

## **LEGAL ALERT – FinCEN Issues Interim Final Rule Amending Definition of Reporting Company Under the Corporate Transparency Act (CTA)**

Financial Crimes Enforcement Network (“FinCEN”) issued an interim final rule (“IFR”) that revises the definition of a reporting company under the Corporate Transparency Act (“CTA”), provides new reporting deadlines for non-exempt reporting companies, and exempts all US-formed entities and their owners from filing beneficial ownership information (“BOI”). It also exempts foreign entity reporting companies from reporting US persons’ BOI in such companies.

On March 21, 2025, FinCEN issued a press release and an alert announcing an interim final rule (“IFR”) that removes beneficial ownership information (BOI) reporting requirements for US companies and US persons under the CTA, exempting all US-created entities, including former “domestic reporting companies,” and their beneficial owners.

The IFR:

- Redefines reporting company to mean only entities that are formed outside of the US and have registered to do business in the US (including Tribal jurisdictions) by filing the required registration documents with the appropriate state agency or similar office.
- Provides that former “domestic reporting companies” and their owners are no longer required to file BOI, or update or correct previously reported BOI.
- Extends BOI reporting deadlines for non-exempt foreign entities who fit the new reporting company definition.
- Will not require foreign entities that are reporting companies to report their US beneficial owners, and US persons who are beneficial owners of such companies are not required to provide their BOI to the reporting company. Foreign entities that only have US beneficial owners will not be required to report any beneficial owners.
- Will not require foreign pooled investment vehicles (“FPI”) to report the BOI of US persons who exercise substantial control over the FPI.

When the IFR is published in the Federal Register (IFR Publication Date), foreign entities that are reporting companies must:

- Update or correct previously filed BOI reports no later than 30 days after the IFR Publication Date.
- File an initial BOI report no later than 30 calendar days after receiving notice that a reporting company’s registration to do business in the US is effective or 30 days after the IFR Publication Date (whichever comes later).

FinCEN also noted that consistent with its and the Department of Treasury’s earlier statements, FinCEN is “applying all exemptions and deadline extensions in the interim final rule as of today, in advance of formal publication in the Federal Register, and will further not enforce any beneficial ownership reporting penalties or fines against US citizens or domestic reporting companies or their beneficial owners.”

FinCEN is accepting written comments on the IFR for 60 days after the IFR Publication Date, and “intends to finalize the rule this year.”

Legal Alert™ is provided by Hwang & Haas, PC – For more information and guidance, contact Sam Y. Hwang, Esq., president & CEO at 610-680-3990 (Dial or Text); [sam@hwanglegal.com](mailto:sam@hwanglegal.com)