



## U.S. Supreme Court Rules on Enforcement of Corporate Transparency Act; Nationwide Stay Remains in Effect

On January 23, 2025, the Supreme Court of the United States granted the government's motion to stay a nationwide injunction of enforcement of the Corporate Transparency Act (CTA) issued by a federal judge in Texas in the case of *McHenry v. Texas Top Cop Shop, Inc.* (formerly, *Texas Top Cop Shop v. Garland*), which we previously discussed [here](#). ***Notwithstanding the foregoing, because of a separate nationwide order issued by a different federal judge in Texas in the case of Smith v. U.S. Department of the Treasury, the nationwide stay of enforcement of the CTA by FinCEN remains in effect.***

Therefore, reporting companies are not currently required to file beneficial ownership information with FinCEN despite the Supreme Court's action. Reporting companies also are not subject to liability if they fail to file this information while the *Smith v. U.S. Department of the Treasury* injunction remains in effect.

Following the SCOTUS decision, FinCEN confirmed that filings remain optional for the time being. Reporting companies may continue to voluntarily submit beneficial ownership information reports to FinCEN. For companies that are considering voluntary submission of beneficial ownership information, it is advisable to consult with legal counsel to weigh the benefits and risks of submitting reports before a final resolution is reached in the ongoing litigation.

This remains subject to change. Reporting companies should stay up to date on changes in the law, regularly check FinCEN's website and continue to prepare their filings in anticipation of what might be a reinstated short notice deadline. Separately, On January 16, 2025, a bill was introduced and referred to the House Committee on Financial Services to appeal the CTA.

RMF will continue to track developments and provide regular updates. If you have any questions or would like to discuss how this applies to your business, please contact:

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