

## INSIGHTS + NEWS

## Client Alert: Corporate Transparency Act Brought to the Supreme Court

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On New Year's Eve, the Justice Department filed an application with the U.S. Supreme Court to request a stay on the nationwide injunction or, at a minimum, that SCOTUS narrow the reach of the injunction to only the plaintiffs in the case (*Texas Top Cop Shop, Inc., et al. v. Merrick Garland, Attorney General of the United States, et al.*).

The Supreme Court could choose to ignore the application and refuse to address the challenges to the CTA. However, if the Supreme Court decides to eliminate or narrow the injunction, the CTA and attendant reporting requirements could pop back into existence; and, therefore, reporting companies should be ready to file the applicable information. The Financial Crime Enforcement Network (FinCEN) has released guidance reiterating its position that the CTA is constitutional and that FinCEN will continue to allow voluntary reporting.

Employers and companies with questions about how to comply with the CTA should consult their Bowditch attorney. We will assume you are handling these matters on your own unless you request assistance from your Bowditch attorney in writing.