

UPDATE: Beneficial Ownership Information Reporting

For those of you that have already filed the BOI, no further action is necessary. For those of you that have not, please read the update that follows.

Following a federal district court decision last week, a preliminary injunction has been issued by the District Court, which **TEMPORARILY** prohibits FinCEN from enforcing the BOI filing rule. Therefore, reporting companies are not currently required to file their beneficial ownership information with FinCEN, and will not be subject to liability if they fail to do so while the preliminary injunction remains in effect. However, reporting companies may continue to voluntarily submit beneficial ownership information reports.

The Department of Justice has already filed a Notice of Appeal. While litigation is ongoing, FinCEN will comply with the order for as long as it remains in effect. If the injunction is lifted, either by the District Court or on appeal, enforcement could resume. Absent relief from FinCEN or the courts, the original reporting deadlines would be reinstated at that point. While it is likely that either the courts or FinCEN will grant some time relief to filing parties, it is too early to know if such relief would be granted or for how long.

In summary, I believe it is reasonable to pause submitting new filings while the injunction is in place. It will likely last months in appeal, well beyond the due date of 1/1/2025. There is always the possibility that they will decide you should have filed, and impose penalties, but it is likely they will grant relief for an undetermined period of time. I recommend you follow up with your attorney for confirmation. If you wish to voluntarily file, and would like me to file on your behalf, please let me know ASAP. Feel free to reach out with any questions.

Sincerely,



Angela Leasure, CPA
Leasure CPA & Associates, Inc.