

## Nationwide Preliminary Injunction on Corporate Transparency Act is Back

December 27, 2024

As reported in our recent series of Client Alerts,<sup>1</sup> on December 3, 2024, the U.S. District Court for the Eastern District of Texas (the “District Court”) issued a nationwide preliminary injunction that temporarily blocked enforcement of the Corporate Transparency Act (“CTA”) and the U.S. Department of the Treasury’s Financial Crimes Enforcement Network’s (“FinCEN”) related beneficial ownership information (“BOI”) reporting rules. On December 23, 2024, the Fifth Circuit Court of Appeals (the “Court of Appeals”) granted the government’s motion to stay the District Court’s preliminary injunction pending its appeal of that injunction order. As a result of the Court of Appeal’s ruling, FinCEN extended the reporting deadline to January 13, 2025.

### Update as of December 26, 2024

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By a brief order dated December 26, 2024, the Court of Appeals reversed itself and vacated its prior order which had granted a stay of the preliminary injunction, leaving the nationwide preliminary injunction in place. The Court of Appeals has set a hearing for the matter on March 25, 2025.

**Accordingly, as of the date of this Client Alert, the CTA and the BOI reporting requirements are again enjoined by the District Court’s nationwide preliminary injunction.** However, given the unpredictable nature of this case, all reporting companies should remain prepared to comply with the CTA’s BOI reporting requirements pending further decision by the Court of Appeals.

We are closely monitoring developments in this rapidly changing case and will continue to provide updates.

### For More Information

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We are available at any time to answer questions, discuss scenarios, and provide guidance. If you would like further information concerning the matters discussed in this article, please contact a member of the Corporate and Securities Department or visit us online at [chapman.com](http://chapman.com).

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<sup>1</sup> See the following Client Alerts for a history of recent developments regarding enforcement of the Corporate Transparency Act:

December 9, 2024: [“Corporate Transparency Act Enforcement Temporarily Blocked by Court”](#)

December 13, 2024: [“FinCEN Seeks Stay of Corporate Transparency Act Preliminary Injunction”](#)

December 17, 2024: ["Government Files an Emergency Motion with the 5th Circuit Court of Appeals to Stay Corporate Transparency Act Preliminary Injunction"](#)

December 23, 2024: ["Fifth Circuit Court of Appeals Grants Stay Pending Appeal as to the Preliminary Injunction of the Corporate Transparency Act, and FinCEN Extends CTA Reporting Deadline to January 13, 2025"](#)

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