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FinCEN Delivers Some Good News About Its Enforcement of the Corporate Transparency Act

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On Thursday, February 27, 2025, [FinCEN announced](#) that it will not issue any penalties or pursue enforcement action against reporting companies for the mere failure to meet the current filing deadlines. That news for many is like the title to British songwriter and singer Zoë's hit song Sunshine on a Rainy Day!

Be aware, this reprieve only lasts until FinCEN issues its interim final rules and they become effective. These rules are expected to be issued on or before March 21, 2025. Consequently, for those reporting companies that have not registered yet, they need to keep a keen eye on the ball. Alternatively, those companies may want to consider filing before the extended deadline to avoid a foot fault.

Hold the press! As I was about to publish this update, Judge Robert J. Jonker of the U.S. District Court for the Western District of Michigan (Southern Division) issued [his decision](#) in *Small Business Association of Michigan, et. al. v. Yellen*. Citing the Fourth Amendment of the U.S. Constitution, Judge Jonker ruled that the CTA is unconstitutional. This ruling prohibits the government from enforcing the CTA against the plaintiff (the Small Business Association of Michigan) and its members. That decision will surely be appealed. Hopefully, SCOTUS will render its decision soon and this madness will finally come to an end!

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