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BOIRR UPDATE
[D – 2024-12-20]

In addition to litigation winding its way through the court system, legislation has been proposed to delay, but not eliminate, the need to file BOIRR reports.

On December 19, 2024, the United States House of Representative failed to pass a continuing resolution to fund the government's operations. Tucked away on page 223 of the 1547-page bill, at Section 122, was an *Extension of Filing Deadline for Certain Pre-existing Reporting Companies*. The resolution proposed amending 31 U.S.C. § 5336(b)(1)(B) to extend the mandatory reporting deadline to January 1, 2026 for those companies that were created before January 1, 2024, without affecting companies formed during calendar-year 2024 or thereafter:

Section 5336(b)(1)(B) of title 31, United States Code, is amended by striking “before the effective date of the regulations prescribed under this subsection shall, in a timely manner, and not later than 2 years after the effective date of the regulations prescribed under this subsection,” and inserting “before January 1, 2024, shall, not later than January 1, 2026,”.

Had it passed, the resolution would have made the BOIRR statute read as follows:

(B) REPORTING OF EXISTING ENTITIES.—In accordance with regulations prescribed by the Secretary of the Treasury, any reporting company that has been formed or registered ~~before the effective date of the regulations prescribed under this subsection shall, in a timely manner, and not later than 2 years after the effective date of the regulations prescribed under this subsection;~~ **before January 1, 2024, shall, not later than January 1, 2026,** submit to FinCEN a report that contains the information described in paragraph (2).

The only impact of this amendment would be to defer the mandatory filing requirement for older reporting companies but would leave in place the penalties for new companies that have failed, or later fail, to file their BOI reports.

BOIRR UPDATE D

December 20, 2024

Page 2

Treasury would still be able pursue penalties against companies formed in 2024 and thereafter if the injunction is reversed, but would not be able to pursue pre-2024 companies until after January 1, 2026.

IMPORTANT NOTICE: A change can occur at any time. If you have not already completed your filing, continue to be prepared to comply with BOIRR on potentially very short notice. The Court of Appeals may take action at any moment, and, if any part of the government's request is granted, the January 1, 2025, filing deadline may be reinstated on very short notice. Congress also may pass a law that affects your obligation to file your report even if the injunction is overturned.

A copy of an excerpt of the failed House Resolution may be found on our website at <https://ezkovichlaw.com/boi> under update **D. BOIRR Update, December 20, 2024 - Proposed Legislation**, at document D.1, entitled **Excerpt of failed House Resolution**.

