

Client Alert

June 2024

Important Reminder: Corporate Transparency Act Beneficial Ownership Reports For Existing Reporting Companies Due Before January 1, 2025

The Corporate Transparency Act (“CTA”), a sweeping new law that imposes significant reporting obligations upon entities that are required to report beneficial ownership and registrant information to the U.S. Treasury’s Financial Crimes Enforcement Network (“FinCEN”), went into effect on January 1, 2024. Reporting companies (see definition below) formed or registered to do business on or after January 1, 2024 are required to submit their initial beneficial ownership reports within 90 days¹ of such formation or registration. Please refer to our [Client Alert](#) discussing the CTA in greater detail.

Reporting companies that were in existence as of January 1, 2024 are required to submit their initial beneficial ownership reports to FinCEN by January 1, 2025.

The scope of the definition of what constitutes a “reporting company” is broad, and includes any corporation, limited liability company, limited partnership or other similar entity created by the filing of a document with the secretary of state or similar office of any U.S. state or territory, or formed under the laws of a foreign country and registered to do business in the United States through the filing of the applicable document with the secretary of state or similar office. Effectively, this means that most businesses with fewer than 20 employees and less than \$5 million in annual revenues—with the notable exception of foreign companies that do not formally register to do business in the United States—will be subject to these requirements, unless they fall into one of [23 enumerated exempt categories](#).

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¹ The 90-day deadline for entities formed after January 1, 2024 will be reduced to 30 days effective January 1, 2025.

Olshan is actively monitoring developments regarding the CTA, particularly with respect to several constitutional challenges filed in both state and federal courts.

Please contact the Olshan attorney with whom you regularly work or one of the attorneys below if you would like to discuss further or have questions regarding the CTA filing obligations.

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