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FinCEN Halts Enforcement of CTA (again!) – A Promised Future Rulemaking Will Reset Compliance Obligations

by Erin Bryan, Nathan Honson, Joseph Lynyak, and Matthew Dickerson

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Having only announced its extended March 21, 2025 deadline to file beneficial ownership information reports under the Corporate Transparency Act ("**CTA**") last week, on February 27, 2025, FinCEN confirmed that it would "*not issue any fines or penalties or take any other enforcement actions against any companies based on any failure to file or update beneficial ownership information (BOI) reports pursuant to the [CTA] by the current deadlines*" – which essentially pauses CTA compliance for all covered entities *indefinitely*.

FinCEN confirmed that it intended to issue, no later than March 21, 2025, an interim final rule to further extend BOI reporting deadlines while revised reporting requirements were developed, "*recognizing the need to provide new guidance and clarity as quickly as possible*."

FinCEN intends to solicit public comment on those revised reporting requirements as part of a notice of proposed rulemaking to be issued "*later this year.*"

FinCEN further reiterated its "*commitment to reducing regulatory burden on businesses*" and its intent to prioritize reporting for "*those entities that pose the most significant law enforcement and national security risks.*"

This announcement now means that the CTA, at least in its current form, is paused indefinitely.

We will continue to monitor developments, and will be available to assist as FinCEN commences another rulemaking process.

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