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Quarterly Accounting Roundup

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To our clients, colleagues, and other friends:

Welcome to *Quarterly Accounting Roundup: Year in Review — 2025*. Over the past year, entities have been continuing to navigate the uncertainties of the current economic environment. Top of mind for many entities have been the accounting and financial reporting effects of (1) the new U.S. tax legislation (commonly known as the “One Big Beautiful Bill Act”) and (2) tariffs.

The centerpiece of the One Big Beautiful Bill Act is the extension of expiring — and in some cases expired — provisions of the 2017 Tax Cuts and Jobs Act. While many of the One Big Beautiful Bill Act’s provisions focus on tax changes for individuals, such as extending current individual tax rates originally put in place in the Tax Cuts and Jobs Act, it also adjusts a number of provisions affecting businesses that were similarly subject to sunsets, phase-outs, or phase-ins that would have taken effect in the absence of action by Congress or that have already taken effect.

Regarding tariffs, though they are not new to the global economic landscape, their prominence and impact have grown significantly in recent months as a result of rapid increases in tariff rates and shifting trade patterns. The introduction or modification of import taxes can significantly alter existing cost structures, disrupt supply chains, and create new operational and compliance challenges, which can, in turn, lead to significant accounting and financial reporting implications. Tariff rate changes may necessitate a review of existing business controls to ensure compliance with trade regulations and mitigate new financial risks.

The FASB also had a busy 2025, especially in the latter half of the year. Accounting Standards Updates (ASUs) released by the Board in 2025 include those on:

- Making improvements to the *FASB Accounting Standards Codification*[®] (December).
- Narrow-scope improvements to the interim reporting requirements (December).
- The accounting for government grants (December).
- Hedge accounting (November).
- The accounting for purchased loans (November).
- Derivatives scope refinements and a scope clarification related to share-based consideration from a customer in a revenue contract (September).
- The accounting for and disclosure of software costs (September).
- The measurement of credit losses for accounts receivable and contract assets (July).
- Share-based consideration payable to a customer (May).
- Identifying the accounting acquirer in a business combination (May).
- Clarifying the effective date of the ASU on disaggregation of income statement expenses (January).

In addition, since the previous release of *Quarterly Accounting Roundup*, the FASB issued a proposed ASU on measurement of paid-in-kind (PIK) dividends on equity-classified preferred stock.

Sustainability also continued to be a major topic of interest either for entities that do business in California or for those that are subject to the European Union's (EU's) sustainability reporting and due diligence requirements. The California Air Resources Board (CARB) hosted several virtual public workshops in 2025 "to support development of California's Corporate Greenhouse Gas Reporting Program and the Climate-Related Financial Risk Disclosure Program" established by the Climate Corporate Data Accountability Act (SB 253) and Climate-Related Financial Risk Act (SB 261), as amended by SB 219. CARB also released a range of informational materials to help entities prepare for the potential effects of the climate legislation in advance of the reporting deadlines. Meanwhile, the European Parliament recently voted to approve the provisional agreement reached with the European Commission and European Council regarding the European Commission's February 2025 omnibus package of proposals that would simplify the EU's sustainability reporting requirements, including the Corporate Sustainability Reporting Directive (CSRD), the Corporate Sustainability Due Diligence Directive (CSDDD), and the EU Taxonomy Regulation.

On the regulatory front, crypto assets continued to be a major focus. The Guiding and Establishing National Innovation for U.S. Stablecoins (GENIUS) Act was signed into law in July 2025, establishing the first U.S. regulatory framework for payment stablecoins. In addition, the SEC released a number of statements regarding crypto assets. Topics of these statements included liquid staking, crypto asset exchange-traded products, protocol staking activities, offerings and registration of securities in crypto asset markets, stablecoins, proof-of-work mining activities, and meme coins.

Other important releases by the SEC include several updates to its Financial Reporting Manual (FRM) and FAQs that provide guidance to issuers that filed registration statements with the Commission during the recent U.S. government shutdown. The Commission also established task forces on crypto assets, artificial intelligence (AI), and fraud.

At the annual AICPA & CIMA Conference on Current SEC and PCAOB Developments, held in Washington, D.C., key stakeholders convened to discuss developments, emerging issues, and trends in accounting, financial reporting, and auditing, as well as other related matters. For more information about the conference, see Deloitte's [December 11, 2025](#), and [December 12, 2025](#), *Heads Up* newsletters.

Quarterly Accounting Roundup: Year in Review — 2025 summarizes final guidance that affects reporting and disclosures for the coming reporting season. With the exception of fourth-quarter developments, proposed guidance is not included. For more information about earlier proposals, please see issues of *Quarterly Accounting Roundup* for the first three quarters of 2025.

In addition, in this year-end edition, an asterisk in the article title denotes events that occurred in the fourth quarter, including updates to previously reported topics, or that were not addressed in previous 2025 issues of *Quarterly Accounting Roundup*. Events without asterisks were covered in previous issues.

We value your feedback and would appreciate any comments you may have on *Quarterly Accounting Roundup*. Take a moment to tell us what you think by sending us an e-mail at usaccountingservices@deloitte.com.

For the latest news and publications, visit [Deloitte Accounting Research Tool \(DART\)](#), a comprehensive online library of accounting and financial disclosure literature, including Deloitte's own interpretive guidance and publications. For a digest of news, developments, and Deloitte publications related to predominantly U.S. accounting topics, [subscribe](#) to *Weekly Accounting Roundup*.

Deloitte Publications

Key newsletters released by Deloitte in the fourth quarter of 2025 include:

- A [Sustainability Spotlight](#) that gives an update on the potential effects of the California climate legislation, including the compliance requirements, CARB's rulemaking progress, the latest legal developments, and recently released guidance.
- An [Aerospace & Defense Spotlight](#) and [Engineering & Construction Spotlight](#) that address considerations related to how entities in these industries should determine the presentation of material purchases used to fulfill revenue contracts recognized over time within disaggregated expense disclosures after adopting ASU 2024-03.¹
- The annual update to the [Financial Reporting Alert](#) on financial reporting considerations related to pension and other postretirement benefits. This year's edition reflects matters related to (1) the current macroeconomic environment, (2) "buy-in" and "buy-out" transactions, (3) the Inflation Reduction Act of 2022, (4) the application of ASC 715² to market-return cash balance plans, and (5) certain defined benefit pension plans in the Netherlands and the United Kingdom.

In addition, Deloitte has issued the following updated Roadmaps since the previous release of *Quarterly Accounting Roundup*:

- [Income Taxes](#) (December) — Provides Deloitte's insights into and interpretations of the income tax accounting guidance in ASC 740. The Roadmap contains updated guidance, examples, and editorial enhancements, including discussions of the 2025 tax legislation and requirements related to the adoption of ASU 2023-09.³
- [Revenue Recognition](#) (November) — Provides Deloitte's insights into and interpretations of the guidance in ASC 606 on revenue from contracts with customers, the cost guidance in ASC 340-40, and the guidance in ASC 610-20 on gains and losses on transfers of nonfinancial and in-substance nonfinancial assets to noncustomers.

¹ FASB Accounting Standards Update No. 2024-03, *Income Statement — Reporting Comprehensive Income — Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses*.

² For titles of FASB Accounting Standards Codification (ASC or "Codification") references, see Deloitte's ["Titles of Topics and Subtopics in the FASB Accounting Standards Codification."](#)

³ FASB Accounting Standards Update No. 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*.

The 2025 edition includes updated and expanded discussions as well as new sections and illustrative examples.

- *Business Combinations* (November) — Helps entities navigate the complexities of the guidance in ASC 805, including determining whether an acquisition is a business combination or an asset acquisition; accounting for business combinations, asset acquisitions, and joint ventures; and applying pushdown accounting. The updated edition reflects guidance issued through May 30, 2025.
- *SEC Comment Letter Considerations, Including Industry Insights* (November) — Contains extracts from SEC comment letters, analysis of those extracts, and links to resources that are relevant to SEC filers.
- *Impairments and Disposals of Long-Lived Assets and Discontinued Operations* (November) — Offers Deloitte's insights into the guidance in ASC 360-10 and ASC 205-20 on impairments and disposals of long-lived assets and presentation of discontinued operations. The 2025 edition of this publication includes updated and expanded guidance on these topics.
- *Derivatives* (November) — Comprehensively addresses the guidance in ASC 815 on the identification, classification, measurement, and presentation and disclosure of derivative instruments, including embedded derivatives.
- *Equity Method Investments and Joint Ventures* (November) — Offers Deloitte's perspectives on accounting for equity method investments and joint ventures, especially that under ASC 323.
- *Earnings per Share* (October) — Provides a comprehensive overview of the accounting and disclosure guidance in ASC 260, including the calculation of both basic and diluted earnings per share.
- *Hedge Accounting* (October) — Provides an overview of the FASB's authoritative guidance on hedge accounting in ASC 815 as well as our insights into and interpretations of how to apply that guidance in practice.
- *Non-GAAP Financial Measures and Metrics* (October) — Combines the SEC's guidance on non-GAAP measures with Deloitte's interpretations and examples in a comprehensive, reader-friendly format.

Accounting — Newly Effective Standards for Public Business Entities

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Convertible Debt

FASB ASU 2024-04 Amends Guidance on Induced Conversions of Convertible Debt Instruments

Affects: All entities.

Summary: The FASB issued [ASU 2024-04](#)⁴ on November 26, 2024, to clarify the requirements in ASC 470-20 related to accounting for the settlement of a debt instrument as an induced conversion. Based primarily on the consensus-for-exposure reached on Issue 23-A⁵ by the Emerging Issues Task Force (EITF) on September 14, 2023, the ASU is intended to “improve the relevance and consistency in application of the induced conversion guidance in Subtopic 470-20 for (a) convertible debt instruments with cash conversion features and (b) debt instruments that are not currently convertible.”

Next Steps: For all entities, the amendments in ASU 2024-04 are effective for annual reporting periods beginning after December 15, 2025 (and interim reporting periods within those annual reporting periods). Early adoption is permitted as of the beginning of a reporting period if the entity has also adopted [ASU 2020-06](#)⁶ for that period.

