
Hughes Hubbard & Reed

Compliance with the CTA is Reinstated Nationwide

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Hughes Hubbard & Reed LLP • A New York Limited Liability Partnership
One Battery Park Plaza • New York, New York 10004-1482 • +1 (212) 837-6000

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Dec. 24, 2024 - Yesterday the Court of Appeals for the Fifth Circuit issued a stay on the Fifth Circuit's Dec. 3, 2024, preliminary injunction enjoining the Financial Crimes Enforcement Network (FinCEN) and the federal government more generally from enforcing the Corporate Transparency Act (CTA). [The full decision can be found here.](#)

The stay means, in effect, that compliance with the CTA is reinstated nationwide effective immediately, with the exception of members of the National Small Business Association (NSBA), who, as of March 1, 2024, obtained a permanent injunction against the CTA from an Alabama federal district court on that date. (Hughes Hubbard & Reed represented NSBA in that case, which the Government appealed; a ruling from the Eleventh Circuit is expected imminently.)

In response to the ruling, FinCEN released a statement noting, in part, that reporting entities formed prior to 2024 now have until **Jan. 13, 2025**, to file beneficial ownership information reports (instead of on or **before Jan. 1, 2025**, as was previously required).

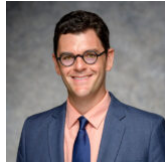
The **Jan. 13, 2025**, deadline also applies to any reporting entities formed between Sept. 4, 2024, and Dec. 2, 2024, that have not yet filed a beneficial ownership information report. Reporting entities formed on or after Dec. 3, 2024, which have an additional 21 days from their original filing deadline to file a beneficial ownership information report. [FinCEN's full statement can be found on its website.](#)

The CTA is currently being challenged in other federal circuit courts including the Eleventh Circuit as noted above, so this information remains subject to update if and when those courts issue rulings.

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