

FinCEN Publishes Updated FAQs Regarding CTA Filings for Dissolved Entities and Withdrawn Foreign Entities

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The material set forth below was developed before the 2024 and 2025 district court injunctions regarding the CTA (which were subsequently stayed and continue to be litigated). As a result, the material set forth below, including filing deadlines, may not be current. Please consult FinCEN's [website](#) for the latest filing due dates and other information regarding the CTA and its requirements.

On September 10, the Financial Crimes Enforcement Network (FinCEN) published updated guidance in the form of new and revised [frequently asked questions \(FAQs\)](#), C.14-C.16 and G.4, regarding beneficial ownership information (BOI) reporting requirements under the Corporate Transparency Act (CTA). These updates provide further clarification on reporting obligations for entities that cease to exist and address the obligations of foreign entities that withdraw their registrations to do business in the United States, though open questions remain.

Reporting Obligations for Entities Ceasing to Exist

In this update, FinCEN reiterated that reporting companies created or registered in 2024 or later must submit their initial BOI reports within 90 days (for entities created or registered in 2024) or 30 days (for entities created or registered in 2025 or later) of receiving actual or public notice of creation or registration, “no matter how quickly they cease to exist thereafter.” This requirement underscores the importance of timely BOI reporting, even for short-lived entities. We previously described this particular [impact on merger subsidiaries](#).

FinCEN restated that after a reporting company has filed an initial report, there is no requirement for that reporting company to file an additional report with FinCEN noting that the company has ceased to exist.

Authorized Filers for Nonexistent Entities

FinCEN clarified that anyone authorized by the reporting company to act on its behalf — such as an employee, owner, or third-party service provider — may file a BOI report on behalf of the company, even if the company ceases to exist before the report is made. FinCEN further stated that companies should make arrangements for the filing of their BOI reports before they cease to exist to ensure compliance. However, the FAQs do not clarify how to determine who could be authorized to file a BOI report for an entity that dissolved or withdrew registrations in 2024 prior to filing a BOI report without explicitly authorizing anyone to file a BOI report.

Content of Initial BOI Reports for Dissolved Entities

As a rule, “an initial BOI report should only include the beneficial owners as of the time of the filing.” However, in this update, FinCEN stated an exception to this rule: If a reporting company ceases to exist before its initial BOI report is filed, then the report should include the beneficial ownership information accurate “as of the moment prior to the company ceasing to exist.”

Therefore, careful consideration and review will be required in connection with submitting a BOI report for entities that no longer exist to ensure the information meets this requirement. This is particularly important for entities whose existence terminated prior to becoming aware of the filing requirements described by FinCEN for the first time in its July 8 FAQ update.

Foreign Companies and BOI Reporting

FinCEN also addressed the reporting obligations of foreign reporting companies that cease being registered to do business in the United States. First, FinCEN clarified that a foreign company ceases to be registered to do business in the United States “when it entirely completes the process of formally and irrevocably withdrawing its registration(s) to do business in the United States.”

FinCEN acknowledged this process may vary by state or Tribal law, but described a typical withdrawal process as (i) filing withdrawal paperwork with a given jurisdiction of registration; (ii) receiving written confirmation of withdrawal; (iii) paying related taxes or fees; (iv) ceasing to conduct any business in the jurisdiction; and (v) winding up affairs in that jurisdiction. It noted that administrative suspension from conducting business generally does not rise to ceasing to be registered unless such suspension becomes permanent.

Further, FinCEN confirmed that if a foreign entity completed the formal and irrevocable process to cease to be registered to do business in the United States prior to 2024, then it was not subject to the CTA’s reporting requirements and does not need to submit CTA reports to FinCEN (for so long as it is not registered to do business in the United States). On the other hand, if a foreign reporting company was registered to do business in the United States at any time in 2024 (regardless of whether it was actually conducting business and regardless of whether all registrations were withdrawn prior to its filing deadline), it is required to file a BOI report.

The latest FAQs confirmed that a BOI report filed for a foreign entity that is no longer registered to do business in the United States must reflect BOI accurate as of the time of filing. It appears that an unintended result of FinCEN’s position is that, in relevant circumstances, a foreign company may be required to report information about beneficial owners who were never reportable beneficial owners during the time the foreign company was actually registered to do business in the United States.

Troutman Pepper continues to monitor updates to the CTA and advises clients on compliance matters. If you have questions or concerns regarding how this new guidance may impact your reporting practices or obligations, please reach out to the authors or your primary Troutman Pepper contact.

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