



BDO BULLETIN

SEC PROPOSES OPTIONAL SEMIANNUAL REPORTING FRAMEWORK

MAY 2026

SUMMARY

The SEC proposed highly anticipated amendments to allow registrants the option to report semiannually rather than quarterly. The amendments would provide registrants with flexibility in determining the reporting frequency that best suits their company and investors. Under the proposed rules, registrants must indicate whether they will report semiannually or quarterly using a new checkbox on the cover page of Form 10-K. Once selected, registrants may not change such election until filing their next annual report on Form 10-K.

The proposal also amends the financial statements requirements in Regulation S-X (“S-X”) to address reporting semiannually and simplify the age requirements.

BACKGROUND

The quarterly reporting framework for domestic SEC-reporting companies has been in place since 1970. In response to concerns that quarterly reporting may encourage short-termism and detract from long-term value creation, the SEC issued a Request for Comment in 2018 seeking feedback on these views, as well as potential ways to reduce the burden and cost of quarterly reporting while preserving investor protections. Feedback on the request was mixed, and no changes to the quarterly reporting requirements were made at the time. The SEC’s proposal in May follows renewed calls for action to reduce regulatory burdens, revise the requirements and permit semiannual reporting. Beyond the primary question of whether semiannual reporting should be permitted, the proposal includes more than 50 requests for feedback on the key implementation and market impact issues.

KEY FEATURES OF THE PROPOSAL

The proposed amendments allow companies subject to reporting obligations under Sections 13(a) or 15(d) of the Securities Exchange Act of 1934 (“Exchange Act”) the option to file semiannual reports on new Form 10-S rather than quarterly reports on Form 10-Q. A company filing its initial registration statement, such as an initial public offering (IPO), may also elect to report semiannually. Additionally, the proposal amends the S-X financial statement and age requirements in registration statements and other SEC filings to facilitate semiannual reporting. The proposed amendments do not significantly impact investment companies, other than business development companies and face-amount certificate companies.

Material discussed in this Bulletin is meant to provide general information and should not be acted upon without first obtaining professional advice appropriately tailored to your individual facts and circumstances.

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Reporting Requirements

Form 10-S

Under the proposal, semiannual filers will be required to file one semiannual report on Form 10-S and one annual report on Form 10-K for each fiscal year. Except for the periods covered, the Form 10-S requirements are the same as Form 10-Q, including:

- ▶ The financial information and related narrative disclosures - Form 10-S will address the semiannual period, whereas Form 10-Q must address the quarterly period.
 - Registrants may voluntarily present quarterly financial information in addition to the semiannual financial information (for example, in earnings releases or within Form 10-S). If quarterly information is presented in the financial statements, it must be reviewed by an independent registered public accounting firm.
- ▶ The due date - Form 10-S will be due within 45 days (for nonaccelerated filers) or 40 days (for accelerated and large accelerated filers) after the end of the semiannual period, whereas Form 10-Q is due after the end of the quarterly period.
 - Following a registrant's initial registration statement, the first Form 10-S is due the later of 45 days following the effective date of the registration statement, or the date for which the Form 10-S would otherwise be due, consistent with the due date of a registrant's first Form 10-Q.

Age of Financial Statements in Registration Statements

The proposed amendments to S-X simplify and address the financial statement age requirements in registration statements. Semiannual filers must include semiannual financial statements in the registration statement no later than the required due date of Form 10-S. Quarterly filers must include interim financial statements no later than the required due date of Form 10-Q. The proposal does not change the age requirements for annual financial statements in a registration statement.

Other

Registrants that choose to report semiannually may continue to furnish their earnings releases with Form 8-K on a quarterly basis. Moreover, the proposal does not change the Form 8-K reporting requirements for material events. Therefore, semiannual filers must continue to disclose material events in Form 8-K.

The proposed amendments also address the periods required to be presented for semiannual filers when supplementary financial information is presented in accordance with Item 302(a) of Regulation S-K.

Reporting Election

Form 10-K

Under the proposed amendments, registrants must choose whether to report quarterly or semiannually on an annual basis using a new checkbox on the cover page of Form 10-K. Registrants choosing to report semiannually will check the new box, whereas those choosing to report quarterly will not check the box. Registrants may not change their election to report quarterly or semiannually until their next annual report.

Registrants that change from reporting semiannually to quarterly must also consider the comparable prior period financial information required in their Form 10-Qs. For example, a registrant that elects to report semiannually in fiscal 20X7 and quarterly in fiscal 20X8 must include comparative quarterly periods for fiscal 20X7 in its Form 10-Q filings in fiscal 20X8 (even though the registrant previously reported semiannually). The comparative quarterly periods must be reviewed by an independent registered public accounting firm.

A registrant that inadvertently checks the box to report semiannually in its Form 10-K but intends to report quarterly or fails to check the box and intends to report semiannually, may amend its Form 10-K to correct the error. The amendment must be filed no later than the original due date of the registrant's first Form 10-Q.

Registration Statements

The proposed amendments also add a checkbox to the cover page of registration statements on Forms S-1, S-3, S-4, and 10. Registrants that are not yet subject to Exchange Act reporting, such as those conducting their IPO, will make their election to report semiannually or quarterly using the checkbox on the cover page of the initial registration statement. For registrants that are subject to Exchange Act reporting, the checkbox on the cover page of the registration statement will be consistent with the checkbox in their most recent Form 10-K, or for registrants that have not yet filed a Form 10-K, the checkbox in their initial registration statement.

OTHER CONSIDERATIONS

Comfort Letters

The SEC is seeking feedback on whether modifications to PCAOB Auditing Standard 6101, *Letters for Underwriters and Certain Other Requesting Parties* (AS 6101), should be made to permit accountants to provide customary negative assurance in their comfort letters to underwriters on changes in financial statement line items after the date and period of the latest financial statements included or incorporated by reference in the registration statement when a registrant reports semiannually. Under AS 6101, accountants may not provide negative assurance on subsequent changes in financial statement line items as of a date that is 135 days or more after the end of the most recent period audited or reviewed, which generally aligns with quarterly reporting. Accordingly, registrants electing to report semiannually may be required to prepare and have the auditor review quarterly financial statements in connection with their capital raising activities and requests from underwriters.

Management's Certifications

Under the proposal, management certification requirements would largely remain unchanged. Form 10-S would be designed to mirror Form 10-Q in substance, and would continue to require executive officer certifications, including those related to disclosure controls and procedures and internal control over financial reporting, on a semiannual basis.

The SEC is requesting feedback on the potential implications of less frequent management certifications and the less timely disclosure of material changes in ICFR to investors.

REQUEST FOR COMMENT

Comments on the proposal are due July 6, 2026.

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Link to the [SEC's proposal](#) and related [fact sheet](#)

Link to [submit public comment](#)

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