

NIESAR & VESTAL LLP

Law Alert

February 28, 2025

FinCEN To Establish New BOI Reporting Deadlines; Not Issuing Fines or Penalties

The Financial Crimes Enforcement Network (FinCEN) issued a notice yesterday indicating that [it will not issue 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 Corporate Transparency Act (CTA) by the current deadlines. No fines or penalties will be issued, and no enforcement actions will be taken, until a forthcoming interim final rule becomes effective and the new relevant due dates in the interim final rule have passed.

This FinCEN notice came after several court challenges. As explained in our previous [law alerts](#), the CTA is still being challenged in several cases across the country, which have prompted a series of injunctions and stays since December 2024. Two of those cases briefly resulted in nationwide injunctions prohibiting enforcement of BOI reporting requirements. A federal district court lifted the last injunction last week and FinCEN indicated then that for the vast majority of reporting companies, the new deadline to file an initial, updated, and/or corrected BOI report was March 21, 2025.

As a result of yesterday's FinCEN notice, companies do not need to worry about the March 21, 2025 deadline. FinCEN also indicated yesterday that, no later than March 21, it intends to issue an interim final rule that extends BOI reporting deadlines, recognizing the need to provide new guidance and clarity as quickly as possible, while ensuring that beneficial ownership information that is highly useful to important national security, intelligence, and law enforcement activities is reported.

Note that there could also be CTA evolutions on the legislative front. On February 10, 2025, the US House of Representatives passed the "Protect Small Business from Excessive Paperwork Act of 2025," which seeks to extend the effective date of the CTA from January 1, 2024, to January 1, 2026. If the US Senate passes the bill and it becomes law, then the reporting deadlines could be further extended. Congress could also repeal the CTA. On January 15, 2025, the Senate introduced the "Repealing Big Brother Overreach Act," which would repeal the CTA in its entirety.

We will continue to monitor both judicial and legislative developments regarding the CTA. If you have questions arising out of this alert, your reporting obligations, or the CTA generally, please feel free to contact Carolina Aricu (caricu@nvlawllp.com), Gerald Niesar (gniesar@nvlawllp.com) or Oscar Escobar (oescober@nvlawllp.com).

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