



Client Bulletin

Volume XLI, No. 4

December 31, 2024

MANOS, MARTIN & PERGRAM CO., LPA

50 North Sandusky Street
Delaware, Ohio 43015
Phone: (740) 363-1313
Fax: (740) 363-1314

Client Focused, Client First Since 1951

We are always grateful for your trust in recommending us to others. A referral from you and your continued business are the highest compliments we could ever receive.

Inside this issue:

Corporate Transparency Act Injunction Lifted on December 23, 2024 was Reinstated on December 26, 2024 - Now No BOI Reporting 1

Ohio Minimum Wage Set to Increase in 2025 2

IRS Increases Standard Mileage Rate for Business Use in 2025 2

CORPORATE TRANSPARENCY ACT INJUNCTION LIFTED ON DECEMBER 23, 2024 WAS REINSTATED ON DECEMBER 26, 2024 - NOW NO BOI REPORTING

On Tuesday, December 3, 2024, in the case of *Texas Top Cop Shop, Inc., et al. v. Garland, et al.*, No. 4:24-cv-00478 (E.D. Tex.), the U.S. District Court for the Eastern District of Texas, Sherman Division, issued an order granting a nationwide preliminary injunction against the enforcement of the Corporate Transparency Act (CTA), including the requirement that entities existing as of January 1, 2024 and not exempt from Beneficial Ownership Information (BOI) reporting under the CTA had to report and register by January 1, 2025. On December 5, 2024, the Department of Justice (DOJ), on behalf of the Department of the Treasury, filed a Notice of Appeal to the U.S. Circuit Court of Appeals for the Fifth Circuit and sought a stay of the injunction pending that appeal.

On December 23, 2024, a three judge panel of the Fifth Circuit issued a stay of the District Court’s preliminary injunction pending the outcome of the appeal. In response, the Department of the Treasury’s FinCEN immediately issued an alert on the FinCEN webpage extending the December 31, 2024 BOI reporting deadline to January 13, 2025.

HOWEVER, on December 26, 2024, a different three judge panel of the Fifth Circuit issued an order vacating the order issued on December 23, 2024 granting a stay of the District Court’s nationwide preliminary injunction, which means that the District Court’s nationwide preliminary injunction issued December 3, 2024 is again in effect and entities required to do BOI reporting to FinCEN are not obligated to do so. In light of the December 26, 2024 order, FinCEN promptly issued an Alert on its webpage, beginning with the following:

In light of a recent federal court order, reporting companies are not currently required to file beneficial ownership information with FinCEN and are not subject to liability if they fail to do so while the order remains in force. However, reporting companies may continue to voluntarily submit beneficial ownership information reports.

What happens next is anyone’s guess. Given the different orders by two different three-judge Fifth Circuit panels, DOJ may ask for an *en banc* (all of the Fifth Circuit judges) hearing on its motion for a stay of the District Court’s nationwide preliminary injunction. Further potentially complicating things are the changes in the U.S. Attorney General, the U.S. Secretary of the Treasury, and top leadership in both the DOJ and the Department of the Treasury that will occur with the presidential administration change on January 20, 2025.

**MANOS, MARTIN &
PERGRAM CO., LPA**

50 North Sandusky Street
Delaware, Ohio 43015

Phone: (740) 363-1313
Fax: (740) 363-1314

Visit us on the web
www.mmpdlaw.com



This bulletin provides general information and is not legal advice. Please contact us if you need legal advice.

If you have friends or associates whom you think would enjoy receiving a copy of this Client Bulletin, please feel free to forward it on. Thank you.

SUGGESTION: Since FinCEN only extended the BOI reporting deadline of January 1, 2025 by 13 days after the first three judge panel on December 23, 2024 stayed the District Court's preliminary injunction against enforcement of the CTA and FinCEN's website is accepting registration and BOI reporting, it is this law firm's recommendation that entities existing on January 1, 2024 that are not exempt from BOI registration and reporting register and do BOI reporting. It is the law firm's present plan, when it forms for a client an entity that is required under the CTA to register and report to FinCEN, to do the BOI reporting as required by FinCEN.

OHIO MINIMUM WAGE SET TO INCREASE IN 2025

Ohio's minimum wage is scheduled to increase on January 1, 2025, to \$10.70 per hour for non-tipped employees (an increase of \$.25 per hour) and \$5.35 per hour for tipped employees (an increase of \$.10 per hour). Those minimum wage rates will apply to employees of businesses with annual gross receipts of more than \$394,000 per year. Increases are automatic based on a 2006 amendment of the Ohio Constitution, which amendment mandates annual minimum wage adjustments for most employees based on the inflation rate (increase in the cost of living index).

For employees at smaller companies with annual gross receipts of \$394,000 or less per year (after January 1, 2025), and for 14- and 15-year olds, the state's minimum wage is \$7.25 per hour. Those two state minimum wage requirements are tied to the federal minimum wage, which remains at \$7.25 per hour, and any increase requires a change in federal law.

IRS INCREASES STANDARD MILEAGE RATE FOR BUSINESS USE IN 2025

On December 19, 2024, the Internal Revenue Services announced that the optional standard mileage rate for automobiles driven for business will increase by 3 cents in 2025, while the mileage rates for vehicles used for other purposes will remain unchanged from 2024. Beginning January 1, 2025, the IRS optional standard mileage rates for the use of a car, van, pickup or panel truck will be:

- 70 cents per mile driven for business use, up 3 cents from 2024.
- 21 cents per mile driven for medical purposes, the same as in 2024.
- 21 cents per mile driven for moving purposes for qualified active-duty members of the Armed Forces, unchanged from 2024.
- 14 cents per mile driven in service of charitable organizations, same as the rate in 2024.