BREAKING CTA ALERT—NATIONWIDE INJUNCTION ISSUED AGAINST US CORPORATE TRANSPARENCY ACT

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US Corporate Alert

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On 3 December 2024, Judge Amos Mazzant of the Eastern District of Texas issued a nationwide preliminary injunction with respect to the Corporate Transparency Act (CTA), enjoining enforcement of the CTA as well as the implementing Treasury regulations, and staying the 1 January 2025 reporting deadline until further order of the Court. In so holding, the Court found that the CTA and the implementing Treasury regulations are likely unconstitutional as beyond the bounds of Congress' power. We are reviewing the implications of the decision and what it means on a going-forward basis. We will also continue to monitor for any response by the US Financial Crimes Enforcement Network (FinCEN) to the decision and analyze its application as it relates to compliance with the CTA. Check back on our page for updates or reach out to a member of the firm's CTA Committee below to discuss.

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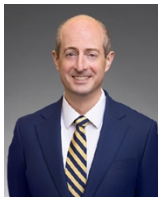

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