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## Adjustments to the HSR Act Filing Thresholds, Fee Structure and Civil Penalties, and Adjustments to Clayton Act Section 8 Thresholds

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Original Threshold	2023 Adjusted Threshold	2024 Adjusted Threshold
\$10 million	\$22.7 million	\$23.9 million
\$50 million	\$111.4 million	\$119.5 million
\$100 million	\$222.7 million	\$239.0 million
\$110 million	\$245 million	\$262.9 million
\$200 million	\$445.5 million	\$478.0 million
\$500 million	\$1.1137 billion	\$1.195 billion
\$1 billion	\$2.2274 billion	\$2.39 billion

The U.S. Federal Trade Commission (FTC) has announced annual [adjustments to the jurisdictional thresholds](#) for the Hart-Scott-Rodino Antitrust Improvements Act of 1976 (HSR Act). The new thresholds will come into effect near the end of February, 30 days after publication in the Federal Register, which should occur within about a week. Once effective, the new thresholds will apply to transactions consummated on or after the effective date. The HSR Act requires the FTC to adjust the thresholds annually based on changes in the gross national product (GNP) in the prior fiscal year.

Under the adjustments, the size of transaction threshold will increase from \$111.4 million to \$119.5 million. Consequently, the HSR Act notification and waiting period requirements will apply to acquisitions resulting in the acquiring person holding assets and/or voting securities of the acquired person valued in excess of \$119.5 million. The HSR Act requirements also will apply to acquisitions of partnership interests and membership interests of an LLC resulting in the acquiring person (i) holding interests valued in excess of \$119.5 million of the acquired entity and (ii) having the right to 50% or more of the profits or assets upon dissolution of the acquired entity.

Acquisitions that do not exceed \$478.0 million in value (previously \$445.5 million) also must meet the size of person threshold to trigger the HSR Act requirements. Under the adjustments, the size of person threshold generally will be met if one of the parties has total assets or annual net sales of \$239.0 million or more (previously \$222.7 million) and the other party has total assets or annual net sales of \$23.9 million or more (previously \$22.3 million).

Acquisitions of less than 50% of a corporation's voting securities also require an HSR notification when acquiring persons meet certain thresholds. Under these adjustments, a notification is required for voting security acquisitions when the value of the total voting securities held as a result of the acquisition reaches any of the following dollar thresholds: (a) \$119.5 million, (b) \$239.0 million, (c) \$1.195 billion, and (d) 25% of an issuer's outstanding voting securities if valued over \$2.39 billion.

## Adjustments to HSR Filing Fee Schedule

The FTC also announced adjustments to the HSR filing fee schedule as required by the 2022 Merger Filing Fee Modernization Act. The FTC is required to adjust both (1) the transaction value thresholds for the change in the GNP for the prior fiscal year compared to the GNP for the fiscal year ended September 30, 2022, and (2) the corresponding filing fee annually based on the change in the Consumer Price Index (CPI) for the prior fiscal year compared to the CPI for the fiscal year ended September 30, 2022. Like the new thresholds, the new filing fees also will come into effect 30 days following publication of the adjustments in the Federal Register, at the same time as the adjusted HSR thresholds, and will apply to transactions filed on or after the effective date (regardless of when the transaction might close).

### New Filing Fee Structure:

Transaction Valued at:	Adjusted Filing Fee
\$119.5 million or more, but less than \$173.3 million	\$30,000
\$173.3 million or more, but less than \$536.5 million	\$105,000
\$536.5 million or more, but less than \$1.073 billion	\$260,000
\$1.073 billion or more, but less than \$2.146 billion	\$415,000
\$2.146 billion or more, but less than \$5.365 billion	\$830,000
\$5.365 billion or more	\$2,335,000

## Adjustments to Maximum Civil Penalty for HSR Violations

The FTC also announced adjustments to the [maximum civil penalty](#) for HSR Act violations,

effective as of January 10, 2024. Such maximum civil penalties increased from \$50,120 per day to \$51,744 per day. The FTC is required to adjust the maximum civil penalty for annual inflation adjustments.

The increased maximum penalty will apply to civil penalties assessed after the effective date, including for violations that predate the effective date, but does not change penalties already assessed.

## Adjustments in Thresholds for Section 8 of the Clayton Act

Finally, the FTC announced adjusted [thresholds for interlocking directorates](#) prohibited by Section 8 of the Clayton Act, which became effective January 22, 2024. Like the HSR Act filing thresholds, the FTC is required to adjust the Section 8 thresholds annually based on changes in the GNP. Section 8 of the Clayton Act prohibits, with certain exceptions, a person serving as a director or officer of two competing corporations that meet certain thresholds. As adjusted, Section 8 now applies where each corporation has capital, surplus, and undivided profits aggregating \$48,559,000 or more, unless either corporation has competitive sales of less than \$4,855,900. Although Section 8 of the Clayton Act on its face applies only to interlocks among “corporations,” the agencies take the position that the statute applies equally to all modern corporate forms. FTC Chair Khan expressly reiterated this position in remarks regarding the [FTC’s consent order resolving allegations related to EQT Corporation’s proposed acquisition of certain natural gas assets from Quantum Energy Partners in August of 2023](#).

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