

## **CLIENT ALERT: Nationwide Preliminary Injunction on Corporate Transparency Act Reinstated**

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On December 26, 2024, the merits panel of the Fifth Circuit reinstated the nationwide preliminary injunction issued in *Texas Top Cop Shop, Inc., et al. v. Garland, et al.*, Case No. 4:24-CV-478 (E.D. Tex.) preventing enforcement of the Corporate Transparency Act. The reinstatement was issued just three days after a motions panel had stayed the injunction. FinCEN has posted [its alert](#) in response to the reinstated injunction acknowledging that compliance with the CTA is again voluntary while the preliminary injunction is in effect.

On December 31, 2024, the Department of Justice sought a stay of the injunction from the U.S. Supreme Court pending resolution of the appeal to the Fifth Circuit.

The Fifth Circuit has scheduled expedited briefing by February 28, 2025 and oral

argument on the appeal for March 25, 2025. As a result, reporting companies are, *again*, not obligated to comply with the CTA's reporting requirements for the duration of the injunction. Our prior [Client Alert](#) has additional information concerning the injunction.

Particularly given the legal whipsaw, we continue to recommend closely monitoring developments and being ready to make the necessary filings on short order, if the injunction is lifted, including by an intervening ruling by the Supreme Court.

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