



SEC Proposes Optional Semiannual Financial Reporting Framework for Public Companies

Posted in: Disclosure Requirements, SEC

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“Today’s proposal is just the first step of the larger, comprehensive effort to review and reshape the current SEC rules governing public companies with respect to their ongoing reporting obligations and their ability to raise capital in the public markets. Over the next few months, I expect that the Commission will be considering a series of proposals that, if adopted, will not only redefine what it means to be a public company, but will make being public attractive again.”

—SEC Chair Paul Atkins

Proposed rules give public companies the flexibility to choose the interim financial reporting frequency—quarterly or twice-yearly—that best suits their business and investor expectations

On May 5, 2026, the SEC proposed highly anticipated amendments to provide all public companies the option to file one semiannual report, on a new Form 10-S, in lieu of three quarterly reports on Form 10-Q to meet their interim reporting obligations under the Securities Exchange Act of 1934 (Exchange Act).

The proposal is intended to give companies greater flexibility to choose the interim reporting cadence that best aligns with their business needs and investor expectations. This flexibility may be particularly appealing to emerging growth companies, smaller reporting companies and companies in industries where

investors focus more on business, product or regulatory developments than on interim financial results—such as pre-revenue biotech companies.

More broadly, the proposal is one step in SEC Chair Paul Atkins’s sweeping initiative to “Make IPOs Great Again,” which aims to incentivize companies to go and stay public by reducing the compliance costs and burdens associated with Exchange Act reporting while maintaining investor protections.

Key elements of the proposal include:

- amendments to Exchange Act Rules 13a-13 and 15d-13 that would permit all public companies to elect to file semiannual (twice-yearly) reports instead of quarterly reports (quarterly reporting would remain the default for companies that do not affirmatively elect semiannual reporting);
- a new Form 10-S on which semiannual filers would file semiannual reports;
- amendments to Regulation S-X that would revise rules governing financial statement requirements in periodic reports, registration statements and proxy statements to facilitate semiannual reporting and to clarify, consolidate and simplify rules regarding the age of financial statements; and
- technical amendments to numerous existing rules and forms that reference quarterly reporting.

The public comment period will remain open for 60 days.

Optional Semiannual Reporting

Most companies subject to the reporting obligations of Exchange Act Sections 13(a) and 15(d) (reporting companies) currently file with the SEC three quarterly reports on Form 10-Q each fiscal year, with the fourth fiscal quarter subsumed within the reporting company’s annual report on Form 10-K. These quarterly reporting requirements have been in effect since 1970. The proposal would amend Exchange Act Rules 13a-13 and 15d-13 to allow all reporting companies to elect to file semiannual reports on new Form 10-S instead of quarterly reports on Form 10-Q. Companies that make this election (semiannual filers) would be required to file one semiannual report and one annual report for each fiscal year. Companies that do not choose to become semiannual filers would continue to file quarterly reports on Form 10-Q.

Semiannual filers could also choose to supplement required disclosures with voluntary quarterly information—for example, by continuing to issue earnings

announcements or similar disclosures during the first or third quarter (or both), or even by voluntarily including quarterly financial information within the Form 10-S filing itself. The proposing release notes that this “hybrid approach” may represent a middle ground for companies seeking to balance cost savings with market demand for more frequent information.

In determining which approach to adopt, companies would weigh a range of factors. In his statement accompanying the proposal’s release, Atkins noted that, in determining for itself the optimal interim reporting cadence, “a company might consider factors such as the costs and management time of preparing quarterly reports versus semiannual reports, expectations of its investors, potential effects on its cost of capital, the stage of its business development, the nature of its business model, other avenues of disclosure including earnings calls and current reports on Form 8-K, and prospects of increased research coverage, all without undermining fundamental investor protections.”

The proposing release similarly discusses a variety of considerations that may influence a company’s reporting frequency decision, including firm size, operating complexity, growth stage, seasonality of business operations, investor base composition, analyst coverage, contractual and regulatory constraints, how reporting frequency interacts with capital-raising activities and liability frameworks, and strategic and competitive considerations (including peer behavior and evolving market norms). Given the diverse circumstances each company faces, the SEC notes that company responses to the proposed amendments are likely to vary and may evolve over time as market practices adjust.

Reporting companies would make the election to become semiannual filers by marking a check box on the cover page of the annual report on Form 10-K, Securities Act registration statements (Forms S-1, S-3, S-4 or S-11) or Exchange Act registration statements on Form 10, as applicable. Companies that have not yet filed Exchange Act reports—such as companies conducting IPOs—would make their initial elections to use semiannual reporting by checking the box on the cover page of the registration statement filed. The determination to report semiannually or quarterly would be made annually and, once made, would be binding for the remainder of that fiscal year and may not be changed until the filing of the next Form 10-K.