Other Resources: Deloitte’s December 3, 2024, [Heads Up](#) and Roadmap [Issuer’s Accounting for Debt](#). Also see the [press release](#) on the FASB’s Web site.

Credit Losses

FASB ASU 2025-05 Amends Guidance on the Measurement of Credit Losses for Accounts Receivable and Contract Assets

Affects: All entities.

Summary: The FASB released [ASU 2025-05](#)⁷ on July 30, 2025. The ASU amends ASC 326-20 to provide a practical expedient (for all entities) and an accounting policy election (available to all entities other than public business entities [PBEs]) related to the estimation of expected credit losses for current accounts receivable and current contract assets that arise from transactions accounted for under ASC 606. The Board developed the new guidance in conjunction with the Private Company Council to address concerns from stakeholders that estimating expected credit losses can be costly and complex for such transactions.

Next Steps: ASU 2025-05 is effective for annual reporting periods beginning after December 15, 2025, and interim reporting periods within those annual reporting periods, with early adoption permitted. Entities should apply the new guidance prospectively.

Other Resources: Deloitte’s July 31, 2025, [Heads Up](#) and Roadmap [Current Expected Credit Losses](#). Also see the [press release](#) on the FASB’s Web site.

⁴ FASB Accounting Standards Update No. 2024-04, *Debt — Debt With Conversion and Other Options (Subtopic 470-20): Induced Conversions of Convertible Debt Instruments*.

⁵ EITF Issue No. 23-A, “Induced Conversions of Convertible Debt Instruments.”

⁶ FASB Accounting Standards Update No. 2020-06, *Debt — Debt With Conversion and Other Options (Subtopic 470-20) and Derivatives and Hedging — Contracts in Entity’s Own Equity (Subtopic 815-40): Accounting for Convertible Instruments and Contracts in an Entity’s Own Equity*.

⁷ FASB Accounting Standards Update No. 2025-05, *Financial Instruments — Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable and Contract Assets*.

International

IASB Amendments Related to Nature-Dependent Energy Contracts

Affects: Entities reporting under IFRS® Accounting Standards.

Summary: The IASB released amendments⁸ on December 18, 2024, that are intended to “help companies better report the financial effects of nature-dependent electricity contracts, which are often structured as power purchase agreements.” Specifically, the amendments would:

- Clarify “the application of the ‘own-use’ requirements.”
- Facilitate the application of “hedge accounting if these contracts are used as hedging instruments.”
- Add “new disclosure requirements to enable investors to understand the effect of these contracts on a company’s financial performance and cash flows.”

Next Steps: The amendments are effective for annual reporting periods beginning on or after January 1, 2026. Early adoption is permitted.

Other Resources: Deloitte’s January 15, 2025, [iGAAP in Focus](#) and Roadmap [Comparing IFRS Accounting Standards and U.S. GAAP: Bridging the Differences](#).

IASB Amendments to Requirements Related to Classification and Measurement of Financial Instruments

Affects: Entities reporting under IFRS Accounting Standards.

Summary: The IASB published amendments⁹ on May 30, 2024, to IFRS 9’s¹⁰ requirements related to the classification and measurement of financial instruments as well as to the financial instrument disclosure requirements in IFRS 7.¹¹ Topics addressed by the IFRS 9 amendments include clarifications related to (1) how financial assets with features linked to environmental, social, and governance (ESG) should be classified and measured and (2) the derecognition of financial assets and financial liabilities that are settled through the use of electronic payment systems. The amendments to the IFRS 7 disclosure requirements are intended to “enhance transparency for investors regarding investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features, for example features tied to ESG-linked targets.”

Next Steps: The amendments are effective for annual reporting periods beginning on or after January 1, 2026. Early adoption is permitted.

Other Resources: Deloitte’s June 3, 2024, [iGAAP in Focus](#) and Roadmap [Comparing IFRS Accounting Standards and U.S. GAAP: Bridging the Differences](#).

⁸ IASB Amendments, *Contracts Referencing Nature-Dependent Electricity* — amendments to IFRS 9 and IFRS 7.

⁹ IASB Amendments, *Amendments to the Classification and Measurement of Financial Instruments* — amendments to IFRS 9 and IFRS 7.

¹⁰ IFRS 9, *Financial Instruments*.

¹¹ IFRS 7, *Financial Instruments: Disclosures*.

Accounting — Newly Issued Standards

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Business Combinations

FASB Releases ASU on Identifying the Accounting Acquirer in a Business Combination

Affects: All entities.

Summary: On May 12, 2025, the FASB released [ASU 2025-03](#),¹² which is based on an EITF Issue. The ASU revises the guidance in ASC 805 to clarify that, in determining the accounting acquirer in “a business combination that is effected primarily by exchanging equity interests in which a VIE is acquired,” an entity would be required to consider the factors in ASC 805-10-55-12 through 55-15. Previously, the accounting acquirer in such transactions was always the primary beneficiary.

Next Steps: For all entities, the ASU’s amendments will become effective for annual reporting periods beginning after December 15, 2026, including interim reporting periods within those annual reporting periods. Early adoption is permitted as of the beginning of an interim or annual reporting period.

Other Resources: Deloitte’s May 30, 2025, [Heads Up](#) and Roadmap [Business Combinations](#). Also see the [press release](#) on the FASB’s Web site.

Codification Improvements

FASB Makes Codification Improvements*

Affects: All entities.

Summary: On December 17, 2025, the FASB issued [ASU 2025-12](#)¹³ as part of the standing project on its agenda to make improvements to the Codification in response to feedback from stakeholders. Specifically, the ASU’s purpose is to update the Codification “for a broad range of Topics arising from technical corrections, unintended application of the Codification, clarifications, and other minor improvements.”

Next Steps: For all entities, the ASU’s amendments are effective for annual reporting periods beginning after December 15, 2026, including interim reporting periods within those annual reporting periods. An entity is permitted to early adopt the amendments “in both interim and annual reporting periods in which financial statements have not yet been issued or made available for issuance.”

Other Resources: For more information, see the [press release](#) on the FASB’s Web site.

¹² FASB Accounting Standards Update No. 2025-03, *Business Combinations (Topic 805) and Consolidation (Topic 810): Determining the Accounting Acquirer in the Acquisition of a Variable Interest Entity*.

¹³ FASB Accounting Standards Update No. 2025-12, *Codification Improvements*.

- International
 - IASB Releases
Amendments Related to Translation of Financial Information Into Hyperinflationary Currencies*

Derivatives

FASB Amends Guidance on Derivatives Scope Refinements and Provides Scope Clarification for Share-Based Noncash Consideration From a Customer in a Revenue Contract*

Affects: All entities.

Summary: On September 29, 2025, the FASB issued [ASU 2025-07](#),¹⁴ which (1) refines the scope of the guidance on derivatives in ASC 815 (Issue 1) and (2) clarifies the guidance on share-based payments from a customer in ASC 606 (Issue 2). The ASU is intended to address concerns about the application of derivative accounting to contracts that have features based on the operations or activities of one of the parties to the contract and to reduce diversity in the accounting for share-based payments in revenue contracts.

Next Steps: ASU 2025-07 is effective for annual reporting periods beginning after December 15, 2026, including interim reporting periods within those annual reporting periods. Early adoption of the standard is permitted in an interim or annual reporting period for which financial statements have not been issued or made available for issuance.

Other Resources: Deloitte's September 29, 2025, [Heads Up](#) and Roadmap [Derivatives](#). Also see the [press release](#) on the FASB's Web site.

Government Grants

FASB Issues Guidance on the Accounting for Government Grants*

Affects: All entities.

Summary: On December 4, 2025, the FASB issued [ASU 2025-10](#),¹⁵ which adds guidance to ASC 832 on the recognition, measurement, and presentation of government grants. Historically, many for-profit entities that account for government grants have analogized to IAS 20¹⁶ or ASC 958-605. In developing the ASU's recognition and measurement framework, the FASB largely leveraged the guidance in IAS 20.

Next Steps: For PBEs, ASU 2025-10 is effective for fiscal years beginning after December 15, 2028, including interim periods within those fiscal years. For non-PBEs, the ASU is effective for fiscal years beginning after December 15, 2029, including interim periods within those fiscal years. Early adoption is permitted.

Other Resources: Deloitte's December 4, 2025, [Heads Up](#). Also see the [press release](#) on the FASB's Web site.

Hedge Accounting

FASB Amends Guidance on Hedge Accounting*

Affects: All entities.

Summary: On November 25, 2025, the FASB issued [ASU 2025-09](#),¹⁷ which amends certain aspects of the hedge accounting guidance in ASC 815, including the risk assessment for cash flow hedges, hedging forecasted interest payments on choose-your-rate debt instruments,

¹⁴ FASB Accounting Standards Update No. 2025-07, *Derivatives and Hedging (Topic 815) and Revenue From Contracts With Customers (Topic 606): Derivatives Scope Refinements and Scope Clarification for Share-Based Noncash Consideration From a Customer in a Revenue Contract*.

¹⁵ FASB Accounting Standards Update No. 2025-10, *Government Grants (Topic 832): Accounting for Government Grants Received by Business Entities*.

¹⁶ International Accounting Standard (IAS) 20, *Accounting for Government Grants and Disclosure of Government Assistance*.

¹⁷ FASB Accounting Standards Update No. 2025-09, *Derivatives and Hedging (Topic 815): Hedge Accounting Improvements*.

cash flow hedges of nonfinancial forecasted transactions, net written options as hedging instruments, and dual hedges of foreign-currency-denominated debt instruments. The amendments are intended to more closely align hedge accounting with the economics of an entity's risk management activities.

Next Steps: For PBEs, the ASU's amendments are effective for fiscal years beginning after December 15, 2026, and interim periods therein. For all other entities, the amendments are effective for fiscal years beginning after December 15, 2027, and interim periods therein. Entities are permitted to early adopt the new guidance in any interim or annual period after the ASU's issuance.

Other Resources: Deloitte's November 25, 2025, [Heads Up](#) and Roadmap [Hedge Accounting](#). Also see the [press release](#) on the FASB's Web site.

Income Taxes

FASB Clarifies Effective Date of ASU on Disclosures About Disaggregation of Income Statement Expenses

Affects: All entities.

