

FinCEN Beneficial Ownership Reporting No Longer Required For All U.S. Companies



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After months of uncertainty regarding enforcement of beneficial ownership information (BOI) reporting requirements under the Corporate Transparency Act (CTA), Financial Crimes Enforcement Network (FinCEN) has issued new rules that permanently remove the BOI requirement for all U.S. companies and U.S. persons. Going forward, the CTA only applies to foreign companies registered to do business in the U.S.

What's Changed?

Consistent with the U.S. Department of the Treasury's March 2, 2025, announcement, FinCEN has revised its regulations to narrow the scope of entities that must report BOI. Under this interim final rule, the definition of "reporting company" is now limited to entities formed under the laws of a foreign country that are registered to do business in the U.S. These entities were previously known as "foreign reporting companies."

Entities formed in the United States—previously categorized as "domestic reporting companies"—are no longer required to report beneficial ownership information to FinCEN. This includes their beneficial owners, who are likewise relieved of any BOI reporting obligations with respect to these entities.

For more information, you can access the FinCEN release [here](#).

What Does This Mean for U.S. Companies and Individuals?

- If your company is formed in the U.S., you are no longer subject to the CTA's BOI reporting requirements.
- U.S. persons who are beneficial owners of either domestic or foreign entities are not required to file BOI reports simply due to their ownership interest.
- The reporting obligation now applies only to foreign entities registered to do business in the United States, unless they qualify for one of the existing exemptions.

New Deadlines for Foreign Entities

Foreign entities that fall within the updated definition of a "reporting company" and are not otherwise exempt must report their beneficial ownership information under new deadlines, which FinCEN will detail in forthcoming guidance.

Practical Takeaway

This interim final rule eliminates the BOI compliance burden on U.S. businesses and their owners. However, foreign entities operating in the U.S. should review their status carefully and be prepared to comply with the new reporting obligations.