owners from the CTA’s reporting requirements. The text of the interim rule explains that the change is intended to reassess “the balance between the usefulness of collecting BOI and the regulatory burdens imposed by” the former reporting rules. Collecting BOI from U.S. companies and persons, FinCEN states, “would not serve the public interest” and “would not be highly useful” in detecting, preventing or prosecuting money laundering, terrorism, tax fraud, and other crimes.

Under the interim rule, only foreign companies that are registered to do business in the United States (by the filing of a document with a secretary of state or similar office), and their foreign beneficial owners, are required to report under the new rule. Furthermore, U.S. beneficial owners of foreign entities are not required to provide their information to a foreign reporting company for

CTA purposes, and foreign reporting companies that *only* have U.S. beneficial owners, and no foreign beneficial owners, are not required to report.

The interim rule provides a 30-day extension, to April 25, 2025, for foreign reporting companies already registered to do business in the U.S. as of March 26, 2025 (the date of the interim rule) to file their initial or updated BOI reports. Foreign reporting companies that register to do business in the U.S. after March 26, 2025, must file their initial CTA reports within 30 days of their U.S. registration.

The interim rule is subject to public comment through May 27, 2025, and FinCEN has announced that it intends to publish a final rule by the end of the year. Until further notice from FinCEN, however, no further action is required for domestic companies and their beneficial owners.

Bodman is closely monitoring further developments in this case and will provide more information as it becomes available. For questions regarding the impact of this decision on your company's CTA reporting obligations, please contact your Bodman attorney or one of the authors, Kelsey Doran (734-930-5688 | kdoran@bodmanlaw.com) or Tara Zrepskey (313-393-7524 | tzrepskey@bodmanlaw.com). Bodman cannot respond to your questions or receive information from you concerning your company's CTA filing obligations without first clearing potential conflicts with other clients. Thank you for your patience and understanding.