



REES BROOME, PC



COMMUNITY ASSOCIATIONS NEWSLETTER

Urgent Corporate Transparency Act (CTA) Alert – Community Association Clients

December 2024

On December 3, 2024, the Federal District Court for the Eastern District of Texas issued a ruling in which it imposed a nationwide preliminary injunction on the enforcement of the Corporate Transparency Act. The Court's Order states that the Corporate Transparency Act in its totality is enjoined, enforcement of the reporting rule is enjoined, and that the December 31, 2024 compliance deadline is stayed, meaning that reporting companies are not required to comply with the CTA's January 1, 2025 reporting deadline pending further order from that court. Consequently, effective immediately, Rees Broome, PC, is discontinuing work to file applications with FinCEN.

This is a fluid situation. We do not know whether the Department of the Treasury will appeal the Texas decision. Also, there are several other cases pending that could result in a change. Moreover, there also could be Congressional action that may change the landscape. Rees Broome is committed to monitoring the evolving situation closely and will advise all our clients if the current circumstance changes and corporate entities are again required to file with FinCEN.

1900 Gallows Road • Suite 700 • Tysons Corner, Virginia 22182 • (703) 790-1911 • Fax: (703) 848-2530
7101 Wisconsin Avenue • Suite 1201 • Bethesda, Maryland 20814 • (301) 222-0152 • Fax: (240) 802-2109
1602 Village Market Blvd SE Suite 385 Leesburg, Virginia 20175 • (703) 790-1911 • Fax: (703) 848-2530
www.reesbroome.com

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