

Breaking the Quarterly Cycle: SEC Proposes Optional Semiannual Reporting

May 7, 2026

On May 5, 2026, the U.S. Securities and Exchange Commission (the “SEC”) proposed amendments that would permit companies subject to Sections 13(a) and 15(d) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), to elect semiannual reporting in lieu of quarterly reporting. Under the proposal, all companies currently subject to quarterly reporting obligations¹ (“Exchange Act Reporting Companies”), may elect to file one interim report on a semiannual basis on new Form 10-S instead of the three quarterly reports on Form 10-Q currently required each fiscal year. To facilitate semiannual reporting and simplify the rules regarding the age of financial statements in SEC filings, the SEC also proposed amendments to the rules governing the financial statement requirements under Regulation S-X under the Securities Act of 1933, as amended (the “Securities Act”).

The proposing release does not specify an effective date for these amendments, and the SEC is soliciting comments on when the proposed amendments should become effective if adopted. However, assuming the proposed amendments are adopted during 2026, the earliest opportunity to elect semiannual reporting for companies with a December 31 fiscal year-end would be in connection with the filing in early 2027 of their Forms 10-K for the fiscal year ended December 31, 2026, with the result that these companies would then semiannually report during the 2027 fiscal year.

According to the SEC, the proposed amendments are intended to provide Exchange Act Reporting Companies “with the flexibility to determine the frequency of interim reporting that best suits [their] particular circumstances, such as [their] ability to bear the costs of preparing the quarterly reports, the stage of [their] business development and the expectations of [their] investors, without undermining investor protections.” In a statement, SEC Chairman Paul Atkins said that the proposed amendments are part of

¹ Includes business development companies. An exemption from quarterly reporting obligations currently applies to: (i) certain types of registered investment companies, including open-end management investment companies, closed-end management investment companies other than business development companies and unit investment trusts; (ii) foreign private issuers (“FPIs”); and (iii) asset-backed issuers. The proposed amendments would not substantively affect such exempt companies. Additionally, foreign private issuers will continue to be permitted to voluntarily file on domestic forms, including Form 10-Q.

his “Make IPOs Great Again” agenda, which is aimed at incentivizing companies to go and stay public.²

As previously discussed in our [September 19, 2025 article](#) regarding Chairman Atkins’s announcement of support for a shift to semiannual reporting, the SEC has signaled a broader interest in streamlining and modernizing the federal securities disclosure regime. The proposed amendments are part of the SEC’s broader efforts to simplify and modernize the SEC’s disclosure framework.

The amendments, if adopted, would:

- permit Exchange Act Reporting Companies to elect to file semiannual reports on new Form 10-S instead of quarterly reports on Form 10-Q;
- amend Regulation S-X to revise the rules governing financial statement requirements in periodic reports, registration statements and proxy statements to reflect the new optional semiannual reporting approach; and
- make technical amendments to numerous existing rules and forms that refer to quarterly reporting to incorporate the optional semiannual reporting approach.

The key provisions of the proposed amendments are further discussed below. The full text of the proposed amendments is available [here](#).

Proposed Reporting Framework

Under the proposed amendments, an Exchange Act Reporting Company would annually elect either a semiannual or quarterly interim reporting frequency by checking the “semiannual” box that will be added to the cover of Form 10-K. An Exchange Act Reporting Company that wishes to report on a semiannual basis thereafter would be required to affirmatively elect semiannual reporting each year in connection with the filing of its Form 10-K.³ An Exchange Act Reporting Company electing to maintain quarterly reporting would simply leave that box unchecked.

² See Statement on Proposing Release for Semiannual Reporting, Chairman Paul S. Atkins (May 5, 2026), available at <https://www.sec.gov/newsroom/speeches-statements/atkins-statement-proposing-release-semiannual-reporting-050526>.

³ In the event that an Exchange Act Reporting Company inadvertently checks (or forgets to check) the semiannual reporting box, the proposed amendments would allow the Company to amend its Form 10-K to correct any such inadvertent mistake as soon as practicable after discovery of the mistake but no later than the due date by which the Company’s Form 10-Q would be required to be filed.

An Exchange Act Reporting Company that elects semiannual reporting would be required to file one semiannual report on new Form 10-S and one annual report on Form 10-K for each fiscal year. An Exchange Act Reporting Company that does not elect semiannual reporting would continue to file three quarterly reports on Form 10-Q and one annual report on Form 10-K for each fiscal year, as currently required.

Companies that elect semiannual reporting could nevertheless continue to issue quarterly earnings releases, which would be required to be disclosed pursuant to Item 2.02 of Form 8-K, hold quarterly earnings calls and/or provide earnings guidance. Unlike financial statements included in Form 10-Q, financial information furnished under Item 2.02 is not subject to the SEC's interim financial statement requirements, including that quarterly financial statements be reviewed by an independent public accountant.

Once an interim reporting frequency is selected, an Exchange Act Reporting Company would not be permitted to change its election until its subsequent Form 10-K. If an Exchange Act Reporting Company that previously reported on a semiannual basis decided to switch to reporting on a quarterly basis for an upcoming fiscal year, the Company would need to take additional steps to prepare its financial statements for the comparable quarterly periods for the prior fiscal year, including by having such quarterly financial statements reviewed by its independent public accountant.

If the proposal is adopted, corresponding changes to securities exchange rules and to applicable accounting and auditing standards (e.g., the rules governing comfort letters) will also likely be necessary to accommodate the new interim reporting frequency.

