

28 FEBRUARY 2025

FinCEN to Pause Corporate Transparency Act Enforcement for Further Rulemaking

Per the Treasury's announcement on February 27, 2025, the Corporate Transparency Act (CTA) is, once again, on hold. We recommend pausing any new filings or making updates to prior filings, particularly given the prospect of future rulemaking that may affect not just the timing but perhaps the content and obligation to file.

Unlike prior pauses on the regulation that were imposed by the judiciary, FinCEN itself has reversed its own statements from last week. After FinCEN successfully moved earlier in February to lift the second of two nationwide injunctions and to resume CTA enforcement, the agency last week instructed all nonexempt companies to file their beneficial ownership information reports by March 21, 2025. Yet, late on February 27, 2025, FinCEN issued a [press release](#) reversing course, stating its new position that FinCEN **"will 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 Corporate Transparency Act by the current deadlines."**

Companies can expect further rulemaking activity through which FinCEN will (i) extend the deadline for CTA filings to an unspecified date, and (ii) solicit public comment on avenues to mitigate the CTA's burden on small businesses.

If you have any questions about the matters addressed in this *Kirkland Alert*, please contact the following Kirkland attorneys or your regular Kirkland contact.

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