

June 24, 2026

Vanessa Countryman
Secretary
Securities and Exchange Commission
100 F Street, N.E.
Washington, D.C. 20549-1090



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Dear Ms. Countryman:

RE: Semiannual Reporting File Number S7-2026-15

We appreciate the opportunity to provide feedback to the Commission's proposed rule on Semiannual Reporting.

XBRL US is a nonprofit data standards organization, with a mission to improve the efficiency and quality of reporting in the U.S. by promoting the adoption of business reporting standards. XBRL US is a jurisdiction of XBRL International, the nonprofit consortium responsible for developing and maintaining the technical specification for eXtensible Business Reporting Language (XBRL), a free and open data standard widely used around the world to report quantitative and qualitative information.

XBRL is not a product or service. It is an open, freely available standard that improves the transparency and accessibility of information by rendering it machine-readable. XBRL is technology-neutral. It represents the semantic data model and today it can be used with multiple technology formats including XML, JSON, CSV, and XHTML. XBRL is designed to adapt to technological advancements over time. Millions of public and private companies, banks, governments, and utilities report in XBRL to more than 130 regulators worldwide (see [XBRL Project Directory](#)).

While we support the Commission's aim of reducing regulatory burden, we do not see evidence supporting the theory that optional semiannual reporting would be an incentive for companies to go public and to remain public. The Commission's proposal suggests that the current disclosure regime of quarterly reporting is overly burdensome and that less frequent financial reporting would make the public markets more attractive.

As pointed out in a 2025 article¹ from Better Markets, there were 7,000 public companies in 1998 compared to fewer than 4,000 today. Private market funding however, has more than doubled from 2019 to 2024, from \$6.88 trillion to \$14.24 trillion (compared to 54% growth in public market funding over the same period), according to Ocorian's Global Asset Monitor². The Commission

¹ Better Markets, The SEC is Killing IPOs, February 25, 2025: <https://bettermarkets.org/wp-content/uploads/2025/02/SEC-is-Killing-IPOs-Fact-Sheet-02.25.25-Final.pdf>

² Ocorian Global Asset Monitor: <https://www.ocorian.com/knowledge-hub/insights/global-private-equity-assets-hit-record-108-trillion-following-2022-dip>

proposal suggests that more limited private funding disclosure requirements may be, at least in part, the reason that companies are turning to alternative funding sources.

The Institutional Limited Partners Association ([ILPA](#)), an industry organization representing 600 member institutions that set practices and standards however, suggests that quarterly reporting of financial performance metrics by portfolio companies is common practice for private equity. The ILPA published the Portfolio Company Metrics Template³, described as offering a “*best-in-class format for reporting details about the individual companies held by a limited partner’s (LPs) fund investments*” and template instructions note that it should be provided on a quarterly basis.

Furthermore, an article⁴ authored by investment banking firm Zachary Scott, notes private equity firms require detailed annual, quarterly, and monthly reporting, along with monthly budgets and long-term forecasts of financial performance, “*Private equity owners have a desire to institutionalize management systems so they are repeatable, data-driven, and not reliant upon a single person. Because they are removed from everyday management, private equity firms rely on institutionalized financial reports and key performance indicators (KPIs) to understand how the business is performing.*”

This suggests that organizations opting for private equity markets rather than public, are not doing so because private equity firms ask for **less information**.

Companies may choose private market funding because of the greater confidentiality it affords, access to expertise which may be offered by private market investors, and often more flexibility as they are beholden to a limited pool of owners. An analysis by Better Markets notes the plethora of options for private financing including venture capital and private equity, as well as exemptions allowed by the SEC in programs such as Regulation Crowdfunding, Regulation A, and Regulation D. These options are free from the traditional registration and disclosure requirements of public offerings.

The SEC proposal suggests that the savings per company for transitioning to semiannual from quarterly is \$198,000 per year although the Commission has provided no estimate of the cost to the company, its shareholders, and prospective investors for reducing its disclosure regime.

A 2026 CFA Institute survey⁵ of 2,500 analysts found:

- 62% oppose replacing quarterly reporting with semiannual reporting.
- 70% oppose granting issuers the flexibility to choose or change their reporting cadence. Only 35% agree with semiannual versus quarterly reporting.

