



SHARTSIS FRIESE LLP

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April 11, 2025

VIA EMAIL

To Our Investment Adviser Clients and Other Friends:

Re: Corporate Transparency Act - Domestic Entities No Longer Required to File; New Rules for Foreign Entities

On March 26, 2025, the U.S. Department of the Treasury's Financial Crimes Enforcement Network ("FinCEN") adopted an interim final rule which significantly limits the reporting requirements under the Corporate Transparency Act ("CTA"). Going forward, only "foreign reporting companies," entities that were formed in a foreign jurisdiction that subsequently registered to do business in the U.S. and that are not otherwise exempt, are required to file Beneficial Ownership Information Reports ("BOIRs"). Domestic entities are no longer required to file, update or amend BOIRs.

Certain foreign pooled investment vehicles ("PIVs") that are qualified to do business in the U.S. are required to file BOIRs, and if any non-U.S. persons exercise control over a PIV then those individuals will generally need to be reported on the BOIR as well. The interim final rules amend a CTA special rule for PIVs that are qualified to do business in the U.S. Under the special rule, a foreign PIV was only required to report information about individuals who exercised substantial control over the entity, and not about all its beneficial owners. This special rule is amended so that if the only individuals exercising control over a foreign PIV are U.S. persons, no individual's information must be reported to FinCEN. However, if multiple individuals exercise substantial control over the foreign PIV, and at least one of those individuals is a non-U.S. person, the PIV must report the information of the non-U.S. person who has the greatest authority over the entity's strategic management. If a PIV has no individuals to report, the interim final rule appears to require a filing with information about the entity (but not its controlling persons) if the foreign PIV is registered to do business in the U.S.

The deadline to file a BOIR for an existing foreign reporting company is April 25, 2025. Any foreign reporting company that registers to do business in the U.S. after March 31, 2025, must file its BOIR within 30 days of its U.S. registration date. If you have not yet filed a BOIR for an existing foreign reporting company and have questions on the new filing requirements, please contact us.

Please contact one of the Shartsis Frieese attorneys in the [Investment Funds & Advisers Group](#) if you have questions regarding the Corporate Transparency Act.

Previous letters to our investment advisory clients and friends and discussions of other topics relevant to private fund managers, investment advisers and private investment funds can be found at our insights page: www.sflaw.com/blog/investment-funds-advisers-insights.

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