Summary: On January 6, 2025, the FASB released [ASU 2025-01](#),¹⁸ which revises the effective date of [ASU 2024-03](#) (on disclosures about disaggregation of income statement expenses) "to clarify that all public business entities are required to adopt the guidance in annual reporting periods beginning after December 15, 2026, and interim periods within annual reporting periods beginning after December 15, 2027." Entities within ASU 2024-03's scope are permitted to early adopt the ASU.

The rationale for the Board's clarification of ASU 2024-03's effective date is that non-calendar-year-end entities could have concluded that initial adoption of the ASU's amendments was required "in an interim reporting period, rather than in an annual reporting period."

Other Resources: Deloitte's November 8, 2024 (updated January 21, 2025), [Heads Up](#). Also see the [press release](#) on the FASB's Web site.

Interim Reporting

FASB Amends Guidance on Interim Reporting*

Affects: All entities.

Summary: On December 8, 2025, the FASB issued [ASU 2025-11](#),¹⁹ which is intended to improve the navigability of the interim reporting guidance in ASC 270 and clarify when it applies. Under the amendments, an entity is subject to ASC 270 if it provides "interim financial statements and notes in accordance with GAAP." The ASU also addresses the form and content of such financial statements, adds lists to ASC 270 of the interim disclosures required by all other Codification topics, and establishes a principle under which an entity must "disclose events since the end of the last annual reporting period that have a material impact on the entity." The amendments are not intended to "change the fundamental nature of interim reporting or expand or reduce current interim disclosure requirements."

Next Steps: For PBEs, the amendments in ASU 2025-11 are effective for interim reporting periods within annual reporting periods beginning after December 15, 2027. For all other entities, the amendments are effective for interim reporting periods within annual reporting periods beginning after December 15, 2028. Early adoption is permitted for all entities.

¹⁸ FASB Accounting Standards Update No. 2025-01, *Income Statement — Reporting Comprehensive Income — Expense Disaggregation Disclosures (Subtopic 220-40): Clarifying the Effective Date*.

¹⁹ FASB Accounting Standards Update No. 2025-11, *Interim Reporting (Topic 270): Narrow-Scope Improvements*.

Other Resources: Deloitte's December 8, 2025, [Heads Up](#). Also see the [press release](#) on the FASB's Web site.

Purchased Loans

FASB Amends the Accounting for Purchased Loans*

Affects: All entities.

Summary: On November 12, 2025, the FASB issued [ASU 2025-08](#),²⁰ which amends the guidance in ASC 326 on the accounting for certain purchased loans. Under the ASU, entities must account for acquired loans (excluding credit cards) that meet certain criteria at acquisition ("purchased seasoned loans") by recognizing them at their purchase price plus an allowance for expected credit losses (i.e., the so-called gross-up approach). The ASU's amendments align the accounting for purchased seasoned loans with the treatment of financial assets purchased with more-than-insignificant credit deterioration since origination ("PCD assets").

Next Steps: The ASU's guidance is effective for annual reporting periods beginning after December 15, 2026, including interim reporting periods, and entities must apply it prospectively. Entities may early adopt the guidance "in an interim or annual reporting period in which financial statements have not yet been issued or made available for issuance." An entity that adopts the amendments in an interim reporting period may apply them "as of the beginning of that interim reporting period or the beginning of the annual reporting period that includes that interim reporting period."

Other Resources: Deloitte's November 13, 2025, [Heads Up](#) and Roadmap [Current Expected Credit Losses](#). Also see the [press release](#) on the FASB's Web site.

Share-Based Payment

FASB Releases ASU on Share-Based Consideration Payable to a Customer

Affects: All entities.

Summary: On May 15, 2025, the FASB released [ASU 2025-04](#),²¹ which is intended to reduce diversity in practice and improve existing guidance, primarily by revising the definition of a "performance condition" and eliminating a forfeiture policy election for service conditions associated with share-based consideration payable to a customer. In addition, the ASU clarifies that the guidance in ASC 606 on the variable consideration constraint does not apply to share-based consideration payable to a customer "regardless of whether an award's grant date has occurred" (as determined under ASC 718).

Next Steps: ASU 2025-04 is effective for fiscal years beginning after December 15, 2026, including interim periods within those fiscal years. Early adoption is permitted.

Other Resources: Deloitte's May 16, 2025, [Heads Up](#) and Roadmap [Revenue Recognition](#). Also see the [press release](#) on the FASB's Web site.

²⁰ FASB Accounting Standards Update No. 2025-08, *Financial Instruments — Credit Losses (Topic 326): Purchased Loans*.

²¹ FASB Accounting Standards Update No. 2025-04, *Compensation — Stock Compensation (Topic 718) and Revenue From Contracts With Customers (Topic 606): Clarifications to Share-Based Consideration Payable to a Customer*.

Software Costs

FASB Amends Guidance on the Accounting for and Disclosure of Software Costs

Affects: All entities.

Summary: On September 18, 2025, the FASB released [ASU 2025-06](#),²² which amends certain aspects of the accounting for and disclosure of software costs under ASC 350-40. The amendments also supersede the guidance on Web site development costs in ASC 350-50 and relocate that guidance, along with the recognition requirements for development costs specific to Web sites, to ASC 350-40. Although the ASU makes targeted improvements to ASC 350-40, it does not fully align the framework for accounting for internally developed software costs that are subject to ASC 350-40 with the framework applied to software to be sold or marketed externally that is subject to ASC 985-20. The Board also chose not to amend the guidance on costs of software licenses that are within the scope of ASC 985-20.

Next Steps: The ASU's amendments "are effective for all entities for annual reporting periods beginning after December 15, 2027, and interim reporting periods within those annual reporting periods. Early adoption is permitted as of the beginning of an annual reporting period."

Other Resources: Deloitte's September 18, 2025, [Heads Up](#). Also see the [press release](#) on the FASB's Web site.

International

IASB Releases Amendments Related to Translation of Financial Information Into Hyperinflationary Currencies*

Affects: Entities reporting under IFRS Accounting Standards.

Summary: On November 13, 2025, the IASB released narrow-scope amendments²³ to IAS 21²⁴ to "clarify how companies should translate financial statements from a non-hyperinflationary currency into a hyperinflationary one." The amendments are intended to "reduce diversity in practice and provide a clearer basis for reporting in a hyperinflationary currency."

Next Steps: The amendments are effective for annual periods beginning on or after January 1, 2027. Early adoption is permitted.

Other Resources: Deloitte's November 16, 2025, [iGAAP in Focus](#). Also see the [press release](#) on the IASB's Web site.

²² FASB Accounting Standards Update No. 2025-06, *Intangibles — Goodwill and Other — Internal-Use Software (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software*.

²³ IASB Amendments, *Translation to a Hyperinflationary Presentation Currency* — amendments to IAS 21.

²⁴ IAS 21, *The Effects of Changes in Foreign Exchange Rates*.

Accounting — Exposure Drafts

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Equity

FASB Proposes Guidance on Measurement of Paid-in-Kind Dividends on Equity-Classified Preferred Stock*

Affects: All entities.

Summary: On September 30, 2025, the FASB issued a [proposed ASU](#)²⁵ that would amend ASC 505 to add guidance on how an issuer should measure PIK dividends on equity-classified preferred stock. Under the proposed amendments, entities would be required to measure such dividends by multiplying the PIK dividend rate by the liquidation preference of the shares. The proposal is limited to the measurement of PIK dividends and does not address recognition. By providing clear guidance on how to measure PIK dividends, the Board expects that comparability between entities will improve.

Comments on the proposed ASU were due by October 27, 2025.

Other Resources: Deloitte's September 30, 2025, [Heads Up](#). Also see the [press release](#) on the FASB's Web site.

International

IASB Proposes Amendments Related to Management of Interest Rate Risk*

Affects: Entities reporting under IFRS Accounting Standards.

Summary: On December 3, 2025, the IASB published an [exposure draft \(ED\)](#)²⁶ that would amend IFRS 9 and IFRS 7 in an effort to enhance transparency related to "how interest rate risk management affects financial performance and future cash flows in a dynamic environment." The ED is being released in response to feedback indicating that "the current hedge accounting requirements do not adequately reflect how interest rate risk is managed in practice."

Next Steps: Comments on the ED are due by July 31, 2026.

Other Resources: For more information, see the [press release](#) on the IASB's Web site.

²⁵ FASB Proposed Accounting Standards Update, *Equity (Topic 505): Initial Measurement of Paid-in-Kind Dividends on Equity-Classified Preferred Stock*.

²⁶ IASB Exposure Draft, *Risk Mitigation Accounting* — proposed amendments to IFRS 9 and IFRS 7.

Accounting — Other Key Developments

In This Section

- [Income Taxes](#)
 - [Accounting Considerations Related to the New U.S. Tax Legislation](#)
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 - [IASB Publishes Illustrative Examples Related to Uncertainties in Financial Statements*](#)
 - [IASB Updates IFRS for SMEs](#)

Income Taxes

Accounting Considerations Related to the New U.S. Tax Legislation

Affects: All entities.

Summary: On July 4, 2025, President Trump signed into law the [legislation](#) formally titled “An Act to Provide for Reconciliation Pursuant to Title II of H. Con. Res. 14” and commonly referred to as the One Big Beautiful Bill Act. The centerpiece of the bill is the extension of expiring — and in some cases expired — provisions of the 2017 Tax Cuts and Jobs Act. While many of the One Big Beautiful Bill Act’s provisions focus on tax changes for individuals, such as extending current individual tax rates originally put in place in the Tax Cuts and Jobs Act, it also adjusts a number of provisions affecting businesses that were similarly subject to sunsets, phase-outs, or phase-ins that would have taken effect in the absence of action by Congress or that have already taken effect. For example, recent years have seen the loss of the ability to immediately expense research and development costs; a new, more restrictive calculation of the extent to which net interest expenses are deductible; and a phase-down of bonus depreciation. Moreover, barring action by Congress, 2026 would have witnessed an increase in the tax rate applied to the Base Erosion and Anti-Abuse Tax and a lower deduction for both the Global Intangible Low-Taxed Income (GILTI) and Foreign-Derived Intangible Income (FDII) regimes.

