

Status of Treasury’s Safeguards for Providing Access to Information on Corporate Ownership

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A report to congressional committees.

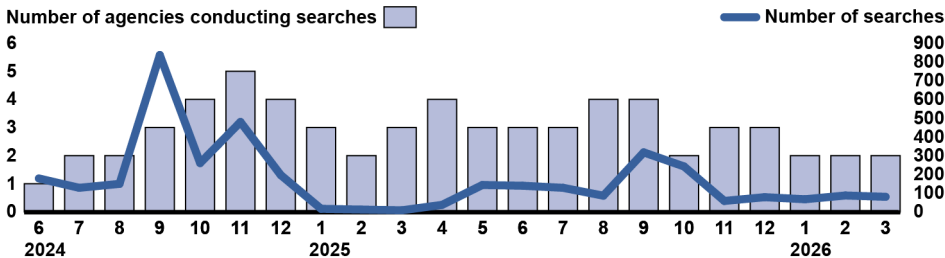
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What GAO Found

The Financial Crimes Enforcement Network (FinCEN) collects and shares beneficial ownership information to help prevent misuse of corporate structures to conceal illicit financial activities. Beneficial owners are individuals who directly or indirectly own or control a certain percentage of ownership interests in, or exercise substantial control over, a reporting company. In early 2024, FinCEN began to securely collect, process, store, and manage in its IT system beneficial ownership information submitted by required filers. It also began to implement a five-phase program to allow authorized users—such as federal agencies engaged in national security, intelligence, or law enforcement—to request access to the system.

FinCEN completed its first phase (a pilot program) by granting six federal law enforcement agencies access to its IT system. Agency searches fell sharply in October 2024 and generally remained low through March 2026 (see figure). FinCEN attributed the decline to lawsuits, program changes, and its March 2025 interim final rule, which exempted about 99 percent of entities previously required to report their information. Three agencies also ended the pilot program.

Beneficial Ownership Information System Searches Conducted by Six Federal Agencies, June 2024–March 2026



Source: Financial Crimes Enforcement Network data. | GAO-26-108182

FinCEN paused accepting and processing access requests under its second phase in December 2024 because of ongoing lawsuits but resumed its efforts in spring 2025. As of August 2025, FinCEN was processing requests from 22 federal agencies but largely paused its efforts again in December 2025 while working to finalize its interim final rule. FinCEN also delayed time frames for implementing the remaining program phases.

To protect the security and confidentiality of beneficial ownership information, FinCEN implemented processes to oversee agencies and revised its oversight procedures. FinCEN conducts monthly reviews to monitor individual users’ access to and use of its IT system and automatically deletes inactive users. FinCEN officials said the agency also began annual audits of four pilot agencies to assess their compliance with program requirements. In early 2025, FinCEN revised its oversight procedures to include guidance for escalating compliance concerns. The new procedures do not specify the types of noncompliance that would result in suspension or termination of an agency’s access. However, in March 2026, FinCEN officials said the agency was developing additional procedures to address noncompliance, including suspensions or termination of access, as additional agencies may be granted access under the second phase.

Why GAO Did This Study

The Corporate Transparency Act, enacted in 2021, requires certain legal entities to report their beneficial ownership information to FinCEN. This requirement supports U.S. efforts to prevent bad actors from using shell companies or other opaque ownership structures to benefit from illicit activity. The act required FinCEN to adopt regulations to safeguard this information from unauthorized use.

In late 2024 and early 2025, lawsuits challenging the Corporate Transparency Act resulted in two district courts initially pausing reporting deadlines. In February 2025, FinCEN extended the reporting deadlines for most reporting companies because of the litigation. In March 2025, FinCEN issued an interim final rule that exempted all U.S. companies and U.S. persons from the beneficial ownership information reporting requirements.

The act also includes a provision for GAO to determine how FinCEN is protecting access to and use of beneficial ownership information. This report is the second in a series of seven annual reports (beginning with [GAO-25-107403](#)).

This report examines (1) the status of FinCEN’s efforts to grant agencies access to beneficial ownership information and (2) the mechanisms it implemented to oversee agencies’ access to and use of the information.

GAO reviewed FinCEN’s policies and procedures for beneficial ownership information access, analyzed related documents, and interviewed FinCEN officials.