

CTA Reporting Requirements STAYED AGAIN

By Erika L. Haupt

On December 3, 2024, the U.S. District Court for the Eastern District of Texas entered an order stopping the enforcement of the Corporate Transparency Act (“CTA”) and its corresponding reporting rule. The U.S. government requested a stay of the preliminary injunction, which the district court denied on December 17. The government appealed, and, on December 23, 2024, the motions panel of Fifth Circuit Court of Appeals granted the government’s emergency motion for a stay pending appeal. That order also expedited the appeal to the next available oral argument panel, which is currently considering the parties’ substantive positions. However, in order to preserve status quo while the merits panel considers the arguments, the part of the motions-panel order granting the government’s motion to stay the district court’s preliminary injunction enjoining enforcement of the CTA and the reporting rule is VACATED.

Therefore, for the second time this month, the reporting requirements under the CTA are stayed until further notice. If you have any questions please contact us. We will, of course, continue to monitor the progress of *Texas Top Cop Shop, Inc., et al. v. Garland, et al.*, and keep you posted.

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