

March 27, 2025

## Corporate Transparency Act to Exclude Most Reporting Companies and Beneficial Owners

On Friday, March 21, the Financial Crimes Enforcement Network (FinCEN) issued an alert announcing the adoption of an interim final rule regarding the Corporate Transparency Act (CTA) that reduces the coverage of the CTA to only foreign reporting companies and non-U.S. persons who are beneficial owners of foreign reporting companies. The rule tracks the proposed changes to the CTA outlined in a March 2 announcement from the Department of the Treasury. Under the rule and effective as of March 26 (when the rule was published in the *Federal Register*), U.S. persons and domestic reporting companies and their beneficial owners are no longer required to file beneficial ownership information reports (BOIRs) or updates to previously submitted reports.

As modified by the new rule, the CTA only applies to foreign reporting companies and non-U.S. persons who are their beneficial owners. However, foreign reporting companies are exempted from having to report the beneficial ownership information of any U.S. persons who are beneficial owners of such companies, and U.S. persons are exempt from having to provide such information. Foreign reporting companies that are registered in the U.S. but have not yet completed a BOIR will have 30 days from March 26 (the publication date of the rule in the *Federal Register*) to file. Foreign reporting companies that are newly registered after publication of the rule will have 30 days after registration to file an initial BOIR.

The rule is "interim" in that FinCEN says it intends to seek comments on it, but the rule has already gone into effect. Consequently, there is a possibility that the "final" interim final rule could change. There is no mention yet as to what may eventually happen with BOIRs already filed and the information contained therein.

## Authors



**Lane T. Watson**  
Partner

Hartford, CT | (860) 275-0355  
ltwatson@daypitney.com



**R. Scott Beach**  
Partner

Greenwich, CT | (203) 862-7824  
Stamford, CT | (203) 977-7336  
rsbeach@daypitney.com



**Brian W. Fischer**  
Partner

Hartford, CT | (860) 275-0635  
bfischer@daypitney.com