³ ILPA, Portfolio Company Metrics Template: <https://ilpa.org/resources-tools/resource-library/portfolio-company-metrics-template/>

⁴ Zachary Scott, PE Reporting Requirements: Burden or Benefit? <https://zacharyscott.com/pe-reporting-requirements-burden-or-benefit/>

⁵ CFA Institute, WHAT INVESTORS TELL US ABOUT QUARTERLY REPORTING WHY IT MATTERS AND WHY THEY SUPPORT IT IN AN ERA OF ARTIFICIAL INTELLIGENCE, April 2026 : <https://rpc.cfainstitute.org/sites/default/files/docs/research-reports/investor-perspectives-quarterly-reporting-2026.pdf>

- 62% do not support a scaled approach for smaller companies.
- 69% disagree with allowing companies to change their reporting frequency.

The rationale behind retaining quarterly reporting cited in the survey results centered on the need for comparability and consistency across companies and industries. The study also pointed out that quarterly earnings releases are not a substitute for quarterly filings and pointed out the value of structured Form 10-Q filings. Earnings releases are viewed as complementary to quarterly filings as they serve a different purpose.

Concerns raised by respondents about semiannual reporting included lack of comparability, greater reliance on voluntary disclosures, heightened potential for insider trading, and unequal information access. Respondents disagreed with the premise that semiannual reporting would reduce “short-termism.”

Advocates for semiannual reporting often cite practices around the world where semiannual reporting has been adopted. The CFA Institute study points out, *“By both number of exchanges and aggregate market capitalization, quarterly reporting remains the more common approach among the world’s largest capital markets, even when you exclude the US as the largest capital market.”*

U.S. equity markets represent nearly half of global market capitalization (49.1% in 2024), according to the [SIFMA Capital Markets Fact Book](#), which suggests a high degree of investor confidence in the accessibility and transparency of U.S. equities.

While efficiency and reporting burden reduction are important, the disclosure regime established and maintained by the SEC today is an important factor in the strength of U.S. markets compared to those in the rest of the world. We therefore disagree with the proposal which would give companies the flexibility to opt for semiannual over quarterly reporting.

Below are responses to individual questions posed in the proposed rule.

1. The proposed amendments would allow Exchange Act reporting companies to elect to file interim reports on a semiannual basis in lieu of quarterly reports on Form 10-Q. Should companies have this option, or should all companies continue to be required to file Form 10-Q? What types of companies are likely to elect the option to file semiannual reports? Are companies in certain industries more likely than those in other industries to elect to file semiannual reports?

We support maintaining the current cadence of quarterly reporting. While there are conflicting studies on the impact of transitioning to less frequent reporting, we believe the disruption to US capital markets would be significant.

Potential positives of a move to semiannual reporting that are cited in a [Harvard Law School article](#)⁶ include the potential for greater long-term focus, reduced regulation, potential alignment with non-US jurisdictions and with foreign private issuer reporting and registration requirements. Negatives pointed out in the same article include decreased transparency, quality, and availability of information; plus, the possibility that more frequent reporting (voluntarily) could lack the same level of uniformity as required semiannual reporting. This in turn could increase confusion among stakeholders and the potential for increased shareholder litigation.

Quarterly reporting benefits, as noted in the CFA Institute survey cited earlier, include comparability and consistency, equal information access, and less risk of insider trading. The survey results also dispute the theory that less frequent reporting would encourage greater management focus on long-term planning and strategies.

Results from a [German study](#)⁷ found that deregulation reverses beneficial regulatory effects and, on average, increases information asymmetry and decreases firm value. The study notes that this effect is stronger for “first-tier” (larger, more visible) stocks, highlighting the importance of quarterly reporting for these firms.

A [study](#)⁸ focused on the Vienna Stock Exchange found that firms that terminate quarterly reporting or substantially reduce the content of quarterly reports experience an economically significant reduction in liquidity, but not a deterioration in analyst forecast properties.

2. We are proposing amendments that would permit, but not require, all Exchange Act reporting companies that file Form 10-Q today to file semiannual reports. Should we instead require all companies to file semiannual reports? What would be the benefits and costs of such a mandatory approach? Would mandatory semiannual reporting, with the option to file quarterly reports, lead to more companies electing to forgo quarterly reporting?

