

LEGACY TAX SOLUTIONS

TAX SAVINGS TIPS

COURT BATTLES RAGE: FILE YOUR FINCEN BOI REPORT NOW OR WAIT?

Here's an update on the Corporate Transparency Act (CTA) and its beneficial ownership information (BOI) reporting requirements. Recent legal developments have

created uncertainty around filing deadlines, and it's important to understand your options and responsibilities.

Background on the CTA

The CTA requires many smaller corporations and LLCs to file a BOI report with FinCEN, identifying and providing contact information for the individuals who own or control the entity. This report is used solely for law enforcement purposes and is not made public. Initially, businesses in existence before 2024 were required to file by January 1, 2025, while new businesses formed in 2024 had a 90-day filing deadline. However, recent court rulings have disrupted these deadlines.

CURRENT STATUS

As of January 1, 2025, a nationwide injunction is in place, delaying all BOI filing requirements. While the injunction is active, you are not required to file a BOI report, and no penalties apply for non-filing. The injunction impacts the following entities: 🌳

ENTITIES AFFECTED



- Businesses formed before 2024 with a January 1, 2025, deadline
- New businesses formed in 2024 with a 90-day filing deadline
- Businesses with changes requiring updates to previously filed reports

Voluntary Filing Option

Although filing is not currently required, you may file voluntarily. This can simplify compliance by avoiding last-minute deadlines if the injunction is lifted. Should the injunction end, deadlines may resume with little notice, so being prepared is essential.

Takeaways

While the CTA remains under judicial review, you are not obligated to file your BOI report. But it may be prudent to prepare now by gathering the necessary information. If you have already filed, no further action is needed unless there are reportable changes.

