Corporate Transparency Act Rulemaking: Eliminate Redundancy to Create More Effective Reporting

The Independent Community Bankers of America, representing community banks across the nation with nearly
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ICBA Supports H.R. 4035

&KDLUPDQ 0F+HQU\¶V OHJLVODWLRQ contains one simple but critical mandate. It would require FinCEN to finalize all rulemakings required under the CTA before any rules take effect. By synchronizing the effective dates, H.R. 4035 will promote consistency among the rulemakings. Piecemeal issuance of rules and effective dates could have unintended consequences which create unnecessary burden for community banks and their customers and result in a less effective AML regime. H.R. 4035 will ensure that CTA rulemakings are coordinated so that banks and their customers know what is expected of them.

In particular, H.R. 4035 would require finalization of the congruence rule before other CTA rules are effective. The bipartisan House and Senate lawmakers who drafted the CTA mandated that the Secretary of the Treasury UHYLVH WKH ILQDO &'' UXOH WR ³UHGXFH DQ\ EXUGHQV RQ),V DQG HQDFWPHQW RI WKLV GLYLVLRQ DQG WKH DPHQGPHQWV PDGH E\ W

To make any CTA rule effective before the congruence rule is final and effective could only create unnecessary compliance burden and redundancy. While FinCEN has finalized other CTA rules