The Act’s net cost is somewhat reduced by the addition of some revenue-raising provisions, including phase-outs of and restrictions on several clean energy tax incentives. Further, the new law makes various broadly applicable changes to the GILTI and FDII regimes. While many are taxpayer-friendly, they are paired with lower deduction amounts for GILTI and FDII, meaning that the combined impact is very likely to depend on an individual company’s facts and circumstances.

Next Steps: While most of the changes made by the Act are effective in future tax years, some of its provisions are effective in the current tax year. In certain cases, the changes introduced by the Act may also affect prior tax years.

Other Resources: Deloitte’s July 15, 2025, [Heads Up](#).

Leases

FASB Releases Postimplementation Review Report on Leasing Standard*

Affects: All entities.

Summary: On November 20, 2025, the FASB released a [postimplementation review report](#) on its leasing standard (ASC 842). The report notes that financial statement users are “generally satisfied” with the standard’s requirements for lessors, which “did not incur significant costs” either during the initial implementation phase or “on an ongoing basis.” On the other hand, the standard’s requirements for lessees, while resulting in more decision-useful information for users and investors, were found to be considerably more costly than expected both upon initial implementation and on an ongoing basis. The Board indicates that this is “primarily because entities’ existing systems and processes were often not able to account for operating leases on the balance sheet.”

Other Resources: For more information, see the [press release](#) on the FASB’s Web site.

Tariffs

Accounting and Financial Reporting Considerations Related to Tariffs

Affects: All entities.

Summary: Although tariffs are not new to the global economic landscape, their prominence and impact have grown significantly in recent months as a result of rapid increases in tariff rates and shifting trade patterns. The introduction or modification of import taxes can significantly alter existing cost structures, disrupt supply chains, and create new operational and compliance challenges, which can, in turn, lead to significant accounting and financial reporting implications. Tariff rate changes may necessitate a review of existing business controls to ensure compliance with trade regulations and mitigate new financial risks.

Other Resources: Deloitte's August 13, 2025, [Accounting Spotlight](#).

International

IASB Publishes Illustrative Examples Related to Uncertainties in Financial Statements*

Affects: Entities reporting under IFRS Accounting Standards.

Summary: On November 28, 2025, the IASB added to IFRS Accounting Standards a set of six examples that illustrate how an entity applies the requirements in those standards to report the effects of uncertainties in its financial statements. Although the examples focus on scenarios involving climate-related risks, they apply equally to other types of uncertainties as well.

Other Resources: Deloitte's November 27, 2025, [iGAAP in Focus](#). Also see the [press release](#) on the IASB's Web site.

IASB Updates *IFRS for SMEs*

Affects: Small and medium-sized entities (SMEs).

Summary: On February 27, 2025, the IASB published the third edition of its *IFRS for SMEs*, which was originally released in 2009 and previously amended in 2015. The purpose of the *IFRS for SMEs* is to simplify certain of the requirements in IFRS Accounting Standards to reflect the needs of users of SMEs' financial statements.

The update is based on the IASB's second comprehensive review of the standard. Sections of the standard affected by the update include those on the following topics:

- Concepts and pervasive principles.
- Consolidated and separate financial statements.
- Financial instruments
- Fair value measurement.
- Business combinations and goodwill.
- Revenue.

Next Steps: The *IFRS for SMEs* update will become effective on January 1, 2027. Early adoption is permitted.

Other Resources: Deloitte's March 2, 2025, [iGAAP in Focus](#). Also see the [press release](#) on the IASB's Web site.

Sustainability Reporting Developments

In This Section

- [CAQ](#)
 - [CAQ Releases Publication on Sustainability Reporting](#)
- [California](#)
 - [Recent Updates Related to California's Climate Legislation*](#)
- [GHG Protocol](#)
 - [GHG Protocol Opens Public Consultations on Scope 2 and Electricity Sector Guidance*](#)
- [International](#)
 - [IASB Amends Standard on Climate-Related Disclosures*](#)
 - [European Parliament Approves Provisional Agreement Proposals on Sustainability Reporting and Due Diligence Requirements as Part of Omnibus Package*](#)

CAQ

CAQ Releases Publication on Sustainability Reporting

Affects: Legislators and regulators.

Summary: In January 2025, the CAQ released a [publication](#)²⁷ that discusses key sustainability reporting considerations for legislators and regulators. The publication focuses on what should be incorporated into regulations and legislation so that financial statement users have sustainability-related information that is high-quality, comparable, and consistent. Such information would include recognized sustainability standards, assurance practitioner qualifications, recognized assurance standards, and specified levels of assurance.

California

Recent Updates Related to California's Climate Legislation*

Affects: Entities that do business in California.

Summary: On December 9, 2025, CARB released [proposed regulatory text](#) and rulemaking materials related to the Climate Corporate Data Accountability Act ([SB 253](#)) and Climate-Related Financial Risk Act ([SB 261](#)), as amended by [SB 219](#). The proposed regulatory text includes sections on applicability, definitions, fee calculation, fee payment and collection, fee enforcement, and the deadline for reporting under SB 253.

Concurrently with CARB's posting of materials on its Web site, the proposed regulatory text was sent to the California Office of Administrative Law (OAL). The proposed text is expected to be published for public feedback for a 45-day public comment period ending on February 9, 2026. If any revisions are made to any of the documents on the published rulemaking package before formal publication, CARB will update its Web site and notify stakeholders.

CARB also posted a [notice](#) on December 9, 2025, indicating that a public hearing will be held on February 26, 2026, to consider approving for adoption the proposed initial regulations. The agenda for the public hearing will be posted 10 days before the hearing.

Other Resources: For background on SB 253 and SB 261 as well as recent California climate legislation updates, see Deloitte's December 4, 2025, [Sustainability Spotlight](#).

GHG Protocol

GHG Protocol Opens Public Consultations on Scope 2 and Electricity Sector Guidance*

Affects: Entities subject to the requirements of the Greenhouse Gas (GHG) Protocol.

Summary: On October 20, 2025, the GHG Protocol announced the opening of [public consultations](#) on its Scope 2 and electricity sector consequential methods. The Scope 2 guidance provides organizations with accounting and reporting standards related to GHG emissions from purchased electricity, heat, steam, and cooling. The public consultations seek stakeholder input on proposals that may lead to updates in how Scope 2 emissions are measured and reported, including revisions to (1) both the location-based method and market-based method and (2) the hierarchy of emissions factors and quality criteria.

The GHG Protocol also hosted a [webcast](#) on October 27, 2025, to summarize the key elements of the proposals.

²⁷ CAQ Publication, *Sustainability Reporting and Assurance: Key Considerations for Legislators and Regulators*.

Next Steps: Feedback on the consultations is due by January 31, 2026.

Other Resources: For more information, see the [FAQ document](#) on the GHG Protocol's Web site.

International

IASB Amends Standard on Climate-Related Disclosures*

Affects: Entities reporting under IFRS Sustainability Disclosure Standards.

Summary: On December 11, 2025, the International Sustainability Standards Board (ISSB) released [amendments](#)²⁸ to IFRS S2²⁹ that are intended to address challenges entities have encountered in applying certain of the standard's requirements related to disclosures about GHG emissions. The amendments, which are being released in response to feedback received during a consultation conducted earlier this year, "provide reliefs and clarifications to support companies in applying the Standard, while keeping investor information needs in focus and minimising disruption to jurisdictions that are in the process of adopting or otherwise using ISSB Standards."

Next Steps: The amendments are effective for reporting periods beginning on or after January 1, 2027. Early adoption is permitted.

Other Resources: Deloitte's December 11, 2025, [iGAAP in Focus](#). Also see the [press release](#) on the IFRS Foundation's Web site.

European Parliament Approves Provisional Agreement Proposals on Sustainability Reporting and Due Diligence Requirements as Part of Omnibus Package*

Affects: Entities subject to the EU's sustainability reporting and due diligence requirements.

Summary: On December 9, 2025, the European Parliament reached a provisional agreement with the European Commission and European Council regarding the European Commission's [February 2025 omnibus package of proposals](#) that would simplify the EU's sustainability reporting requirements, including the CSRD, the CSDDD, and the EU Taxonomy Regulation. On December 16, 2025, the European Parliament voted to approve the provisional agreement.

The provisional agreement outlines, among other things, the scoping requirements for the CSRD and the CSDDD. Under the provisional agreement, EU entities employing an average of more than 1,000 employees and with a net annual turnover of over EUR 450 million will have to perform sustainability reporting under the CSRD. The CSRD's requirements will also apply to non-EU entities that both generate net turnover in the EU of over EUR 450 million at the group level and have at least one EU subsidiary or branch generating turnover of more than EUR 200 million.

Regarding the CSDDD, due diligence reporting will only be required for (1) large EU entities with more than 5,000 employees and a net annual turnover of over EUR 1.5 billion and (2) non-EU entities with over EUR 1.5 billion turnover in the EU.

Next Steps: The final text will have to be formally approved by the Council of the European Union. The directive will enter into force 20 days after its publication in the *Official Journal of the European Union*.

Other Resources: For more information, see the [press release](#) on the European Parliament's Web site. Also see Deloitte's August 21, 2025, [Heads Up](#) for more information about the omnibus package.

²⁸ IASB Amendments, *Amendments to Greenhouse Gas Emissions Disclosures* — amendments to IFRS S2.

²⁹ IFRS S2, *Climate-Related Disclosures*.

Auditing Developments

In This Section

- [AICPA](#)
 - [AICPA Releases New Chapter of Practice Aid on Digital Assets](#)
- [CAQ](#)
 - [CAQ Releases Fall 2025 Audit Partner Pulse Survey*](#)
 - [CAQ Releases 2025 Audit Committee Transparency Barometer*](#)
 - [CAQ Issues Discussion Document on Monitoring Inflation in Certain Countries](#)
 - [CAQ Releases Publication on Auditor's Role in Reporting Climate-Related Information](#)
 - [CAQ Releases Revised Edition of Report on Audit Committee Practices](#)
- [PCAOB](#)
 - [PCAOB Releases Investor Bulletin on Inspections*](#)
 - [PCAOB Releases Data Points Publications*](#)
 - [PCAOB Releases Policy Statement and Staff Guidance on Evaluating the Reliability of External Information Provided in Electronic Form*](#)
 - [PCAOB Releases Publication on Review Engagements Related to Exemption Reports](#)
 - [PCAOB Postpones Effective Date of Quality Control Standard](#)
 - [PCAOB Releases Investor Bulletin on Auditor's Professional Responsibilities](#)
 - [PCAOB Releases Annual Report on Interim Inspection Program Related to Audits of Brokers and Dealers](#)

AICPA

AICPA Releases New Chapter of Practice Aid on Digital Assets

Affects: Auditors.