Earnings Releases and Guidance

Even if a company elects semiannual reporting, it may continue to issue quarterly earnings releases and hold quarterly earnings calls. The proposal leaves intact the existing voluntary framework for earnings releases and guidance. It does not include any general changes to current regulatory requirements governing: (i) earnings

releases (other than proposed technical amendments to Item 2.02 of Form 8-K to include references to semiannual periods) or (ii) earnings guidance practices. The proposing release notes that federal securities laws do not impose general duties on reporting companies to announce or publish earnings, conduct earnings calls or issue earnings guidance. The proposal thus would not affect the desired frequency of a company's earnings releases and calls—which cadence has been, and will continue to be, determined solely by the company.

Although the proposal is not intended to change the regulatory framework for voluntary practices regarding earnings releases and guidance, the SEC welcomes comments on the impact of the proposal on these voluntary practices.

New Form 10-S

New Form 10-S would require the same narrative disclosures and financial information as the current Form 10-Q (e.g., MD&A, legal proceedings, material changes in risk factors, financial statements) but would cover a fiscal six-month period rather than a fiscal quarter. (No revisions to existing Form 10-Q disclosure requirements—or to the corresponding requirements of proposed Form 10-S—are being proposed at this time.) The financial statements for a semiannual period would be required to be prepared in accordance with U.S. GAAP and reviewed, but not audited, by an independent public accountant. They would also be required to be data tagged using Inline XBRL. The current disclosure and certification requirements for disclosure controls and procedures, as well as for internal control over financial reporting, would also apply to Form 10-S. Non-GAAP financial measures presented in Form 10-S would be subject to the current requirements of Regulation G and Item 10(e) of Regulation S-K.

Semiannual filers would have the same length of time to file the Form 10-S as Form 10-Q, with the Form 10-S due 40 or 45 days (depending on the company's filer status) after the end of the first semiannual period of the fiscal year. The second semiannual period would be subsumed in the annual period presented in the Form 10-K annual report.

Similar to current requirements for the first quarterly report for companies that have newly become reporting companies, the first semiannual report on Form 10-S would be due the later of 45 days after the effective date of the registration statement or the date that Form 10-S would otherwise have been due had the company been a reporting company.

Amendments to Regulation S-X

The amendments to Regulation S-X would revise rules governing financial statement requirements in periodic reports, registration statements and proxy statements to reflect the new optional semiannual reporting approach, including:

- amending the requirements governing the age of financial statements to help ensure that, when semiannual filers file registration statements, their financial statements in those registration statements are not considered “stale” under existing rules originally designed for a quarterly reporting framework; and
- simplifying existing rules governing the age of financial statements and consolidating the age requirements into a single rule.

Amendments Regarding Transition Reports and Technical Amendments

To reflect the optional semiannual reporting approach, the proposal would amend Exchange Act Rules 13a-10 and 15d-10, which set forth requirements with respect to transition reports upon a change in fiscal year. The new transition reporting rules for semiannual filers would mirror the existing rules applicable to quarterly filers. The proposal would also make technical amendments to numerous existing rules and forms that reference quarterly reporting to reflect the optional semiannual reporting approach.

Regulation S-K Disclosure Reform

In his statement, Atkins highlighted that “the frequency of regulatory reporting is only part of the equation for incentivizing companies to go and stay public. Another significant part is ensuring that the disclosure—both financial and non-financial—mandated in interim reports, whether filed quarterly or semiannually, is guided by materiality as the north star.” Referring to the SEC staff’s ongoing comprehensive review of Regulation S-K—the central source for non-financial statement disclosure requirements for public companies—launched in January 2026 ([see our earlier discussion](#)), Atkins said the staff is “well underway” in exploring potential Regulation S-K amendments, both “generally and including the parts implicated by interim reports.” Disclosure rulemaking proposals, which could include potential revisions to the content of Form 10-Q and Form 10-S disclosures, are expected later this year.

Request for Public Comment

Interested parties are invited to submit comments on any and all aspects of the proposed amendments. The proposing release contains 58 numbered requests for comment soliciting views on the proposal’s impact on a range of specified matters, such as IPO activity, management and director time and attention spent on preparing

reports, insider trading policies and trading window practices, voluntary practices regarding earnings releases and guidance, companies' internal controls, accountant quarterly reviews and annual audits, the ability to conduct public offerings, and changes to accounting or auditing standards or rules of securities exchanges necessary to comport with semiannual reporting.

Comments will be due 60 days following publication of the proposing release in the *Federal Register*—which is expected to occur shortly—and will inform the agency's deliberations on whether to finalize the proposed rules for a Commission vote.

For electronic submissions, commenters may use the SEC's [Internet submission form](#) or send an email to rule-comments@sec.gov with the file number "S7-2026-15" included in the subject line.

Related Materials

- [Proposing Release](#)
- [Fact Sheet](#)
- [Press Release](#)
- [Chair Atkins Statement](#)
- [Commissioner Peirce Statement](#)
- [Commissioner Uyeda Statement](#)

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