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Competition Close-Up

2025 Thresholds for Merger Control Filings under HSR Act & Exemptions for Interlocking Directorates

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Under the Hart-Scott-Rodino Act, parties involved in proposed mergers, acquisitions of voting securities, unincorporated interests or assets, or other business combinations (*e.g.*, joint ventures, exclusive license deals) ("transactions") that meet certain thresholds must report the proposed transaction to the FTC and the Antitrust Division of the U.S. Department of Justice ("DOJ") unless an exemption applies. The parties to a proposed transaction that requires notification under the HSR Act must observe a statutorily prescribed waiting period (generally thirty days) before closing.

Current HSR Filing Thresholds

Under the current thresholds, transactions valued at **$126.4 million or less** are not reportable under the HSR Act. A transaction is reportable under the HSR Act if it meets the following criteria, and no exemption exists:

Size-of-Transaction Test	The acquiring person will hold, as a result of the transaction, an aggregate total amount of voting securities, unincorporated interests, or assets of the acquired person valued in excess of **$505.8 million**; *or* The acquiring person will hold, as a result of the transaction, an aggregate total amount of voting securities, unincorporated interests, or assets of the acquired person valued in excess of **$126.4 million** but not more than **$505.8 million**, and the Size-of-Person thresholds below are met.
Size-of-Person Test	One party (including the party's ultimate parent entity and its controlled subsidiaries) has at least **$252.9 million** in total assets or annual sales, and the other has at least **$25.3 million** in total assets or annual sales.

The current filing thresholds are as follows:

Original Threshold	**2025 Revised Threshold**
$10 million	$25.3 million
$50 million	$126.4 million
$100 million	$252.9 million

$110 million	$278.2 million
$200 million	$505.8 million
$500 million	$1.264 billion
$1 billion	$2.529 billion

The filing fees for reportable transactions and the six filing fee tiers have also been updated, as follows:

Filing Fee	**Size of Transaction under the Act**
$30,000	For transactions valued at more than $126.4 million but less than $179.4 million
$105,000	For transactions valued at $179.4 million or greater but less than $555.5 million
$265,000	For transactions valued at $555.5 million or greater but less than $1.111 billion
$425,000	For transactions valued at $1.111 billion or greater but less than $2.222 billion
$850,000	For transactions valued at $2.222 billion or greater but less than $5.555 billion
$2,390,000	For transactions valued at $5.555 billion or more

Current Thresholds for Section 8's Prohibition on Interlocking Directorates

Section 8 of the Clayton Act prohibits one person from simultaneously serving as an officer or director of two corporations if: (1) each of the "interlocked" corporations has combined capital, surplus, and undivided profits of more than **$51,380,000**; (2) each corporation is engaged in whole or in part in commerce; and (3) the corporations are "by virtue of their business and location of operation, competitors, so that the elimination of competition by agreement between them would constitute a violation of any of the antitrust laws." 15 U.S.C. § 19(a)(1)(B).

Section 8 provides several exemptions from the prohibition on interlocks for arrangements where the competitive overlaps "are too small to have competitive significance in the vast majority of situations." S. Rep. No. 101-286, at 5-6 (1990), *reprinted in* 1990 U.S.C.C.A.N. 4100, 4103-04. A corporate interlock does not violate the statute if: (1) the competitive sales of either corporation are less than **$5,138,000**; (2) the competitive sales of either corporation are less than 2 percent of that corporation's total sales; or (3) the competitive sales of each corporation are less than 4 percent of that corporation's total sales.