Summary: On September 3, 2025, the AICPA released a new chapter of its practice aid on digital assets to address auditing considerations related to crypto lending and borrowing transactions. Specifically, the new chapter addresses scenarios in which a borrower of a crypto intangible asset is required and not required to post collateral. The discussion includes “sample audit procedures from both the lender’s perspective and the borrower’s perspective.”

Other Resources: For more information, see the [press release](#) on the AICPA’s Web site.

CAQ

CAQ Releases Fall 2025 Audit Partner Pulse Survey*

Affects: Auditors.

Summary: On December 4, 2025, the Center for Audit Quality (CAQ) released its [audit partner pulse survey](#) for the fall of 2025. The survey is conducted biannually to solicit the views of audit partners at “leading public company audit firms” regarding the current business climate. Key findings of the fall 2025 survey include:

- Compared with the spring 2025 survey, there was a decline in pessimism and increase in optimism and neutrality regarding the state of the U.S. economy; however, the results also revealed that “the profession has not yet returned to the confidence levels seen in late 2024.”
- The top risks identified were “regulatory ambiguity and trade tensions,” whereas “recession” was cited as the greatest concern in the spring survey.
- Investments in AI continue to increase despite the cost cuts that companies are making in other areas of their businesses; in general, AI investments are being “viewed less as discretionary spending and more as essential to long-term efficiency and resilience.”

CAQ Releases 2025 Audit Committee Transparency Barometer*

Affects: Auditors and audit committees.

Summary: On December 4, 2025, the CAQ released its [Audit Committee Transparency Barometer 2025](#). This publication, which has been released annually since 2014, “analyzes audit committee disclosures of companies in the S&P 1500.” In addressing this year’s findings, the CAQ observed that “while skills matrix disclosure continues at high rates and disclosure of cybersecurity expertise on boards has grown, most disclosure areas have stagnated or declined, providing audit committees with an opportunity to enhance transparency about their evolving oversight responsibilities.”

Other Resources: For more information, see the [press release](#) on the CAQ’s Web site.

- [PCAOB Issues Publication on Conversations With Audit Committee Chairs](#)
- [PCAOB Releases Staff Publications](#)
- [PCAOB Releases Spotlight Report on Using the Work of Specialists](#)

CAQ Issues Discussion Document on Monitoring Inflation in Certain Countries

Affects: All entities.

Summary: In July 2025, the CAQ released a May 2025 [discussion document](#)³⁰ that provides “a framework for compiling inflation data to assist registrants in monitoring inflation statistics in connection with their determination of the inflationary status of countries in which they have operations.”

Developed by the CAQ’s International Practices Task Force, the discussion document categorizes countries on the basis of “their cumulative inflation rates and the implementation guidance in ASC 830.” The document also identifies countries in which “projected cumulative inflation rates would have been categorized into categories considering the guidance in ASC 830 and in circumstances where there was not consistent reliable data.”

CAQ Releases Publication on Auditor’s Role in Reporting Climate-Related Information

Affects: Auditors of public companies.

Summary: In April 2025, the CAQ released a [publication](#)³¹ that provides auditors of public companies with “insight into the demand for reliable climate-related information and [highlights] the critical role that auditors can play in a public company’s reporting of climate-related information, not only as it affects the audit of the financial statements and internal control over financial reporting (ICFR) but also separate, standalone reporting of climate-related information.”

CAQ Releases Revised Edition of Report on Audit Committee Practices

Affects: Audit committees.

Summary: On February 12, 2025, the CAQ, in coordination with Deloitte’s Center for Board Effectiveness, published the fourth edition of its [Audit Committee Practices Report](#). The purpose of the publication is to “provide directors — especially audit committee members — and governance professionals with insights into relevant priorities, challenges, and opportunities.”

Other Resources: For more information, see the [press release](#) on the CAQ’s Web site.

PCAOB

PCAOB Releases Investor Bulletin on Inspections*

Affects: Registered public accounting firms.

Summary: On November 18, 2025, the PCAOB released an [investor bulletin](#) that gives a brief overview of the Board’s inspection process. Topics addressed in the bulletin include the nature of the audit firms the PCAOB inspects, focus areas of the Board’s inspections, and the contents of its inspection reports.

³⁰ CAQ Discussion Document, *Monitoring Inflation in Certain Countries*.

³¹ CAQ Publication, *The Role of the Auditor in Climate-Related Information*.

PCAOB Releases Data Points Publications*

Affects: Registered public accounting firms.

Summary: In September and October 2025, the PCAOB released the following publications as part of its new *Data Points* series:

- [Financial Restatements and Auditor Turnover](#) (October 15, 2025) — Notes that the rate of “Big R” restatements (i.e., restatements disclosed in Item 4.02 of an SEC Form 8-K) was approximately 3 percent per year for the period from 2005 to 2024. Further, around 30 percent of such restatements were associated with a prior-year change of auditor, compared with an 11 percent auditor-change rate in the general population (i.e., including entities with no “Big R” restatements).
- [Auditors of SPACs at IPO](#) (October 1, 2025) — Provides data on initial public offerings (IPOs) of special-purpose acquisition companies (SPACs), as listed on U.S. exchanges between January 2015 and August 2025. The data include “the IPO date, the SPAC business location, and the auditor at the IPO date.”
- [Who Audits Emerging Growth Companies?](#) (September 17, 2025) — The data in this publication — which are based on financial statement filings with the SEC between May 16, 2022, and November 15, 2023 — show that larger firms (i.e., “firms that have issued audit reports for more than 100 issuer audit clients in a given year”) perform most audits of emerging growth companies.

Other Resources: For more information, see the [September 17, October 1, and October 15, 2025](#), press releases on the PCAOB’s Web site.

PCAOB Releases Policy Statement and Staff Guidance on Evaluating Reliability of External Information Provided in Electronic Form*

Affects: Registered public accounting firms.

Summary: On September 18, 2025, the PCAOB released a [policy statement](#)³² to help auditors implement paragraph .10A of AS 1105³³ (on audit evidence), which was added as part of the Board’s June 2024 [amendments](#)³⁴ to the standard. Paragraph .10A “requires auditors to evaluate the reliability of external electronic information provided by the company by: (a) obtaining an understanding of the source and of the company’s process for receiving, maintaining, and processing the information; and (b) testing the information or the relevant controls.” The policy statement focuses on the testing requirements in paragraph .10A(b), since additional implementation guidance has particularly been requested on these requirements.

In addition, on October 1, 2025, the PCAOB released [staff guidance](#)³⁵ that contains several examples illustrating the implementation of the requirements in paragraph .10A. Specifically, the examples describe “the auditor’s procedures to obtain an understanding of the company’s process” under the new requirements.

Other Resources: For more information, see the press releases on the [policy statement](#) and the [staff guidance](#) on the PCAOB’s Web site.

³² PCAOB Release No. 2025-004, *Policy Statement Regarding Implementation of Paragraph .10A of AS 1105*, Audit Evidence.

³³ PCAOB Auditing Standard 1105, *Audit Evidence*.

³⁴ PCAOB Release No. 2024-007, *Amendments Related to Aspects of Designing and Performing Audit Procedures That Involve Technology-Assisted Analysis of Information in Electronic Form*.

³⁵ PCAOB Staff Guidance, *Insights for Auditors: Examples of Evaluating the Reliability of External Information Provided by the Company in Electronic Form*.

PCAOB Releases Publication on Review Engagements Related to Exemption Reports

Affects: Registered public accounting firms.

Summary: On September 11, 2025, the PCAOB released a [publication](#)³⁶ on review engagements related to exemption reports as part of its new *Broker-Dealer Audit Focus* series. The PCAOB is releasing the publication in response to the deficiencies it has continued to observe in auditors' application of the review procedures mandated by Attestation Standard 2.³⁷ Accordingly, the publication "highlights key reminders for auditors from AT No. 2, provides the staff's perspectives on common deficiencies observed in auditors' work, and shares good practices that staff has observed."

Other Resources: For more information, see the [press release](#) on the PCAOB's Web site.

PCAOB Postpones Effective Date of Quality Control Standard

Affects: Registered public accounting firms.

Summary: On August 28, 2025, the PCAOB announced that it has postponed — from December 15, 2025, to December 15, 2026 — the effective date of [QC 1000](#)³⁸ (released in May 2024). Among other things, QC 1000 requires "all PCAOB registered firms to identify their specific risks and design a [quality control] system that includes policies and procedures to guard against those risks." The one-year postponement is intended to give firms that have found it challenging to implement the standard's requirements enough time to address such challenges.

Other Resources: For more information, see the [press release](#) on the PCAOB's Web site.

PCAOB Releases Investor Bulletin on Auditor's Professional Responsibilities

Affects: Registered public accounting firms.

Summary: On July 22, 2025, the PCAOB released an [investor bulletin](#)³⁹ on the importance of the auditor's responsibilities and ethics to audit integrity. Specific topics covered include the auditor's exercise of professional judgment, independence, integrity and objectivity, and professional skepticism. The investor bulletin also discusses how the PCAOB helps "protect investors and further the public interest" through standard setting and rulemaking, inspections, and enforcement.

PCAOB Releases Annual Report on Interim Inspection Program Related to Audits of Brokers and Dealers

Affects: Registered public accounting firms.

Summary: On June 13, 2025, the PCAOB released its [annual report](#)⁴⁰ on its interim inspection program related to audits of broker-dealers. The report's purpose is to promote the PCAOB's "goal of driving improvement in audit quality to protect investors and increase transparency in reporting inspection results and delivering useful guidance to the audit profession."

The report indicates that the PCAOB continues to observe high rates of deficiencies in certain areas, such as examination, review, and audit engagements.

Other Resources: For more information, see the [press release](#) on the PCAOB's Web site.

³⁶ PCAOB Publication, *Broker-Dealer Audit Focus: Review Engagements Regarding Exemption Reports*.