Studies have shown that optional quarterly (with mandatory semiannual) reporting can result in a significant split in reporting cadence across the universe of reporting entities. A study⁹ from September 2025 by [Goldman Sachs](#) noted that “*European companies have been roughly equally split between semi-annual and quarterly reporting frequencies. On the other hand, nearly all UK listed companies report semi-annually.*”

⁶ Harvard Law School Forum on Corporate Governance: The End of Quarterly Reporting in the United States, October 5, 2025: <https://corpgov.law.harvard.edu/2025/10/05/the-end-of-quarterly-reporting-in-the-united-states/>

⁷ CESIFO Working Papers: The Deregulation of Quarterly Reporting and Its Effects on Information Asymmetry and Firm Value, July 2024: https://www.ifo.de/DocDL/cesifo1_wp9344.pdf

⁸ Taylor & Francis Online: The Consequences of Abandoning the Quarterly Reporting Mandate in the Prime Market Segment, August 2023: https://www.tandfonline.com/doi/full/10.1080/09638180.2023.2239298?utm_source=chatgpt.com#d1e156

⁹ Seeking Alpha: Goldman analysis of European firms finds reporting frequency has no impact on valuations, September 20, 2025: <https://seekingalpha.com/news/4496798-goldman-analysis-of-european-firms-finds-reporting-frequency-has-no-impact-on-valuations>

While we disagree with semiannual reporting versus quarterly, giving companies the option to choose is likely to result in different cadences across companies, causing confusion and making analysis more difficult.

3. Our proposal would permit semiannual reports for all Exchange Act reporting companies that file Form 10-Q today, regardless of filer status, revenues, market capitalization, or other criteria. Should the option for semiannual reporting be available only for Exchange Act reporting companies that satisfy certain criteria? If so, what criteria should be imposed and why? For example, should only emerging growth companies or smaller reporting companies be allowed to report semiannually? Should only companies below alternative quantitative or monetary thresholds be allowed to report semiannually? Should the Commission consider a pilot program to permit optional semiannual reporting for a subset of reporting companies and, if so, what would be the benefits of such a pilot program? What types of companies should be included in the pilot program?

We support uniform reporting cadence across all companies, regardless of size or industry. Our position is in line with the results of the CFA Institute survey which found that most analysts (62%) believe in uniform reporting across all entities.

6. If adopted, would semiannual reporting have an impact on investors' ability to compare same-company performance over time? Why or why not?

Comparability across companies will likely be impaired, particularly in the short term as companies consider transitioning to a different cadence of reporting.

7. What effect would our proposal have on investors' ability to compare the relative peer company financial performance of a quarterly filer to a semiannual filer? For example, can an investor reasonably compare a quarterly filer to a semiannual filer where the companies have the same fiscal year and the comparison is sought to be made in the second quarter (when first quarter information that would be subsumed in the semiannual filer's semiannual report on Form 10-S is not yet available) or made in the fourth quarter (when third quarter information that would be subsumed in the semiannual filer's annual report on Form 10-K is not yet available)?

Analyzing companies with mismatched reporting cadence will likely require standardizing the timeframe by aggregating data into semiannual or annual figures.

10. Our proposal would require Exchange Act reporting companies that elect to file semiannual reports to continue with that interim reporting frequency for the rest of the fiscal year in which the election was made. Therefore, companies would not be allowed to file a semiannual report on Form 10-S for the first six months of a fiscal year and then file a quarterly report for the third quarter for that fiscal year. Likewise, companies would not be allowed to file a quarterly report on Form 10-Q for the first quarter of a fiscal year, file a semiannual report on Form 10-S for the first six months for that fiscal year, and not file a quarterly report on Form 10-Q for the third fiscal quarter. Would this proposed approach help avoid potential confusion that could be caused by

changes in interim reporting frequency during a fiscal year? Is it necessary to add any language to the proposed rules to make more explicit the requirement to maintain the selected frequency for the full fiscal year? Rather than the proposed approach, should we allow: (1) semiannual filers and quarterly filers to make a change in interim reporting frequency during the fiscal year, or (2) only semiannual filers to switch to filing quarterly reports during the fiscal year? Should issuers that elect semiannual reporting be required to commit to that disclosure frequency for a certain period of time? Why or why not?

