

# Corporate Transparency Act Update – SCOTUS Stays Enforcement of Nationwide Injunction

By Benjamin O. Williams, Joel R. Thielen, Miri Joo, Alec Lybik, Allison B. Hudson and Michael R. Mulcahy

January 29, 2025

On January 23, 2025, the U.S. Supreme Court granted the Government's motion to stay the nationwide injunction previously issued by the district court in the *Texas Top Cop Shop, Inc., et al. v. Merrick Garland* litigation. The Supreme Court's Order is attached. As a result, the nationwide injunction issued in *Texas Top Cop* is no longer in effect. However, an injunction of enforcement of the CTA was recently entered in another Eastern District of Texas federal case, *Smith v. United States Department of the Treasury*, No. 24-cv-336. Accordingly, FinCen has acknowledged that reporting companies are currently not required to file the beneficial ownership information with FinCen and are not subject to liability if they fail to do so while the *Smith* litigation order remains in effect. The Government still could appeal the *Smith* ruling, and the Supreme Court did not address the *Smith* case in its recent *Texas Top Cop Shop* opinion. So, for now, filing of BOI reports by reporting companies under the CTA is wholly voluntary, and not required. We will continue to monitor the various CTA-related litigation matters and provide updates. Please do not hesitate to contact any member of Vedder Price's CTA Working Group with any questions.

## CTA Working Group:

Ben Williams [bwilliams@vedderprice.com](mailto:bwilliams@vedderprice.com)

Joel Thielen [jthielen@vedderprice.com](mailto:jthielen@vedderprice.com)

Miri Joo [mjoo@vedderprice.com](mailto:mjoo@vedderprice.com)

Alec Lybik [alybik@vedderprice.com](mailto:alybik@vedderprice.com)

Allison Hudson [ahudson@vedderprice.com](mailto:ahudson@vedderprice.com)

Mike Mulcahy [mmulcahy@vedderprice.com](mailto:mmulcahy@vedderprice.com)

[vedderprice.com](http://vedderprice.com)