³⁷ PCAOB Attestation Standard No. 2, *Review Engagements Regarding Exemption Reports of Brokers and Dealers*.

³⁸ PCAOB Quality Control Standard 1000, *A Firm's System of Quality Control*.

³⁹ PCAOB Investor Bulletin, *The Importance of Auditor Professional Responsibilities and Ethics*.

⁴⁰ PCAOB Release No. 2025-002, *Annual Report on the Inspection Program Related to Audits of Brokers and Dealers*.

PCAOB Issues Publication on Conversations With Audit Committee Chairs

Affects: Registered public accounting firms.

Summary: On May 15, 2025, the PCAOB released a [spotlight publication](#)⁴¹ that provides “high-level observations and takeaways” from the Board’s conversations with more than 200 audit committee chairs during 2024. These conversations revealed that some of the most frequent topics that audit committees discussed with auditors were:

- Factors that affect the audit committee’s relationship with the audit firm (e.g., communication, coordination, technical expertise).
- Reviews of PCAOB audit firm inspection reports.
- Economic and geopolitical considerations related to the audit.
- How existing audit and accounting standards are applied to the audit.
- The use of emerging technologies as part of the audit.

The report also contains FAQs related to certain topics that audit committees discussed with the PCAOB during the conversations, such as how audits are selected for review, what an inspection consists of, and whether the PCAOB conducts trainings or events for members of audit committees.

Other Resources: For more information, see the [press release](#) on the PCAOB’s Web site.

PCAOB Releases Staff Publications

Affects: Registered public accounting firms.

Summary: Throughout 2025, the PCAOB released a number of staff publications as part of its *Audit Focus* series, including the following:

- [Engagement Acceptance](#) (July) — Discusses the standards that govern an audit firm’s decision of whether to undertake a particular engagement and contains key reminders for a firm to consider in making this decision. It emphasizes that “firms have a responsibility to undertake only those engagements that they can reasonably expect to be completed with professional competence.”
- [Auditing Accounting Estimates](#) (May) — Contains “key reminders for auditors from the PCAOB standards related to auditing accounting estimates, provides the staff’s perspectives on common deficiencies in auditors’ work, and shares good practices that the staff has observed.”
- [Form AP](#) (March) — Provides “key reminders for auditors from the PCAOB rules, standards, and staff guidance related to Form AP; provides the staff’s perspectives on common deficiencies in auditors’ work; and shares good practices that the staff has observed.”
- [Journal Entries](#) (January) — Addresses auditors’ responsibilities related to examining “journal entries and other adjustments for evidence of possible material misstatement due to fraud.” Specifically, the publication “highlights key reminders for auditors from the PCAOB standards related to testing of journal entries, provides the staff’s perspective on common deficiencies made by auditors, and shares good practices that PCAOB staff has observed.”

Other Resources: For more information see the [July 7](#), [May 21](#), [March 13](#), and [January 16, 2025](#), press releases on the PCAOB’s Web site.

⁴¹ PCAOB Spotlight, *2024 Conversations With Audit Committee Chairs*.

PCAOB Releases Spotlight Report on Using the Work of Specialists

Affects: Registered public accounting firms.

Summary: On February 4, 2025, the PCAOB released a [spotlight report](#)⁴² that highlights considerations related to using the work of specialists in public-company and broker-dealer audits. The report notes that specialists are increasingly being used by (1) companies to develop accounting estimates and (2) auditors to develop and obtain audit evidence. Given this “rise in the frequency and significance of the use of the work of specialists,” the PCAOB is publishing the report in an effort to ensure that audit firms follow “appropriate procedures” in using their work.

Other Resources: For more information, see the [press release](#) on the PCAOB’s Web site.

⁴² PCAOB Spotlight, *Considerations for Audit Firms Using the Work of Specialists*.

Regulatory and Compliance Developments

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- [Digital Assets](#)
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- [SEC](#)
 - [SEC Makes Various Statements on Crypto Assets*](#)
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 - [SEC and CFTC Further Extend Compliance Date for Amendments to Form PF](#)
 - [SEC Releases Policy Statement Related to Mandatory Arbitration Provisions and Makes Corresponding Amendments to Rules of Practice](#)
 - [SEC and CFTC Release Joint Statement on Regulatory Harmonization](#)
 - [SEC Launches Crypto Assets, AI, and Fraud Task Forces](#)

Digital Assets

GENIUS Act Signed Into Law

Affects: All entities.

Summary: On July 18, 2025, President Trump signed into law the [GENIUS Act](#), which establishes the first U.S. regulatory framework for payment stablecoins. The GENIUS Act defines a payment stablecoin, in part, as “a digital asset (i) that is, or is designed to be, used as a means of payment or settlement; and (ii) the issuer of which (I) is obligated to convert, redeem, or repurchase for a fixed amount of monetary value, not including a digital asset denominated in a fixed amount of monetary value; and (II) represents that such issuer will maintain, or create the reasonable expectation that it will maintain, a stable value relative to the value of a fixed amount of monetary value.” In the words of SEC Commissioner Hester Peirce, the passage of the GENIUS Act is intended to “serve as a catalyst for the SEC to provide guidance on how SEC registrants can use — and accommodate their customers’ use of — payment stablecoins.”

SEC

SEC Makes Various Statements on Crypto Assets*

Affects: SEC registrants.

Summary: On December 15, 2025, the SEC’s Crypto Task Force hosted a [roundtable](#) to address how to preserve Americans’ privacy while protecting investors in the age of crypto assets. In his [remarks](#) at the roundtable, SEC Chairman Paul Atkins framed the issue primarily as achieving a balance between trusting Americans to “manage their own affairs” and providing enough regulatory support so that the federal government can counter potential national security threats posed by crypto technology.

Further, on November 12, 2025, Mr. Atkins gave a [speech](#) at the Federal Reserve Bank of Philadelphia in which he discussed the SEC’s approach to digital assets. He referred to this approach as “Project Crypto” and described it as the Commission’s “effort to match the energy of American innovators with a regulatory framework worthy of them.” Specific topics Mr. Atkins addressed in this speech included uncertainties related to whether crypto assets are securities, the importance of developing a “coherent token taxonomy” for crypto assets, and the need for the SEC to preserve “integrity and intelligibility” in establishing a crypto asset framework while simultaneously supporting freedom and innovation.

In addition, the staff in the SEC’s Division of Corporation Finance (the “Division”) released a number of statements on crypto assets during 2025. Topics addressed in these statements included the following:

- [Liquid staking](#) (August 5) — “Liquid staking” can be defined as a type of protocol staking in which owners of covered crypto assets deposit such assets with a third-party provider of protocol staking services and receive newly created crypto assets in return to demonstrate that the deposited assets, as well as any rewards that accrue to them, are owned by the depositors. Among other views, the Division staff expresses its belief that liquid staking activities (as defined in the statement) associated with protocol staking “do not involve the offer and sale of securities” under the Securities Act of 1933 or the Securities Exchange Act of 1934 and, accordingly, do not need to be registered with the SEC.

- [SEC Approves Orders Related to Permitting In-Kind Creations and Redemptions for Crypto Exchange-Traded Product Shares](#)
- [SEC Releases Status Report on Final Rule on Climate-Related Disclosures](#)
- [SEC Extends Date for Compliance With Amendments to Broker-Dealer Customer Protection Rule](#)
- [SEC Releases Reports on Capital Formation and Beneficial Ownership](#)
- [SEC Withdraws Statement on Broker-Dealer Custody of Digital Asset Securities](#)
- [SEC Releases Reports on Key Aspects of Markets for Public Issuers](#)
- [SEC Extends Effective and Compliance Dates for Requirements Related to Registered Investment Companies](#)
- [SEC Releases Reports Related to Registered Investment Companies and Money Market Funds](#)
- [SEC Extends Compliance Dates for Amendments to Investment Company "Names Rule"](#)
- [SEC Expands Accommodations Related to Submission of Draft Registration Statements](#)
- [SEC Creates Cyber and Emerging Technologies Unit](#)
- [SEC Releases Staff Legal Bulletin 14M](#)
- [SEC Grants Temporary Exemption From Complying With Final Rule on Short Selling](#)
- [SEC Issues Annual Staff Report on NRSROs](#)
- [SEC Rescinds Guidance on Safeguarding Crypto Assets](#)
- [Exchange-traded products](#) (July 1) — This statement clarifies the views of the Division staff on applying the “federal securities laws to offerings and registrations of securities by issuers of crypto asset exchange-traded products.” Specifically, the statement addresses the staff’s “observations regarding disclosure practices in [its] reviews of crypto asset ETP filings [as well as its] views about certain specific questions that market participants have presented to the staff.” The statement focuses on disclosures that issuers are required to provide “on the outside front cover page of the prospectus related to the offering.” Topics addressed in the statement include disclosure requirements related to the prospectus summary; risk factors; description of a business; the trust’s service providers, custody of the trust’s assets, and fees and expenses; the description of the issuer’s securities; the plan of distribution for the securities; and information about the issuer’s directors, executive officers, and significant employees.
- [Protocol staking activities](#) (May 29) — This statement is part of the Division’s broader effort to clarify current regulations pertaining to crypto assets. Staking activities within the scope of the statement include those “that are intrinsically linked to the programmatic functioning of a public, permissionless network, and are used to participate in and/or earned for participating in such network’s consensus mechanism or otherwise used to maintain and/or earned for maintaining the technological operation and security of such network.” The Division staff expresses the view that protocol staking activities, as defined in the statement, are not subject to the Securities Act of 1933 for registration purposes because they “do not involve the offer and sale of securities” under Section 2(a)(1) of the act.
- [Offerings and registrations of securities in crypto asset markets](#) (April 10) — This statement covers “the application of certain disclosure requirements under the federal securities laws to offerings and registrations of securities in the crypto asset markets.” Specifically, the statement discusses the Division’s views on (1) “certain disclosure requirements set forth in Regulation S-K as they apply to Securities Act registration forms (such as Form S-1) and Exchange Act registration forms (such as Form 10)” and (2) “certain disclosure requirements of Form 20-F when used by foreign private issuers to register classes of securities under the Exchange Act, and Form 1-A for offerings exempt from registration under Regulation A.”
- [Stablecoins](#) (April 4) — Stablecoins can broadly be defined as “a type of crypto asset designed to maintain a stable value relative to a reference asset.” This statement specifically applies to “covered stablecoins,” which “are designed to maintain a stable value relative to the United States Dollar, or ‘USD,’ on a one-for-one basis, can be redeemed for USD on a one-for-one basis (i.e., one stablecoin to one USD), and are backed by assets held in a reserve that are considered low-risk and readily liquid with a USD-value that meets or exceeds the redemption value of the stablecoins in circulation.” In the statement, the Division expresses its view that transactions involving the offer or sale of covered stablecoins do not need to be registered with the SEC under the Securities Act of 1933 because they do not constitute an offer or sale of securities under the act. Other topics addressed in this statement include the characteristics and marketing of covered stablecoins, how proceeds related to sales of covered stablecoins are used to “acquire assets that are then held in a pooled account” (also known as a “reserve”), and a legal analysis that refers to two U.S. Supreme Court cases to demonstrate why the Division believes that covered stablecoins should not be considered securities.
- [Proof-of-work mining activities](#) (March 20) — In this statement, the Division staff discusses some of its views on crypto asset “mining,” which refers to “certain activities on proof-of-work networks.” In particular, the statement focuses on “protocol mining,” which can be described as “the mining of crypto assets that are intrinsically linked to the programmatic functioning of a public, permissionless network, and are used to participate in and/or earned for participating in such network’s consensus mechanism

