

# BUSINESS, CORPORATE & SECURITIES

## Kutak Rock Client Alert

December 12, 2024

### **Services**

Business, Corporate & Securities

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## FinCEN Seeks Stay of Preliminary Injunction with respect to the CTA

As noted in our earlier <u>client alert</u>, on December 3, 2024, the U.S. District Court for the Eastern District of Texas issued a <u>preliminary injunction</u> prohibiting enforcement of the Corporate Transparency Act ("CTA") and associated regulations by the Treasury Department's Financial Crimes Enforcement Network (FinCEN), and on December 5, 2024, the U.S. Department of Justice filed a notice of appeal with respect to the preliminary injunction. On Thursday, December 11, 2024, the U.S. Department of Justice filed a motion seeking a stay of the preliminary injunction.

The motion to stay the preliminary injunction was filed with the U.S. District Court for the Eastern District of Texas; however, in its motion, the U.S. Department of Justice indicated that if the district court has not yet granted relief, it will seek relief from the Fifth Circuit Court of Appeals on Thursday, December 12 or Friday, December 13.

### A copy of the motion may be found here.

The Kutak Rock <u>CTA Client Service Team</u>, listed on the left, will continue to provide updates regarding this case, including if and when either the District Court or the Court of Appeals takes further action with respect to the preliminary injunction. Additional information and updates may be found on the <u>CTA page</u> on our website.

