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FinCEN Permanently Ends Beneficial Ownership Reporting for U.S. Companies and Will Delete Previously Filed Data

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On August 11, 2026, the Financial Crimes Enforcement Network (FinCEN) issued a final rule permanently eliminating the requirement for U.S. companies and U.S. persons to report beneficial ownership information (BOI) under the Corporate Transparency Act (CTA). The rule is effective upon publication in the Federal Register, which will likely happen sometime next week. The text that we expect to be published is available here. FinCen will remove previously filed information about U.S. persons automatically. There is nothing you need to do to remove your information if you already filed. Foreign-formed companies still have reporting obligations, but those have been narrowed.

The final rule makes permanent the exemptions FinCEN adopted on an interim basis in March 2025 and goes further in several respects. FinCEN's announcement is available here.

What the Final Rule Does

- **Permanently exempts all U.S.-formed entities** — corporations, LLCs, limited partnerships, and similar entities created by a filing with a secretary of state — from beneficial ownership information (BOI) reporting.

Only foreign-formed entities registered to do business in a U.S. state or tribal jurisdiction remain "reporting companies."

- **Deletes previously reported U.S. person data**. FinCEN will remove from its BOI database information about any individual — beneficial owner, company applicant, or FinCEN ID holder — that it reasonably believes is a U.S. person. Companies that filed before the 2025 rollback do not need to take any action to have that information removed.
- **Relieves FinCEN ID holders** of any obligation to update or correct information previously submitted to obtain a FinCEN identifier.
- **Narrows foreign company reporting**. Foreign reporting companies no longer report U.S. person company applicants, and foreign pooled investment vehicles registered in the U.S. are exempt from reporting U.S. persons in control. Foreign reporting companies must still report their foreign beneficial owners.

What This Means for You

- **No federal BOI filings, updates, or corrections are required** for U.S.-formed entities — including entities formed going forward. If your organization built CTA compliance into its entity formation or fund closing checklists, those items can come off (for domestic entities).
- **Foreign-formed entities remain in scope**. If your structure includes non-U.S. entities registered to do business in the United States, those entities continue to have reporting obligations with respect to their foreign beneficial owners.
- **Keep the underlying statute in view**. The CTA itself remains on the books; the final rule is a regulatory action, and a future administration could revisit it (subject to notice-and-comment rulemaking). We recommend retaining the beneficial ownership

records you compiled — the cost of keeping the file is low, and it makes it easier to restart if the law gets revived under a future administration.

- **Don't forget state-level analogs**. New York's LLC Transparency Act and similar state initiatives operate independently of the federal regime and are unaffected by FinCEN's action. Clients with New York LLCs in their structures should confirm their state-level obligations separately.

Resources

- Treasury/FinCEN Press Release (Aug. 11, 2026)
- Final Rule (pre-publication text)
- FinCEN FAQs on the Final Rule

If you have questions about how the final rule affects your entities — particularly cross-border structures with foreign-formed entities registered in the U.S. — please contact an attorney in our Corporate Practice.