

FinCEN Permanently Ends Beneficial Ownership Reporting

Cross References

- <https://home.treasury.gov/news/press-releases/>

The U.S. Department of the Treasury's Financial Crimes Enforcement Network (FinCEN) has issued a final rule that permanently removes the requirement for U.S. companies and U.S. persons to report beneficial ownership information to FinCEN under the Corporate Transparency Act. The final rule became effective on August 14, 2026. FinCEN has also announced that it will delete previously reported information by U.S. persons, now exempt from the reporting requirements, from the beneficial ownership information database.

"Today's action is a victory for common sense and American small businesses," said Secretary of the Treasury Scott Bessent. "President Trump promised to cut red tape, and this final rule delivers. Treasury is eliminating a burdensome reporting requirement for millions of law-abiding business owners without compromising our national security."

The final rule:

- Adopts the exemptions set out in the interim final rule issued in March 2025, making the rollback of beneficial ownership reporting by U.S. companies permanent,
- Exempts U.S. persons who have obtained FinCEN IDs from any obligation to update or correct the information they originally provided to FinCEN to obtain their FinCEN IDs,
- Eliminates the requirement for foreign companies to report U.S. person "company applicants" (i.e., the individuals who helped those foreign companies register to do business in the United States),
- Exempts foreign pooled investment vehicles registered in the United States from reporting the beneficial ownership information of a U.S. person in control of the investment vehicle, and
- Confirms that FinCEN will delete information about any individuals (company applicants, beneficial owners, or recipients of a FinCEN ID) that FinCEN reasonably believes is a U.S. person (e.g., the information is linked to a U.S. passport or U.S. driver's license).

Under the final rule, foreign entities that are reporting companies will still be required to report beneficial ownership information for foreign individuals.