HH&K

Hinman, Howard & Kattell LLP

ATTORNEYS

Peace of Mind. Since 1901.

August 21, 2026

CLIENT ALERT

Corporate Transparency Act: BOI Reporting Relief Is Now Permanent for U.S. Companies and Persons

Dear Clients and Friends:

On August 11, 2026, the U.S. Department of the Treasury's Financial Crimes Enforcement Network ("FinCEN") permanently removed the beneficial ownership information ("BOI") reporting requirements for U.S. companies and U.S. persons under the Corporate Transparency Act ("CTA"). The final rule adopts the interim final rule ("IFR") that FinCEN issued on March 26, 2025, which narrowed BOI reporting requirements and adds two new exemptions. The first new exemption is that foreign reporting companies are no longer required to report BOI for U.S. person company applicants (individuals involved in registering a foreign company to do business in the United States). The second is that U.S. persons with FinCEN identifiers ("FinCEN IDs") are no longer required to update or correct the information they provided to obtain those identifiers.

What Does This Mean?

The final rule, effective August 14, 2026, imposes no new reporting obligations. Instead, it permanently adopts the IFR's narrowed reporting framework and further limits the scope of BOI reporting: domestic reporting companies remain exempt, foreign reporting companies need not report BOI for U.S. person beneficial owners or company applicants, and U.S. persons with FinCEN IDs need not update information previously provided to FinCEN.

Key Takeaways

- Domestic reporting companies remain exempt. They are not required to file BOI reports with FinCEN.
- Certain foreign entities remain subject to BOI reporting. Foreign entities registered to do business in the United States may still qualify as reporting companies.
- U.S. person BOI is exempt from reporting. Foreign reporting companies are not required to report BOI for U.S. person beneficial owners or company applicants.
- FinCEN ID updates are no longer required for U.S. persons. U.S. persons with FinCEN IDs are not required to update or correct information previously submitted to FinCEN.

Are Any Entities Still Required to Report?

Yes. Certain foreign entities remain subject to BOI reporting requirements. Specifically, the final rule limits "reporting companies" to entities formed under foreign law that have registered to do business in a U.S. state or Tribal jurisdiction. Those entities are not required to report BOI for U.S. person beneficial owners or company applicants but must otherwise comply with applicable filing and updating requirements, including reporting BOI for foreign individuals.

What Should Businesses Do Now?

For most U.S. businesses, the final rule requires no further action under the CTA. Going forward, businesses should:

- Continue to refrain from filing BOI reports based solely on U.S. formation. Domestic entities are permanently exempt from BOI reporting requirements;

- Continue to refrain from updating previously filed BOI reports. Domestic entities are not required to report changes in ownership or other previously reported information;

- Continue to maintain appropriate corporate and ownership records; and

- If organized under foreign law, determine whether BOI reporting requirements apply. Foreign entities registered to do business in the United States may remain subject to BOI reporting requirements and should consult with a HH&K attorney to assess their reporting obligations.

The final rule represents a significant departure from the BOI reporting regime originally established under the CTA and substantially reduces the compliance burdens imposed on U.S. businesses and U.S. persons.

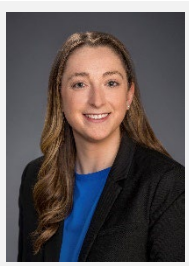
The official alert published by the Financial Crimes Enforcement Network, can be found on their website.

We are actively monitoring developments and will continue to keep you informed as additional guidance becomes available. If you have any additional questions about this update, please contact your relationship attorney at Hinman, Howard & Kattell, LLP.

This Client Alert is not a substitute for legal guidance regarding program details and how those may be applicable to your business. As always, if we can be of assistance with these programs or any other matters, please do not hesitate to contact your HH&K attorney.

Article written by:

Erica L. Lawson
Partner
80 Exchange Street
Binghamton, NY 13901
Phone: (607) 231-6907
Email: elawson@hhk.com



Chrisitina J. Graziadei
Partner
80 Exchange Street
Binghamton, NY 13901
Phone: (607) 231-6858
Email: cgraziadei@hhk.com

Benjamin J. Venuti
Associate Attorney
80 Exchange Street
Binghamton, NY 13901
Phone: (607) 231-6866
Email: bvenuti@hhk.com