

# Small Business Notes

## \*Special Issue\*

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- **Federal Judge Permanently Enjoins Enforcement of the Corporate Transparency Act by Treasury's Financial Crimes Enforcement Network (FinCEN)**

### **Federal Judge Permanently Enjoins Enforcement of the Corporate Transparency Act by Treasury's Financial Crimes Enforcement Network (FinCEN)**

On March 1, 2024, federal district court judge Liles Burke of the U.S. District Court for the Northern District of Alabama issued a permanent injunction to halt Treasury's enforcement of the Corporate Transparency Act citing the Act as unconstitutional.

Reporting by businesses under the Act had begun on January 1, 2024.

In a lengthy opinion, which we will revisit later, Judge Burke concluded that the Act is unconstitutional since the government's arguments fail in the four areas in which it justified the actions of the Act: National Security, Commerce Clause regulation, Taxation, and application of the Necessary and Proper clause of the Constitution.

The case is National Small Business United, d/b/a The National Small Business Association v Janet Yellen, in her official capacity as Secretary of the Treasury, et al. At present the injunction prevents enforcement only against these plaintiffs.

Case No: 5:22-cv-1448-LCB

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