or otherwise used to maintain and/or earned for maintaining the technological operation and security of such network.” The statement further indicates that the views expressed therein only apply to two types of protocol mining: (1) “self (or solo) mining” and (2) “mining pools.” Importantly, the Division expresses its view that protocol mining activities do not need to be registered with the SEC because they do not constitute an offer or sale of securities under either the Securities Act of 1933 or the Securities Exchange Act of 1934.

- **Meme coins** (February 27) — This statement addresses some of the Division’s views on “meme coins,” which can be broadly defined as “a type of crypto asset [footnote omitted] inspired by internet memes, characters, current events, or trends for which the promoter seeks to attract an enthusiastic online community to purchase the meme coin and engage in its trading.” The Division clarifies its position that the federal securities laws generally do not apply to meme coins because they typically do not meet the definition of a “security” under the Securities Exchange Act of 1934. Therefore, transactions involving the sale or offer of meme coins generally do not need to be registered with the SEC, nor do the federal securities laws provide protections for purchasers or holders of such coins.

Also, on September 2, 2025, the staffs in the SEC’s Division of Trading and Markets and the Commodity Futures Trading Commission’s (CFTC’s) Division of Market Oversight and Division of Clearing and Risk released a [joint statement](#) addressing the trading of certain spot crypto asset products. In the statement, the staffs express their view that “SEC- and CFTC-registered exchanges are not prohibited from facilitating the trading of certain spot commodity products.” The [press release](#) on the joint statement indicates that the statement is part of the staffs’ efforts to promote innovation in the crypto asset markets by coordinating “to promote trading venue choice and optionality for market participants.”

SEC Releases Statement Related to Exclusion of Shareholder Proposals Under Rule 14a-8*

Affects: SEC registrants.

Summary: On November 17, 2025, the Division released a [statement](#) regarding “its role in the Rule 14a-8 process for the 2025-2026 proxy season.” Specifically, the Division decided that it will “not respond to no-action requests for, and express no views on, companies’ intended reliance on any basis for exclusion of shareholder proposals under Rule 14a-8, other than no-action requests to exclude a proposal under Rule 14a-8(i)(1).” The Division indicates that the reason for this decision is based on, among other things, “current resource and timing considerations following the lengthy government shutdown.”

SEC Updates Financial Reporting Manual*

Affects: SEC registrants.

Summary: In the third and fourth quarters of 2025, the SEC released three updates to its Financial Reporting Manual, which contains [revisions](#) made as of December 4, August 22, and June 30, 2025. The revisions include:

- Conforming changes to reflect amendments made by SEC Final Rule 33-10786⁴³ to specified SEC Regulation S-X rules containing guidance on real estate and other topics.
- Revisions in response to recently issued PCAOB standards that clarify the involvement of independent accountants.

⁴³ SEC Final Rule Release No. 33-10786, *Amendments to Financial Disclosures About Acquired and Disposed Businesses*.

- Changes to reflect amendments made by SEC Final Rule 33-10890⁴⁴ to certain Regulation S-K rules.
- Removal of certain sections and subsections in Topic 2, “Other Financial Statements Required.” Section 2900, “Businesses (Including Real Estate Operations) Acquired or To-Be-Acquired,” has also been updated to reflect relevant material from these sections and subsections.
- Updates to reflect the March 2020 amendments made by SEC Final Rule 33-10762⁴⁵ related to guarantors and issuers of guaranteed securities.
- Changes related to the May 2020 amendments made by SEC Final Rule 33-10786 on financial disclosures about acquired and disposed-of businesses.

SEC’s Division of Examinations Releases Priorities for 2026*

Affects: SEC registrants.

Summary: On November 17, 2025, the SEC’s Division of Examinations released its [priorities](#) for fiscal year 2026. The purpose of the publication is “provide transparency to registrants and investors about the topics that the Division plans to focus on in the new fiscal year and to encourage firms to direct their compliance efforts on areas of potentially heightened risk.”

Other Resources: For more information, see the [press release](#) on the SEC’s Web site.

SEC Releases Post-Shutdown FAQs*

Affects: SEC registrants.

Summary: On November 13, 2025, the SEC’s Division of Corporation Finance (the “Division”) released a series of [FAQs](#)⁴⁶ to provide guidance to issuers that filed registration statements with the Commission during the U.S. government shutdown, which lasted from October 1, 2025, to November 12, 2025. The purpose of the FAQs was to answer questions regarding any “pending filings,” given that more than 900 registration statements were filed during the shutdown, resulting in a “backlog of filings” that “the Division staff is working expeditiously to clear.”

SEC Grants Exemptive Relief Related to Consolidated Audit Trail*

Affects: SEC registrants.

Summary: On September 30, 2025, the SEC released an [order](#)⁴⁷ that grants “conditional exemptive relief related to certain requirements of the National Market System Plan governing the Consolidated Audit Trail (CAT NMS Plan), Rule 613 of Regulation NMS, and Rule 17a-1 under the Securities Exchange Act of 1934.” Specifically, self-regulatory organizations that are participants in such a plan are permitted to “expeditiously and meaningfully reduce the operating costs of the consolidated audit trail (CAT) while maintaining core regulatory functionality.”

Other Resources: For more information, see the [press release](#) on the SEC’s Web site.

⁴⁴ SEC Final Rule Release No. 33-10890, *Management’s Discussion and Analysis, Selected Financial Data, and Supplementary Financial Information*.

⁴⁵ SEC Final Rule Release No. 33-10762, *Financial Disclosures About Guarantors and Issuers of Guaranteed Securities and Affiliates Whose Securities Collateralize a Registrant’s Securities*.

⁴⁶ SEC FAQs, *Division of Corporation Finance: Guidance After Government Shutdown*.

⁴⁷ SEC Release No. 34-104144, *Order Granting Conditional Exemptive Relief, Pursuant to Section 36(a)(1) of the Securities Exchange Act of 1934 (“Exchange Act”) and Rule 608(e) of Regulation NMS Thereunder, From Certain Requirements of the National Market System Plan Governing the Consolidated Audit Trail, Rule 613 of Regulation NMS, and Rule 17a-1 Under the Exchange Act*.

SEC Continues Ongoing Efforts Related to Implementing Treasury Clearing Rules*

Affects: SEC registrants.

Summary: On August 6, 2025, the staff in the SEC’s Division of Trading and Markets released responses to [FAQs](#) “that broker-dealers have posed to the staff regarding rule amendments to the customer protection rule related to the clearing of U.S. Treasury securities.” Topics covered in the FAQs include:

- Application of customer reserve formulas related to cleared U.S. Treasury securities.
- Credits in customer reserve formulas related to an Item 15 debit.
- Prefunding customer margin requirements with cash or U.S. Treasury securities owned by a broker-dealer.
- Use of customers’ securities to meet a margin requirement.
- Excess margin collateral.
- Mark-to-market or variation margin payments.
- Customers who borrow against other customer collateral to meet a qualified clearing agency’s margin requirement.
- PAB account holders and the PAB reserve formula.

In addition, on September 30, 2025, the SEC posted to its Web site an [information page](#) on its December 2023 [final rule](#)⁴⁸ that amends the standards that apply to covered clearing agencies for U.S. Treasury securities. In February 2025, the SEC had [extended the final rule’s compliance dates](#) “by one year, from December 31, 2025, to December 31, 2026, for eligible cash market transactions, and from June 30, 2026, to June 30, 2027, for eligible repo transactions.”

Further, the SEC released an [FAQ](#) on the “definition of an eligible secondary market transaction” under Rule 17ad-22 of the Securities Exchange Act of 1934, which is a topic associated with the central clearing of U.S. Treasury securities.

Other Resources: For more information, see the [February 25, August 6, and September 30, 2025](#), press releases on the SEC’s Web site.

SEC Requests Feedback on Rules Related to Residential Mortgage-Backed and Asset-Backed Securities*

Affects: SEC registrants.

Summary: On September 26, 2025, the SEC issued a [concept release](#)⁴⁹ to request feedback on potential enhancements to its rules for residential mortgage-backed and asset-backed securities. Specifically, the Commission is trying to assess “whether to amend the asset-level disclosure requirements for residential mortgage-backed securities in Item 1125 of Regulation AB and whether to revise generally the definition of ‘asset-backed security’ and/or other definitions in Item 1101 of Regulation AB.” The SEC is hoping that the information it gathers will help “expand issuer and investor access to the registered asset-backed securities markets and facilitate enhanced capital formation and liquidity while maintaining appropriate investor protections.”

Comments on the concept release were due by December 1, 2025.

Other Resources: For more information, see the [press release](#) on the SEC’s Web site.

⁴⁸ SEC Final Rule Release No. 34-99149, *Standards for Covered Clearing Agencies for U.S. Treasury Securities and Application of the Broker-Dealer Customer Protection Rule With Respect to U.S. Treasury Securities*.

