



CTA Compliance Restored

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On December 23, 2024, the United States Court of Appeals for the Fifth Circuit reinstated the immediate enforceability of the Corporate Transparency Act (CTA). In the case *Texas Top Cop Shop, Inc. v. Garland*, a three-judge panel from the Fifth Circuit lifted the nationwide preliminary injunction against the CTA that had been issued on December 3, 2024.

Because reporting companies may need additional time to comply given the period when the preliminary injunction had been in effect, the Department of Treasury has extended the reporting deadlines. Importantly, reporting companies that were created or registered prior to January 1, 2024 now have until January 13, 2025 to file their initial beneficial ownership information reports with FinCEN. These companies would otherwise have been required to report by January 1, 2025.

The challengers may pursue further review with the Fifth Circuit or request intervention from the United States Supreme Court in the coming days. Additionally, several other federal courts are currently addressing challenges to the CTA.

Kelley Drye attorneys are continuing to monitor developments in this case and others which impact CTA compliance obligations.