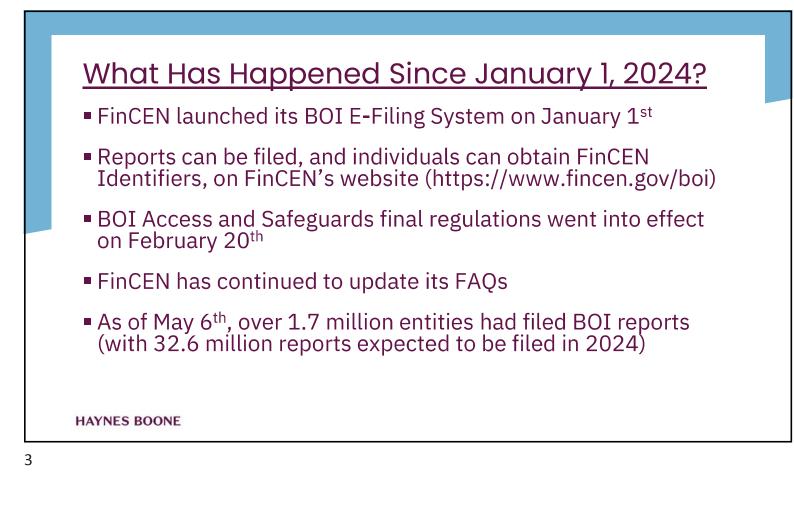


## What is the CTA?

- The Corporate Transparency Act (the "CTA")
- Enacted as part of the Anti-Money Laundering Act of 2020
- Implemented by the Financial Crimes and Enforcement Network ("*FinCEN*")
- Establishes reporting obligations that will require reporting companies to file a report with FinCEN identifying beneficial owners and company applicants
- Designed to primarily apply to smaller, private entities, not large or otherwise highly regulated companies

HAYNES BOONE

1



## Is the CTA Constitutional?

- On March 1<sup>st</sup>, an Alabama district court found the CTA unconstitutional in National Small Business United v. Yellen.
- <u>BUT</u>...the injunction issued in that case only prohibits enforcement of the BOI reporting requirements against the plaintiffs, including then members of the National Small Business Association.
- FinCEN has appealed.
- Additional cases have been filed in other jurisdictions (including *Texas Top Cop Shop v. Garland* in Texas).

HAYNES BOONE

FINANCIAL CRIMES ENFORCEMENT NETWORK					
BOI E-FILING   FILE BOIR HELP					
File the Beneficial Ownership Information Report (BOIR)	Beneficial Ownership Info	ormation Repo	Company Applicant(s)	Beneficial Owner(s)	
Select the filing method that works best for you:	34. (This item is reserved for future of Part III, Beneficial Owner Info			1 of 1	0.0
File PDF BOIR    Adobe Reader Is required    Adobe Reader Is required    Adobe Reader Is required    Adobe Reader Is required     Adobe Reader Is required	Arent/Guardian information     Control Co				
	36. FinCEN ID Exempt entity: 37. Exempt entity				
	Full legal name and date of birth: 38 . Individual's last name or entity's				
File Online BOIR	<ul> <li>38. Iegal name.</li> <li>39. First name</li> </ul>				
Adobe Reader NDT required     Prepare report online and submit now     Prepare new Online BOIR when filing updates/corrections     Download BOIR transcript upon submission	<ol> <li>Middle name</li> <li>Suffix</li> <li>42. • Date of birth</li> </ol>				
WEB Prepare & Submit BOIR					

What Entities Are "Reporting Companies"?
<ul> <li>Domestic entities created by the filing of a document with a secretary of state or similar office of a U.S. state or Indian tribe</li> </ul>
<ul> <li>FAQ C.7 (1/12/2024): Includes U.S. territories – Puerto Rico, Northern Mariana Islands, American Samoa, Guam, and the U.S. Virgin Islands</li> </ul>
<ul> <li>Similar foreign entities registered to do business in the United States</li> </ul>
HAYNES BOONE

Find the full text of this and thousands of other resources from leading experts in dozens of legal practice areas in the <u>UT Law CLE eLibrary (utcle.org/elibrary)</u>

## Title search: Corporate Transparency Act Part 1: The Law

Also available as part of the eCourse 2024 LLCs, LPs and Partnerships eConference

First appeared as part of the conference materials for the 33<sup>rd</sup> Annual LLCs, LPs and Partnerships session "Corporate Transparency Act Part 1: The Law"