

SEC Proposes Optional Semiannual Reporting for Public Companies Through New Form 10-S

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On May 5, 2026, the Securities and Exchange Commission (“SEC”) proposed a significant change to the Exchange Act periodic reporting framework that would allow U.S. domestic reporting companies to elect semiannual interim reporting in place of the current mandatory quarterly Form 10-Q regime. Under the proposal, eligible Exchange Act reporting companies could choose to file one semiannual report on a new Form 10-S and one annual report on Form 10-K each fiscal year, rather than three quarterly reports on Form 10-Q and one annual report. The proposal is intended to reduce compliance burdens and provide reporting flexibility while preserving the broader disclosure system through continued annual reporting, current reporting on Form 8-K, Regulation FD, reviewed interim financial statements, and existing controls-related disclosures.

For context, there has been flux historically in the U.S. reporting regime. The SEC started requiring annual reports in 1935 and then quarterly reports from some reporting companies starting in 1946. In 1955, the SEC replaced quarterly with semiannual reporting, only to revert back to quarterly reporting in 1970. Looking abroad, under current EU law (Transparency Directive 2013), publicly listed companies are required to report financial results at least semiannually (every six months), rather than quarterly. While this is the minimum mandate, approximately 50% of European public companies still report quarterly to meet investor demand, while 50% report semiannually.

Overview of the Proposal

The proposing release would amend Exchange Act Rules 13a-13 and 15d-13 and related rules and forms to create an optional semiannual reporting structure for companies that are currently required to file Form 10-Q. Companies that do not affirmatively elect semiannual reporting would remain subject to the existing quarterly reporting framework by default.

The SEC framed the proposals as part of a broader effort to encourage companies to enter and remain in the public markets by lowering the costs and burdens associated

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with Exchange Act reporting. That framing is important for boards, management teams, and advisers because it signals that the SEC is testing whether periodic reporting frequency itself has become a meaningful factor in the decision about whether or not a company wishes to go public.

Annual Election Through Form 10-K

A company would elect semiannual reporting by checking a box on the cover page of its Form 10-K. Similar checkboxes would be added to certain registration statements, including Forms S-1, S-3, S-4, S-11, and Form 10, so newly public companies could indicate their intended interim reporting cadence as part of the registration process. Under the proposal, the election would be made annually and would generally remain fixed for the fiscal year once made. This annual-election approach is designed to avoid market confusion that could arise if a company changed reporting frequency in the middle of a fiscal year. The proposing release would also permit a company to correct an inadvertent check-box error by timely amending its Form 10-K, which should help address operational mistakes without undermining the election framework.

New Form 10-S

The proposal would introduce Form 10-S as a new interim report for semiannual filers. Form 10-S would require substantially the same narrative disclosure and financial information currently required by Form 10-Q, but the reporting period would be six months rather than one fiscal quarter. For most registrants, that means the change is principally one of cadence, not a wholesale redesign of interim disclosure content. The first Form 10-S would cover the first six months of the fiscal year, while the second half of the year would remain reflected in the annual report on Form 10-K. The SEC is not currently proposing a separate second-half breakout in the Form 10-K for semiannual filers, although the proposing release requests comment on whether such a requirement should be added.

Form 10-S would include the same core disclosure items that issuers and investors associate with Form 10-Q. Those items include management's discussion and analysis, legal proceedings, material changes in risk factors, disclosures regarding unregistered sales of equity securities and use of proceeds, certain governance-related disclosures, and the exhibits required by Item 601 of Regulation S-K. The financial statements included in Form 10-S would be prepared in accordance with U.S. GAAP, reviewed by the company's independent public accountant, and tagged using Inline XBRL, but they would not be required to be audited. Existing requirements relating to disclosure controls and procedures, internal control over financial reporting disclosures, and non-GAAP financial measures would also continue to apply.

The filing deadline for Form 10-S would mirror the current Form 10-Q timetable: 40 or 45 days after period-end, depending on filer status. For newly public companies, the first Form 10-S would be due on the later of 45 days after the registration statement becomes effective or the date the report otherwise would have been due had the company already been subject to Exchange Act reporting.

Regulation S-X and Related Conforming Changes

The proposal would also amend Regulation S-X to adapt the age-of-financial-statement requirements to a semiannual reporting model, with the SEC explaining that existing staleness concepts were built around a quarterly framework and therefore need revision to work appropriately for semiannual filers in registration statements and other contexts. The proposal also includes conforming definitional and technical amendments, including new definitions of “quarterly filer” and “semiannual filer,” among other amendments to reflect the optional semiannual reporting approach.

Practical Implications for Public Companies

If adopted, the proposal would create a strategic disclosure decision that boards and management teams would need to revisit annually. Companies considering a semiannual election would likely weigh reduced compliance burden against market expectations, analyst coverage patterns, financing plans, insider trading risks, peer practices, compensation and disclosure committee processes, and the continued likelihood of issuing quarterly earnings releases even without a Form 10-Q filing obligation. For newly public companies, the proposal could become another structuring consideration in planning to become a reporting company. For seasoned issuers, the proposal may be most attractive where management believes quarterly reporting costs meaningfully outweigh the market benefits of mandatory quarterly filings. Even so, many issuers may conclude that voluntary quarterly communications remain necessary as a practical matter, which could reduce some of the expected burden relief.

Companies that opt for semiannual reporting will continue to have current reporting obligations on Form 8-K for material developments in the business. In the adopting release, the SEC expresses an expectation that certain material information between interim semiannual reports and annual reports will continue to be disclosed.

Furthermore, companies that migrate to semiannual reporting may continue to issue quarterly earnings releases and hold earnings conferences. The SEC expects that a company’s individual characteristics, facts, and circumstances will determine whether it would make quarterly earnings releases or announcements after electing to report semiannually. The proposal does not include any general changes to the current regulatory requirements governing earnings releases, other than proposed technical amendments to Item 2.02 of Form 8-K to include references to semiannual periods, or earnings guidance practices.

The proposed rule is subject to public comment for 60 days from the date that it is published on the Federal Register, and it contains several open implementation questions, including whether semiannual reporting should be limited to smaller companies, whether filing deadlines should differ, whether earnings releases should be filed rather than furnished for semiannual filers, and whether quarterly-to-semiannual switching could affect analyst coverage, liquidity, insider trading windows, and audit practices.

