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Client Alert: Corporate Transparency Act – Further Action by the Fifth Circuit

BY ZACHARY M. CHUPAK AND JULIE K. O'NEILL • JANUARY 15, 2025

Ongoing legal challenges have left many business owners wondering whether they need to file Beneficial Ownership Information reports pursuant to the Corporate Transparency Act (CTA). As reported in a [previous client alert](#), a Fifth Circuit panel vacated its own earlier decision, effectively barring the CTA from being enforced.

The Fifth Circuit has sent the issue to a “merits panel” to consider the parties’ arguments. Briefing will occur in February, and oral arguments are scheduled for March 25, 2025. After oral arguments, the court will need some time to issue an opinion. Considering FinCEN’s willingness to give companies additional time to file when the injunction was initially lifted, if the CTA survives these legal challenges, affected companies may plan potentially to file their Beneficial Ownership Information reports sometime in the second quarter of 2025.

As of this writing, we are not aware of any determination by the Supreme Court as to how it will respond to the application made by the Justice Department regarding the CTA on December 31, 2024.

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.