

NIESAR & VESTAL LLP

Law Alert

January 24, 2025

BOI Reports Still Not Required Despite Supreme Court Decision

The Corporate Transparency Act (CTA) requires reporting companies to file Beneficial Ownership Information (BOI) reports with the Financial Crimes Enforcement Network (FinCEN) of the U.S. Department of the Treasury, and it imposes severe penalties for noncompliance.

On January 23, 2025, the Supreme Court of the United States granted the government's motion to stay a nationwide injunction issued by a federal judge in Texas (*Texas Top Cop Shop, Inc. v. McHenry*—formerly, *Texas Top Cop Shop v. Garland*). The [order](#) was issued by Justice Samuel Alito, with a concurring opinion by Justice Neil Gorsuch and a dissenting opinion by Justice Ketanji Brown Jackson.

However, a separate nationwide order issued by a different federal judge in Texas (*Smith v. U.S. Department of the Treasury*) still remains in place.

FinCEN issued an alert today clarifying that, as this separate nationwide order still remains in place, reporting companies are **not currently required to file BOI reports** with FinCEN despite the Supreme Court's action in *Texas Top Cop Shop*. Reporting companies also are not subject to liability if they fail to file this information while the *Smith* order remains in force. However, reporting companies may continue to voluntarily submit BOI reports.

If you have questions arising out of the CTA and/or the aforementioned ongoing litigation, please feel free to contact Carolina Aricu (caricu@nvlawllp.com), Gerald Niesar (gniesar@nvlawllp.com) or Oscar Escobar (oescobar@nvlawllp.com).

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