While we disagree with the proposed move to semiannual reporting, if the proposal moves forward, companies should not be allowed to switch the cadence of reporting midway through the year. This could result in companies choosing to report when they have good news and not reporting when they have bad news. Continuity is important to the capital markets ecosystem.

We suggest that the Commission consider requiring companies to file a Form 8-K or provide some kind of more prominent alert when making a change to their reporting cadence. Transitioning to quarterly or semiannual frequency will be a significant decision for companies and will likely be triggered by an event, for example, the need to refinance or enter a new credit agreement which could lead companies to report more frequently to satisfy lenders.

13. We are proposing a new Form 10-S for companies that elect to file semiannual reports. Is the proposed new form needed? Should there be one form for all interim reports, regardless of whether they are for a fiscal quarter or a semiannual period? If so, why?

While again, we disagree with a move to semiannual reporting, if the proposal moves forward, providing a separate form for issuers choosing to file on a semi-annual basis would give investors the ability to easily identify those companies.

14. Proposed Form 10-S would mandate the same narrative and financial information as Form 10-Q, albeit for semiannual periods rather than quarterly periods. Should Form 10-S require narrative or financial information that differs from what is required in Form 10-Q? If so, please specify what information should be different and why this information is or is not needed in Form 10-S. Are there any disclosure items, such as mine safety violations, in proposed Form 10-S that should be required instead to be disclosed in other forms, such as Form 10-K, Form 8-K, or Form SD?

Disclosures required under 10-Q should also be included under 10-S.

15. As an alternative to the proposal for optional semiannual reporting, should we instead revise the disclosure requirements of Form 10-Q to reduce the burden on reporting companies of filing this form, such as amending the current rules for the required interim financial statement review by an independent public accountant, XBRL data tagging, MD&A, information about unregistered sales of registrant securities pursuant to 17 CFR 229.701 (Item 701 of Regulation S-K), or year-to-date comparisons involving financial statements and MD&A? How should these requirements,

or any other requirements of Form 10-Q, be revised? What aspects of Form 10-Q's current reporting framework are most burdensome for reporting companies?

We urge the Commission to retain XBRL preparation of reported data. XBRL tagging is a standard part of the disclosure process and in most companies, is embedded in reporting requirements through disclosure management tools used by issuers to prepare and submit their regulatory filing. Eliminating XBRL tagging from disclosure management reporting would have minimal cost reduction, if any, for filers.

Furthermore, we disagree with the cost estimates included in the rule proposal from a NASDAQ study which states that the median XBRL tagging cost is \$26,000 adjusted for inflation, with a high of \$446,200. The NASDAQ study was based on 183 individuals at public companies self-reporting what they believed to be their annual cost for XBRL preparation. A study conducted by the AICPA¹⁰ which was based on the actual annual reported cost of XBRL preparation for more than 1,000 small reporting companies found that the median price was \$4,500 for the year. Today, XBRL preparation is bundled into disclosure management applications which are used by the majority of public companies for reporting.

Furthermore, XBRL reported SEC data from public companies and investment management companies is a robust and powerful resource for the plethora of AI tools in active use today. AI is most efficient (faster, less resource intensive, more consistently accurate) when it uses data in structured format. With AI, SEC regulators can create automated rules that can be run against SEC corporate filings in structured format to identify anomalies and situations where company financials are not in compliance or where they trigger potential problems. Company disclosures can be reviewed more broadly to identify weaknesses. Queries can be run more efficiently against structured data to glean insights.

AI used with corporate XBRL formatted data is a powerful addition to the regulator toolkit. Validation can be automatically, inexpensively conducted against structured company financials to identify issues such as incomplete or missing disclosures, or errors in how accounting standards were applied. Automation allows more robust analysis. Reviewing 5,000 companies can be conducted as quickly and efficiently as analyzing a single company on a manual basis. While today, access to AI powered tools is inexpensive as offerings are heavily subsidized to encourage widespread use of AI, the cost of these tools has already begun to increase and is likely to rise substantially as investors seek to recoup their investments. In the near future, efficiency in the use of AI will be critical to reducing the electricity and infrastructure costs that come with these tools. Sourcing structured, standardized data will be a crucial ingredient for effective, efficient AI to keep regulatory costs low.

The Commission should also consider the fact that the Financial Data Transparency Act (FDTA) will require U.S. regulators including the SEC, to collect more data (not less) in structured, standardized format, using standards associated with a taxonomy/ontology.

