

CTA Reporting Rule Narrowed to Foreign Companies Only

After months of uncertainty, legal challenges, and changing deadlines under the Corporate Transparency Act (CTA), the Treasury Department issued a press release on March 2, 2025, stating that it would not enforce any penalties or fines under the existing beneficial ownership information (BOI) reporting guidelines...

On March 21, 2025, the Financial Crimes Enforcement Network (FinCEN) released its anticipated interim final rule for the Corporate Transparency Act (CTA). The new rule has implemented the following changes:

- Exempt entities now include any entity that is (A) a corporation, limited liability company, or other entity; and (B) created by the filing of a document with a secretary of state or any similar office under the law of a state or Indian tribe.
- The new rule also clarifies that all reporting companies are exempt from reporting beneficial ownership information (BOI) about any beneficial owner who is a U.S. person.
- FinCEN has narrowed the definition of a reporting company so that it only applies to an entity that is (A) a corporation, limited liability company, or other entity; (B) formed under the law of a foreign country; and (C) registered to do business in any state or tribal jurisdiction by the filing of a document with a secretary of state or any similar office under the law of that state or Indian tribe.

Accordingly, U.S. entities are not required to file BOI reports (regardless of whether they have U.S. or foreign owners), and foreign entities registered to do business in the U.S. do not need to report any information about their U.S. owners.

Foreign entities that were registered to do business before March 21, 2025, in the U.S. must file BOI reports no later than April 20, 2025. Any foreign entities that register to do business in the U.S. after March 21, 2025, must file BOI reports within 30 days after receiving notice that their registration is effective.

The rule is currently in a 60-day public comment period and FinCEN has announced that it intends to finalize the rule this year.

Please reach out to [Laura McKinney](#) or your relationship attorney for more information on the new interim final rule.