

Practice Update

2024 Adjustments to HSR Thresholds and Filing Fees

January 2024

By Austin A.B. Ownbey

Earlier this year, the Federal Trade Commission (FTC) released its 2024 adjustment to the thresholds for pre-merger notification filings under the Hart-Scott-Rodino Antitrust Improvements Act of 1976 (HSR). The adjustments reflect changes in the U.S. gross national product. The FTC also increased the HSR filing fees, revised the thresholds for interlocking directorates under Section 8 of the Clayton Act, and hiked the maximum civil monetary penalties for violations of 16 statutory provisions that the FTC enforces.

2024 Highlights

- The 2024 adjusted HSR threshold is \$119.5 million. Any transaction valued below that amount is exempt from the HSR filing requirement.
- The 2024 adjusted Size of Party thresholds for transactions valued below \$478 million are \$23.9 million for small parties and \$239 million for large ones.
- The HSR filing fees were also updated this year, but the lowest fee remains \$30,000.

HSR Thresholds

Entities contemplating mergers or acquisitions of voting securities, non-corporate interests, or assets that meet or exceed certain monetary thresholds are required to file pre-merger notification forms with

Related People

Austin A.B. Ownbey

Related Work

Antitrust and Trade
Regulation
Corporate

Related Offices

Washington, D.C.

the FTC and the U.S. Department of Justice (DOJ) and to wait a designated period of time (typically 30 days) before consummating the contemplated transaction. The key thresholds are summarized below:

Test	2024 Threshold
Size of Transaction	\$119.5 million
Size of Party (smaller)	\$23.9 million
Size of Party (larger)	\$239 million
Size of Transaction (when Size of Party Threshold is not satisfied)	\$478 million

The FTC also revised the HSR filing fees based on changes to the U.S. gross national product and the consumer price index. The 2024 filing fee schedule is as follows:

2024 Filing Fees	Lower Threshold (transaction value at or more)	Upper Threshold (transaction value less than)
\$30,000	\$119.5 million	\$173.3 million
\$105,000	\$173.3 million	\$536.5 million
\$260,000	\$536.5 million	\$1.073 billion
\$415,000	\$1.073 billion	\$2.146 billion
\$830,000	\$2.146 billion	\$5.365 billion
\$2,335,000	\$5.365 billion	—

There are no changes to the regulations governing the methodology for calculating the size of party and the size of transaction tests and exemptions from the HSR Act.

Interlocking Directorates

The FTC also revised the thresholds in Section 8, which prohibits a person from serving as a director or officer of two competing corporations (known as an interlocking directorate or an interlock). The prohibition is now triggered if each corporation’s aggregate of capital, surplus, and undivided profits is more than \$48,559,000 and their competitive sales are at least \$4,855,900 each, unless an exception applies.

Maximum Civil Penalty Amounts

Finally, the FTC adjusted various maximum civil penalty levels for certain laws it enforces, including failure to file an HSR notification. Of most interest, the maximum civil monetary penalty for violations of the HSR Act and Section 5 of the FTC Act (which concerns unfair methods of competition and unfair or deceptive acts or practices) increased to \$51,744 per day. The adjusted penalty levels apply to civil penalties assessed after they went into effect, including civil penalties imposed for violations that predated the increased penalty levels.

The revised thresholds will remain in effect until the next adjustment issued by the FTC, which is generally announced in the first quarter of each year.

Companies should keep in mind that transactions do not avoid antitrust scrutiny simply because the HSR thresholds are not met or because the HSR waiting period has expired. The FTC and the DOJ regularly file suits seeking to unwind previously consummated mergers and regularly investigate small transactions with purchase prices well below the HSR thresholds, if they believe the transactions are anticompetitive.

If you have questions about this or any other antitrust matter, please contact Austin A.B. Ownbey at 202.824.1734 or Austin.Ownbey@Akerman.com, or your Akerman lawyer.

This Akerman Practice Update is intended to inform firm clients and friends about legal developments, including recent decisions of various courts and administrative bodies. Nothing in this Practice Update should be construed as legal advice or a legal opinion, and readers should not act upon the information contained in this Practice Update without seeking the advice of legal counsel. Prior results do not guarantee a similar outcome.