¹⁰ AICPA: XBRL Cost Study reveals lower than expected filing costs: <https://www.aicpa-cima.com/professional-insights/download/xbrl-cost-study-reveals-lower-than-expected-filing-costs>

In the age of AI and when the U.S. government, through legislation like the FDTA, are quickly recognizing the need for structured, standardized regulatory data, any pullback in XBRL reporting would be imprudent.

The Commission should instead, consider other ways to streamline the 10-Q to make its preparation more efficient as pointed out in a comment letter submitted by Columbia Business School¹¹ which notes, *“The right reform is to make the quarterly report shorter, more decision-relevant, and more structured — not to make it less frequent.”*

The IPO process itself could be more standardized and streamlined, which would make it easier for companies to conduct an initial offering and to maintain it going forward.

16. What impact would the flexibility to file semiannual reports on Form 10-S, instead of quarterly reports on Form 10-Q, have on a private company’s decision to become an Exchange Act reporting company? Would more companies choose to go public under the proposed flexible approach to interim reporting? What impact would the proposed flexible approach have on existing Exchange Act reporting companies’ desire to remain public companies?

As noted earlier, we do not believe that giving companies the flexibility to report semiannually rather than quarterly will significantly impact their decision on whether to access the public markets versus private markets. Reporting frequency is similar between PE versus public markets; if anything, PE investors demand more frequent reporting. The potential savings to public companies is minimal compared to the costs to U.S. capital markets which will impact not only investors but issuers as well.

22. Would the option for semiannual reporting result in an overall reduction in material information for investors? Or would other regulatory requirements, such as Form 8-K filing requirements and Regulation FD, elicit sufficient information to offset the less-frequent interim reports and address any investor protection concerns? Would market forces or demands on a company’s business—such as contractual obligations, investor expectations, and potential for shareholder activism—encourage semiannual filers to: (1) voluntarily disclose more information than required, (2) disclose information more frequently than is required, or (3) opt not to become semiannual filers at all?

We believe that the reduction in quarterly reported financials would reduce material information for investors. Only investors can decide what is material information about a company, therefore they should have all the facts at their disposal as soon as the data is available.

30. Should we require the second semiannual period financial information (for semiannual filers) or the fourth quarter financial information (for quarterly filers) to be included in Form 10-K so investors do not need to back out this information if companies do not voluntarily provide it? Would having a longer period (six months for semiannual reports versus three months for quarterly

¹¹ Columbia Business School, June 3, 2026: <https://www.sec.gov/comments/S7-2026-15/s7202615-799759-2420026.pdf>

reports) make it more difficult for investors to back out this information? Relatedly, should we require semiannual filers 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 Form 10-K?

If quarterly financials are required to be provided, reports should be published on a quarterly basis rather than waiting to report until two periods are available.

50. What compliance cost savings would be realized by companies that would elect the proposed semiannual reporting option? Please provide any data regarding the cost of preparing quarterly reports, including employee and director time, legal counsel fees, external accounting advice or independent public accountant review fees, costs for XBRL data tagging, and other costs associated with filing Form 10-Q. To what extent would the option to file one semiannual report, rather than two quarterly reports for the same period, result in lower costs, such as independent public accountant review fees? Would semiannual filers' audit fees paid—in connection with an annual audit of their financial statements or management's assessment of the effectiveness of internal control over financial reporting—be materially different in any way compared to the fees that would have been paid if the same company were a quarterly filer?

There are likely to be some savings when reporting two times per year rather than four times, but cost and resources will not be reduced by half. There are fixed costs when licensing or purchasing software applications and there is also a learning curve for staff tasked with reporting. XBRL tagging costs today are mostly embedded in reporting software applications like disclosure management tools, therefore the XBRL costs are unlikely to be reduced by reducing reporting frequency.

Furthermore, while reporting burden may be lowered to some extent, reducing the frequency of reporting will require reporting managers to climb a steeper learning curve each time they are required to report.

XBRL US appreciates the opportunity to provide feedback on this proposal and remains at FDIC's disposal to further discuss and support your work. Do not hesitate to engage us in your discussions and questions related to standards. I can be reached at Campbell.Pryde@xbrl.us or (917) 582-6159.

Sincerely,



Campbell Pryde
President and CEO, XBRL US