

May 27, 2025

Director Andrea Gacki
Financial Crimes Enforcement Network (FinCEN)
U.S. Department of Treasury
P.O. Box 39
Vienna, VA 22183

Re: Beneficial Ownership Information Reporting Requirement Revision and Deadline Extension (FINCEN–2025–0001, OMB control number 1506–0076 and RIN 1506–AB49)

Jubilee USA Network appreciates the opportunity to comment on the Interim Final Rule regarding Beneficial Ownership Information Reporting Requirement Revision and Deadline Extension (the “Interim Final Rule”).

We are an alliance of more than 75 US organizations and 750 faith communities working with 50 Jubilee global partners to build an economy that serves, protects and promotes the participation of the most vulnerable. We are concerned with how financial secrecy, corruption and tax evasion are connected to economic prosperity and poverty in the United States and abroad. In particular, we have witnessed how anonymous shell companies have facilitated exploitation of vulnerable communities and supported corrupt regimes in the developing world.

The Corporate Transparency Act (CTA) introduces transparency into otherwise anonymous corporate structures by requiring companies to report their true, “beneficial” owners to a secure directory housed at FinCEN.

We promoted and worked towards passage of this legislation for more than 10 years. During that time we built support with members of Congress, senators and Administrations from both parties. We made this investment because our members¹ consider this legislation essential to 1) curb the theft of debt relief aid, which is essential to reduce food and fuel prices in the US, support American jobs and exports, and make our country safer, 2) stop ways that human traffickers hide and make profits, 3) prevent the exploitation of vulnerable communities in the United States through Medicaid and

¹ Reflection of this broad support is a letter we organized in 2020 with more than a 100 religious organizations, congregations, faith-based communities and others urging U.S. Senators to support the Corporate Transparency Act (available at https://www.jubileeusa.org/jubilee_usa_anti_money_laundering_act_of_2020_letter).

Medicare fraud, 4) reveal theft from corrupt foreign government officials' use of development aid and public monies, and 5) help raise revenue in the developing world.

We welcome Secretary Bessent's recent statements underscoring US support for sovereign debt sustainability, transparency and improved restructuring processes for countries in debt distress, cornerstones of longstanding US bipartisan policy. However, if authorities and well-connected individuals in developing countries can access the vast US financial system to hide their gains from corrupt and non-transparent debt contracts, including with China and other bilateral creditors, the US ability to pursue right-headed debt policy is compromised. We wish to highlight that debt relief and responsible lending are especially relevant in this Jubilee year in which Pope Francis made debt relief and economic aid for the poorest the focus. In this, he followed on the footsteps of Pope St. John Paul II and Pope Benedict XVI, in a move that Pope Leo XIV will now continue.

Our members have an interest in seeing strong, effective rules that maximize the Corporate Transparency Act's potential to contribute to all of the above purposes. We commented in the FinCEN rulemaking processes leading to the rule on Beneficial Ownership Information Reporting Requirements and the Beneficial Ownership Information Access and Safeguards, and Use of FinCEN Identifiers for Entities.

The same spirit informs our formulation of responses to the current call for comments.

We respectfully ask that the Treasury Department withdraws the Interim Final Rule.

The Interim Final Rule narrows the scope of the Corporate Transparency Act (CTA) to apply only to certain foreign companies that register to do business in the United States. It exempts all domestic companies, as well as all beneficial owners of covered foreign companies who are U.S. persons.

We are extremely concerned that, in so doing, the Interim Final Rule significantly undermines the purpose and operations of the CTA to the point of making it almost innocuous.

The opacity provided by anonymous "shell companies" that nefarious actors from all over the world can register in the U.S. enables them to evade and violate laws, facilitates crime, defangs critical US foreign and domestic policies, and endangers national security.

Corrupt foreign officials, transnational cartels, China and North Korea-linked companies, and foreign fraudsters, are among the many examples of foreign persons and entities that registered U.S. shell companies. Relying on the anonymity of such structures, they can take advantage of the U.S. financial system and its tools to achieve their illicit objectives.

This is why Congress, in passing the CTA, underscored its concern with the "ownership of corporations, limited liability companies, or other similar entities **in the United States**" (bold added) by "malign actors." According to the statute, "Federal legislation providing for the collection of beneficial ownership information for corporations, limited liability companies, or other similar entities **formed under the laws of the States** (bold added) is needed to [...] better enable critical national security, intelligence, and law enforcement efforts to counter money laundering, the financing of terrorism, and other illicit activity."

When the Interim Final Rule opens a sweeping exemption, not envisioned in the law, for all domestic companies and beneficial owners of foreign companies, it reduces the CTA's scope of application by 99.8%.

While we understand there are some concerns about potential impact of the legislation on legitimate activity, small businesses and law-abiding citizens, these concerns received ample hearing and discussion during the legislation process and led to the creation of 23 well-tailored exemptions that the statute already contemplates.

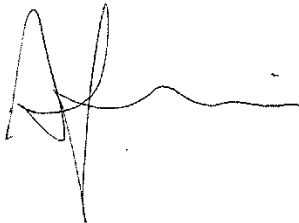
We believe FinCEN's rulemaking can find further ways to refine implementation of the law in order to make it more targeted and effective, while avoiding a clash with the CTA's letter and intent.

Conclusion

Corporate transparency will have a major impact in reducing international corruption and crime in the US and abroad, thereby protecting vulnerable populations and their access to debt relief-freed and other resources for building schools, hospitals, and the infrastructure necessary for development. Additionally, the collection of beneficial ownership information will make it harder for those stealing from the most vulnerable to use the United States financial system as a safe haven to hide their money. Jubilee USA Network looks forward to working with FinCEN during its rulemaking on the Corporate Transparency Act to ensure this mission is achieved.

In closing, we thank you again for your consideration of these comments. For any questions or clarifications on our comments please feel free to contact Aldo Caliari at aldo@jubileeusa.org.

Sincerely,

A handwritten signature in black ink, appearing to be 'Aldo Caliari', with a stylized, flowing script.

Aldo Caliari
Senior Director of Policy and Strategy