

# FinCEN Issues Interim CTA Rule, U.S. Entities and Individuals Exempted From Reporting

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## Highlights

The Financial Crimes Enforcement Network (FinCEN) issued an interim final rule that changes requirements for reporting beneficial ownership information (BOI) under the Corporate Transparency Act

The rule narrows existing reporting requirements and requires only entities previously defined as "foreign reporting companies" to report BOI

FinCEN defines new exemptions from reporting for domestic entities and U.S. persons

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The Financial Crimes Enforcement Network (FinCEN) recently issued a [press release](#) concerning the [issuance of a new interim final rule](#) that removes requirements for U.S. companies and persons to report beneficial ownership information (BOI) to FinCEN under the Corporate Transparency Act (CTA).

Consistent with the U.S. Department of the Treasury's [March 2, 2025, announcement](#), FinCEN is adopting the interim final rule to narrow BOI reporting requirements under the CTA to apply only to entities previously defined as "foreign reporting companies."

In the new interim final rule, FinCEN revises the definition of "reporting company" to mean only those entities that are formed under the law of a foreign country and that have registered to do business in any U.S. state or tribal jurisdiction by filing a document with a secretary of state or similar office (such entities, previously defined as "foreign reporting companies").

Additionally, FinCEN adds a new exemption available to entities formed in the U.S., previously

defined as “domestic reporting companies.” Such entities are exempt from BOI reporting and do not have to report BOI to FinCEN, or update or correct BOI previously reported to FinCEN.

Thus, through the interim final rule, entities created in the United States – along with their beneficial owners – are exempted from requirements to report BOI to FinCEN.

## Two Changes for Foreign Reporting Companies

With limited exceptions, the interim final rule does not change existing requirements for foreign reporting companies. However, the new interim rule does make two significant modifications to such requirements:

- The interim rule extends the deadline to file initial BOI reports, and to update or correct previously filed BOI reports, to 30 calendar days from the date of its publication to give foreign reporting companies additional time to comply.
- The interim final rule exempts foreign reporting companies from having to report the BOI of any U.S. persons who are beneficial owners of the foreign reporting company and exempts U.S. persons from having to provide such information to any foreign reporting company of which they are a beneficial owner.

Foreign entities that meet the new definition of a “reporting company” and do not qualify for an available exemption must report their BOI to FinCEN in compliance with these new deadlines.

Under the new interim rule, a reporting company is any entity that is:

- a corporation, limited liability company, or other entity
- formed under the law of a foreign country
- registered to do business in any state or tribal jurisdiction by the filing of a document with a secretary of state or any similar office under the law of that state or Indian tribe

Reporting companies that registered to do business in the United States before the date of publication of the interim final rule must file BOI reports no later than 30 calendar days from the date of the new interim rule’s publication in the Federal Register. Reporting companies that register to do business in the United States on or after the date of publication of the interim final rule have 30 calendar days to file an initial BOI report after receiving notice their registration is effective.

FinCEN is accepting comments on this interim final rule until 60 days after it is published in the Federal Register and notes that it will assess the exemptions included in the subsequent final rule, as appropriate, in light of those comments. It intends to issue a final rule this year.

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National Law Review, Volume XV, Number 83

Source URL: <https://natlawreview.com/article/fincen-issues-interim-cta-rule-us-entities-and-individuals-exempted-reporting>