New Form 10-S

Under the proposed amendments, new Form 10-S would require the same information as is currently required by Form 10-Q but for the covered six-month period instead of a covered quarter.

As is currently the requirement for Form 10-Q, the financial statements required in Form 10-S would be required to be prepared in accordance with U.S. generally accepted accounting principles ("GAAP") and reviewed by an independent public accountant, and any non-GAAP financial measures would be subject to the requirements of Regulation G and Item 10(e) of Regulation S-K. Additionally, the current disclosure and certifications requirements for disclosure controls and procedures, as well as for internal controls over financial reporting, applicable to Form 10-Q would also apply to Form 10-S.

Filing Deadline

The filing deadline for Form 10-S would be the same as the current filing deadline for Form 10-Q—40 days after the first six months of a registrant’s fiscal year for an Accelerated Filer and a Large Accelerated Filer and 45 days after the first six months of a registrant’s fiscal year for a Non-Accelerated Filer.

Initial Public Offerings and Elections by Newly Public Companies

Under the proposed amendments, newly public companies that have not previously filed Exchange Act periodic reports, such as companies conducting initial public offerings, would make initial reporting frequency elections by checking (or not checking) the “semiannual” box that will be added to the covers of Securities Act registration statement Forms S-1, S-3, S-4 and S-11 and Exchange Act registration statement Form 10. The election indicated on the cover of a registration statement would determine what financial statement periods are required to be included in the relevant registration statement and indicate the Company’s planned interim reporting frequency to investors.

Newly public companies that elect semiannual reporting would be required to file their first semiannual report on Form 10-S by the later of 45 days after the effective date of the registration statement or the date that the Form 10-S would otherwise be due.

Regulation S-X Amendments

Streamlining Age of Financial Statement Requirements

The proposed amendments include amendments to Regulation S-X to incorporate semiannual reporting and simplify the rules with respect to the age of financial statements. Specifically, the proposed amendments would revise Rule 3-01 to provide that the date of the most recent balance sheet included in a registration or proxy statement must be updated as if its effective date, or proposed mailing date, respectively, were the filing date, and Rule 3-12, which currently governs the age of financial statements as of the effective date of a registration statement/ mailing date of a proxy statement, would be eliminated.

Determining Age of Interim Financial Statements

Under the proposed amendments, a registrant would generally determine whether interim financial statements are required in a registration statement or proxy statement by reference to the most recently completed fiscal quarter or semiannual period for which a Form 10-Q or Form 10-S has been filed or is required to be filed, rather than by reference to a prescribed number of days within effectiveness or the mailing date, as applicable. For a registrant not yet subject to the reporting obligations of the Exchange Act, such determination would be made as if it were required to file Form 10-Q or Form 10-S, as applicable.

Transition Reports and Other Conforming Amendments

The proposed amendments would update the rules related to transition reports required upon a change in fiscal year to incorporate the proposed semiannual reporting option, including to clarify that technical changes apply to Form 10-S as well as to Form 10-Q.

Additionally, the proposed amendments would make several technical changes to conform existing rules and forms with the proposed semiannual reporting option. Among others, these technical changes include changes to items in Regulation S-K, Regulation M-A and the proxy rules, as well as changes to rules regarding research reports, underwriter status and liability under the securities laws.

Requests for Comment

The SEC's proposal includes requests for comment on 47 questions related to the proposed amendments, including when the proposed amendments should become effective if adopted (as noted above), and whether:

- a transition period should apply if the proposed amendments are adopted and, if so, the length of such transition period;
- the option for semiannual reporting should be available only for Exchange Act Reporting Companies that satisfy certain criteria (and whether certain types of Exchange Act Reporting Companies, such as business development companies, should be denied the option of electing semiannual reporting);
- there is a high likelihood that companies that elect semiannual reporting will nevertheless continue to issue quarterly earnings releases in order to comply with,

among other things, contractual requirements or to provide their directors and executive officers with more frequent trading opportunities;

- elective semiannual reporting would impact the competitiveness of U.S. companies relative to FPIs, including whether the proposal could make U.S. exchange listings more attractive to foreign companies and FPIs should remain subject to different periodic reporting requirements than domestic issuers;
- Item 2.02 Form 8-K submissions should be “filed” and not “furnished” for quarterly earnings releases of semiannual filers;
- financial information in any first- or third-quarter earnings releases of semiannual filers should be reviewed by an independent accountant;
- semiannual filers should be required to break out financial statement information for the six-month period covered by Form 10-S into two three-month periods and provide similarly broken-out three-month information for the fiscal year covered by the Form 10-K;
- the proposed option for semiannual reporting will result in an overall reduction in material information for investors;
- underwriters’ requests for independent public accountants to provide “comfort letters” in securities offerings will lead semiannual filers to nevertheless continue to conduct quarterly financial statement reviews (or whether the accounting and auditing rules should be updated to reflect semiannual reporting); and
- the proposed amendments (including the related changes to financial statements requirements) would have an impact on the ability of semiannual filers to conduct public offerings or whether semiannual filers would nevertheless include quarterly financial information in Securities Act registration statements or prospectuses based on market practices or liability concerns.

The public comment period for the proposed amendments will remain open for 60 days following publication of the proposing release in the *Federal Register*. Comments may be submitted via the SEC’s form, available [here](#).

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Please do not hesitate to contact us with any questions.



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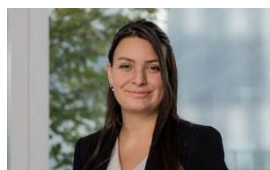
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