

## **CORPORATE TRANSPARENCY ACT BLOCKED AGAIN**

The U.S. Fifth Circuit Court of Appeals reinstated a nationwide injunction on the reporting of beneficial ownership information under the Corporate Transparency Act. The injunction issued by a Texas federal court in early December had been overturned last week by a different Fifth Circuit panel.

For now, reporting companies are (again) no longer required to report beneficial ownership information, but reporting of beneficial ownership under the CTA could be required in the future. The Fifth Circuit will hear arguments regarding the CTA reporting obligations on March 25, 2025. The Financial Crimes Enforcement Network has indicated that reporting companies may continue to submit beneficial ownership information on a voluntary basis. Given the uncertainty about what may happen in the appeal process, reporting companies should continue to gather beneficial ownership information in order to ensure compliance with any future reporting deadlines.

O'Neil Cannon will continue to monitor and provide further updates regarding the CTA. Please reach out to a member of the O'Neil Cannon team if you have questions related to the CTA.