

# Fifth Circuit Vacates Stay of Preliminary Injunction Against CTA Enforcement

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The Corporate Transparency Act (CTA) is off again – but more legal decisions are coming soon.

## Key Updates

- The January 13, 2025 deadline for initial Beneficial Owner Information Reports is once again suspended.
- Reporting companies may still voluntarily comply if they choose by filing Beneficial Owner Information Reports (BOIR) [here](#).
- The Fifth Circuit will hear arguments on January 6, 2025, with a decision anticipated shortly thereafter.

On December 26, 2024, the United States Court of Appeals for the Fifth Circuit vacated its stay of the CTA's preliminary injunction. This action again temporarily halts enforcement of the CTA, including the requirement for Reporting Companies to file BOIR, while the court evaluates the substantive legal challenges.

## ACTION: What This Means for Your Business

- **Filing Deadlines Again Suspended:** Entities are not required to meet the January 13, 2025 filing deadline or comply with other reporting obligations until further notice.
- **Continue Monitoring Updates:** Stay informed as the legal proceedings evolve. The Fifth Circuit's expedited review of the case may lead to further developments soon.

## Understanding the CTA and Its Impact

The CTA, effective January 1, 2024, aims to combat financial crimes such as money laundering, tax evasion, and terrorism. It requires certain business entities to disclose beneficial ownership information to the Financial Crimes Enforcement Network (FinCEN).

For a detailed overview, see our prior update: [Fifth Circuit Reinstates Corporate Transparency Act's January 13, 2025 Filing Deadline](#).

## How Your Business Can Stay Ahead?

1. **Stay Informed:** The CTA's enforcement remains in flux. Monitor updates from Porzio and news outlets to ensure you are prepared for any changes.

2. **Prepare for Potential Compliance:** While enforcement is paused, consider (1) gathering necessary documentation to comply if the injunction is lifted, or (2) voluntarily file a Reporting Company's BOIR [here](#). Being proactive can reduce last-minute compliance challenges and mitigate a \$591/day penalty being imposed.
3. **Seek Legal Advice:** Seek tailored advice to assess how these developments impact your business and ensure you are ready to act. For specific concerns or questions about your business's obligations, contact us at [saprasla@pbnlaw.com](mailto:saprasla@pbnlaw.com).

Porzio will continue to monitor and provide updates as the legal situation evolves.