

CFIUS Proposes to Collect Filing Fees for Certain Transactions

March 10, 2020

On March 9, the Department of the Treasury [published in the Federal Register a proposed rule](#) to allow the Committee on Foreign Investment in the United States (“CFIUS”) to collect filing fees for certain notified transactions. This proposed rule continues the implementation of the Foreign Investment Risk Review Modernization Act (“FIRRMA”), an overhaul of CFIUS processes that became effective in February of this year.

Under FIRRMA, CFIUS is authorized to impose filing fees that may not exceed the lesser of one percent of the value of a transaction or \$300,000. The proposed rule would authorize CFIUS to collect fees pursuant to a set schedule tied to the value of a notified transaction. Specifically, the filing fees are:

- \$750 for transactions between \$500,000 and \$5 million;
- \$7,500 for transactions between \$5 million and \$50 million;
- \$75,000 for transactions between \$50 million and \$250 million;
- \$150,000 for transactions between \$250 million and \$750 million; and
- \$300,000 for transactions over \$750 million.

Under the proposed rule, CFIUS would generally calculate a transaction’s value based on the total consideration provided by the foreign party to the transaction, including cash, shares, and other assets or services.

The filing fees would be required for any full joint voluntary notice filed with CFIUS, however, would not apply to short-form declarations filed with CFIUS or to CFIUS-initiated reviews. If after review of a declaration CFIUS determines that a full joint voluntary notice is necessary, the filing fee would be required. The fee would be required prior to the Committee’s acceptance of a joint voluntary notice for review.

CFIUS is accepting comments regarding the proposed rule until April 8, 2020.