

FinCEN Permanently Ends CTA Beneficial Ownership Reporting Requirements for U.S. Persons and U.S. Entities

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On August 14, 2026, the Financial Crimes Enforcement Network (“**FinCEN**”) published a final rule (the “**Final Rule**”) making permanent the significant changes to the Corporate Transparency Act (“**CTA**”) beneficial ownership information (“**BOI**”) reporting requirements that FinCEN adopted on an interim basis in March 2025. The Final Rule is effective immediately.

As we previously reported, the March 2025 interim final rule (“**IFR**”) effectively eliminated BOI reporting requirements for U.S. persons and entities formed in the U.S. under the CTA. The Final Rule adopts those changes without material modification.

The Final Rule does, however, make two substantive changes to the IFR.

1. U.S.-person company applicants are now exempt. Under the IFR, a foreign reporting company registered in the United States on or after January 1, 2024 was still required to report its company applicants (which could have included U.S. persons). The Final Rule confirms that foreign reporting companies are not required to report *U.S.-person* company applicants, and U.S.-person company applicants are not required to provide their information to foreign reporting companies. Non-U.S. company applicants remain subject to the applicable reporting requirements.
2. U.S. persons with FinCEN IDs are no longer required to update or correct information associated with those IDs. The IFR did not address the FinCEN ID update requirement, meaning U.S. persons who had previously obtained FinCEN IDs remained subject to a continuing obligation to update or correct their information. The Final Rule eliminates that obligation for U.S. persons. Non-U.S. FinCEN ID holders remain subject to the update and correction requirements.

The Final Rule otherwise leaves the March 2025 framework intact. Foreign reporting companies remain subject to BOI reporting, including filing reports on their non-U.S. beneficial owners, unless they are exempt.

FinCEN also announced that it intends to delete from its BOI database information relating to U.S. entities and U.S. persons that is no longer required to be reported.

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FinCEN expects to conduct that deletion in a single sweep and does not anticipate requiring U.S. entities or U.S. persons to request deletion or providing individual confirmation. FinCEN characterized this as an implementation matter rather than a change to the reporting regulations.

After a long and winding road of rulemakings, changing filing deadlines, litigation, injunctions and extensions, **the CTA reporting obligations are now permanently eliminated for U.S. persons and businesses**. Foreign reporting companies, however, remain subject to the narrower BOI reporting regime and should continue to monitor and comply with their remaining obligations.

The Final Rule also does not eliminate the separate Customer Due Diligence Rule (the “**CDD Rule**”) applicable to covered financial institutions. Those institutions should continue to comply with their existing obligations to obtain beneficial ownership information from legal-entity customers, while monitoring FinCEN’s forthcoming efforts to revise the CDD Rule in light of the significantly narrowed CTA reporting requirements.