

PUBLICATION

FinCEN Issues Interim Final Rule Eliminating CTA Reporting Requirement for U.S. Entities

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On March 21, 2025, the Financial Crimes Enforcement Network (FinCEN) issued an interim final rule eliminating the requirement for U.S. entities and U.S. persons to report beneficial ownership information (BOI) under the Corporate Transparency Act (CTA).

This new rule follows the U.S. Department of the Treasury's March 2, 2025, announcement and marks a significant shift in the scope of the CTA's reporting framework.

Key Changes Under the Interim Final Rule

- **Redefined Scope of "Reporting Company":** The interim final rule revises the definition of a "reporting company" to include only entities formed under the law of a foreign country that are registered to do business in any U.S. State or Tribal jurisdiction through a filing with a secretary of state or similar office. These entities were formerly referred to as "foreign reporting companies."
- **Exemption for U.S. Entities:** Entities previously classified as "domestic reporting companies" (i.e., entities formed under the laws of a U.S. state) are now entirely exempt from the BOI reporting requirements under the CTA.
- **No BOI Reporting Obligations for U.S. Persons:** U.S. persons are no longer required to report BOI, even if they are beneficial owners of a reporting company (i.e., an entity formed under the law of a foreign country) under the revised rule.

Applicability to Foreign Entities

Foreign entities that meet the new definition of a "reporting company" and do not qualify for a statutory exemption must comply with the following deadlines:

- **Existing Foreign Entities:** Foreign entities registered to do business in the U.S. before the publication date of the interim final rule must file their BOI reports within thirty (30) days of the publication date.
- **Newly Registered Foreign Entities:** Foreign entities registered on or after the interim final rule publication date must file their initial BOI report within thirty (30) calendar days of receiving notice that their registration is effective.

Importantly, foreign reporting companies will not be required to report any U.S. persons as beneficial owners and U.S. persons will not be required to file a BOI report with respect to any such entity for which they are a beneficial owner.

Next Steps

FinCEN is currently accepting public comments on the interim final rule and intends to finalize it later this year. In the meantime, U.S. companies and individuals no longer have any BOI reporting obligations under the CTA.

Contact Us

If you have questions about how this interim final rule may affect your compliance obligations or require assistance with evaluating your entity's status under the revised rule, please contact [Jake Farrar](#), [Lucas Lopez](#), or any member of Baker Donelson's [Business and Corporate team](#).