⁴⁹ SEC Release No. 33-11391, *Concept Release on Residential Mortgage-Backed Securities Disclosures and Enhancements to Asset-Backed Securities Registration*.

SEC and CFTC Further Extend Compliance Date for Amendments to Form PF

Affects: Investment advisers.

Summary: On September 17, 2025, the SEC and CFTC issued a [final rule](#)⁵⁰ that announced a further extension of the compliance date for their February 2024 [joint amendments](#)⁵¹ to Form PF — that is, “the confidential reporting form for certain SEC-registered investment advisers to private funds, including those that also are registered with the CFTC as a commodity pool operator . . . or a commodity trading adviser.” The compliance date, which was originally March 12, 2025, was previously extended to June 12, 2025, and October 1, 2025, and is now being extended by an additional year to October 1, 2026. The additional extension is intended to give the SEC “time to complete a substantive review of Form PF in accordance with a Presidential Memorandum and take any further appropriate actions, which may include proposing new amendments to Form PF.”

Other Resources: For more information, see the [press release](#) on the SEC’s Web site.

SEC Releases Policy Statement Related to Mandatory Arbitration Provisions and Makes Corresponding Amendments to Rules of Practice

Affects: SEC registrants.

Summary: On September 17, 2025, the SEC released a [policy statement](#)⁵² to clarify that “the presence of a provision requiring arbitration of investor claims arising under the Federal securities laws will not impact decisions regarding whether to accelerate the effectiveness of a registration statement.” Therefore, in deciding whether a registration statement’s effectiveness should be accelerated, the SEC staff “will focus on the adequacy of the registration statement’s disclosures, including disclosure regarding the arbitration provision.”

In addition, the SEC released a related [final rule](#)⁵³ that amends its rules of practice associated with “procedures governing Commission review of staff actions made pursuant to delegated authority in connection with the determination of the effective dates of registration statements and post-effective amendments and the determination of the dates and times of qualification of an offering statement and post-qualification amendments under Regulation A.” According to SEC Commissioner [Mark Uyeda](#), the amendments “reflect the fact that an automatic stay of the staff’s determination to accelerate effectiveness or to qualify an offering statement after sales have commenced would be highly disruptive to the distribution process.”

The policy statement and final rule became effective on September 19, 2025.

Other Resources: For more information, see the [press release](#) on the SEC’s Web site.

SEC and CFTC Release Joint Statement on Regulatory Harmonization

Affects: All entities.

Summary: On September 5, 2025, SEC Chairman Paul Atkins and CFTC Chairman Caroline Pham released a [joint statement](#) on “regulatory harmonization opportunities.” Specifically, the statement focuses on the importance of the two agencies’ collaboration as part of their regulatory efforts to foster “innovation in both new markets and new products.” Topics covered in the statement include bringing American innovation home, expanding market

⁵⁰ SEC and CFTC Final Rule Release No. IA-6919, *Form PF; Reporting Requirements for All Filers and Large Hedge Fund Advisers; Further Extension of Compliance Date*.

⁵¹ SEC and CFTC Final Rule Release No. IA-6546, *Form PF; Reporting Requirements for All Filers and Large Hedge Fund Advisers*.

⁵² SEC Final Rule Release No. 33-11389, *Acceleration of Effectiveness of Registration Statements of Issuers With Certain Mandatory Arbitration Provisions*.

⁵³ SEC Final Rule Release No. 34-103980, *Amendments to the Commission’s Rules of Practice*.

trading hours, event contracts, perpetual contracts, portfolio margining, and innovation exemptions related to decentralized finance.

The SEC and CFTC also held a [roundtable](#) on regulatory harmonization on September 29, 2025.

Other Resources: For more information, see the [press release](#) on the SEC's Web site.

SEC Launches Crypto Assets, AI, and Fraud Task Forces

Affects: SEC registrants.

Summary: On January 21, 2025, SEC Acting Chairman Mark Uyeda announced that the Commission has established a new crypto assets task force that is responsible for “developing a comprehensive and clear regulatory framework for crypto assets.” Specifically, the task force “will collaborate with Commission staff and the public to set the SEC on a sensible regulatory path that respects the bounds of the law.” SEC Commissioner Hester Peirce is leading the task force.

Further, on August 1, 2025, the SEC announced that it has launched an AI task force. The task force’s purpose is to “centralize the agency’s efforts and enable internal cross-agency and cross-disciplinary collaboration to navigate the AI lifecycle, remove barriers to progress, focus on AI applications that maximize benefits, and maintain governance.”

The SEC also announced on September 5, 2025, that it has established a cross-border task force whose objective is to “strengthen and enhance the Division of Enforcement’s efforts to identify and combat cross-border fraud harming U.S. investors.” In the words of SEC Chairman Paul Atkins, the task force “will consolidate SEC investigative efforts and allow the SEC to use every available tool to combat transnational fraud.”

Other Resources: For more information, see the [January 21](#), [August 1](#), and [September 5](#) press releases on the SEC's Web site.

SEC Approves Orders Related to Permitting In-Kind Creations and Redemptions for Crypto Exchange-Traded Product Shares

Affects: SEC registrants.

Summary: On July 29, 2025, the SEC approved orders permitting “in-kind creations and redemptions by authorized participants for crypto asset exchange-traded product (ETP) shares.” Under the orders, creations and redemptions for bitcoin and ether ETPs, which were previously limited to an in-cash basis, would be consistent with those for other SEC-approved, commodity-based ETPs (i.e., the creations and redemptions would be permitted on an in-kind basis). In voicing support for the orders, SEC Division of Trading and Markets Director Jamie Selway stated that this is “an important development for the growing marketplace for crypto-based ETPs” since “[i]n-kind creation and redemption provide flexibility and cost savings to ETP issuers, authorized participants, and investors, resulting in a more efficient market.”

Other Resources: For more information, see the [press release](#) on the SEC's Web site.

SEC Releases Status Report on Final Rule on Climate-Related Disclosures

Affects: SEC registrants.

Summary: On July 23, 2025, in response to an April 2025 order from the U.S. Court of Appeals for the Eighth Circuit, the SEC released a [status report](#) on its March 2024 [final rule](#)⁵⁴ on climate-related disclosures. The SEC had voluntarily stayed the rule in April 2024 pending the results of ongoing litigation associated with the rule's requirements. Further, the Commission voted to [end its defense](#) of the final rule in March 2025. In the status report, the SEC reiterated that it "does not intend to review or reconsider the [final rule] at this time" but asked the court to "proceed with the litigation and decide the case."

Further, on September 12, 2025, the Eighth Circuit Court of Appeals [ordered](#) the litigation to be held in abeyance until the SEC either reconsiders the rule or renews its defense of the rule.

SEC Extends Date for Compliance With Amendments to Broker-Dealer Customer Protection Rule

Affects: SEC registrants.

Summary: On June 25, 2025, the SEC released a [final rule](#)⁵⁵ that extends — from December 31, 2025, to June 30, 2026 — the date for compliance with amendments to Rule 15c3-3 (known as the broker-dealer customer protection rule). The amendments "require certain broker-dealers to increase the frequency of required reserve computations under Rule 15c3-3 from weekly to daily." The extension is intended to give broker-dealers more time "to make any necessary systems or operational changes to implement a daily computation requirement and test their new daily processes for compliance."

Other Resources: For more information, see the [press release](#) on the SEC's Web site.

SEC Releases Reports on Capital Formation and Beneficial Ownership

Affects: SEC registrants.

Summary: On May 28, 2025, the SEC released several reports that "provide the public with information on capital formation and beneficial ownership of qualifying private funds." The three reports are as follows:

- [Analysis of the Regulation A Market: A Decade of Regulation A](#) — Contains "statistics on the state of the Regulation A offering exemption over the past decade," documenting "the level of offering activity and reported proceeds [as well as] the characteristics of issuers and offerings relying on this exemption."
- [Analysis of Crowdfunding Under the JOBS Act](#) — Analyzes "offering activity in the Title III securities-based crowdfunding market based on the data in SEC filings between May 16, 2016 (effective date of Regulation Crowdfunding) and December 31, 2024."
- [Beneficial Ownership Concentration and Fund Outcomes for Qualifying Hedge Funds](#) — Includes "statistics describing the relationship between beneficial ownership concentration and fund outcomes for qualifying hedge funds ('QHF') and their advisers from 2013 to 2023."

Other Resources: For more information, see the [press release](#) on the SEC's Web site.

⁵⁴ SEC Final Rule Release No. 33-11275, *The Enhancement and Standardization of Climate-Related Disclosures for Investors*.

⁵⁵ SEC Final Rule Release No. 33-103320, *Extension of Compliance Date for Required Daily Computation of Customer and Broker-Dealer Reserve Requirements Under the Broker-Dealer Customer Protection Rule*.

SEC Withdraws Statement on Broker-Dealer Custody of Digital Asset Securities

Affects: SEC registrants.

Summary: On May 15, 2025, the SEC's Division of Trading and Markets and Financial Industry Regulatory Authority released a [joint statement](#) in which they announced that they have withdrawn their July 8, 2019, [statement](#) on the application of the federal securities regulations to broker-dealer custody of digital asset securities. The withdrawal became effective immediately upon issuance of the May 15 statement.

SEC Releases Reports on Key Aspects of Markets for Public Issuers

Affects: SEC registrants.

Summary: On April 28, 2025, the SEC released a series of reports containing data and analysis related to key aspects of markets that affect public issuers. Topics addressed in the reports include commercial mortgage-backed securities, asset-backed securities, money market funds, and security-based swaps. The objective of the reports is to “increase transparency and understanding of our capital markets amongst the public.”

Other Resources: For more information, see the [press release](#) on the SEC's Web site.

SEC Extends Effective and Compliance Dates for Requirements Related to Registered Investment Companies

Affects: SEC registrants.

Summary: On April 16, 2025, the SEC released a [final rule](#)⁵⁶ that extends the effective and compliance dates for its August 2024 [final rule](#)⁵⁷ amending the requirements related to the information that registered investment companies (e.g., registered open-end funds, registered closed-end funds, unit investment trusts) report on Forms N-PORT and N-CEN. The amendments “require more frequent reporting of monthly portfolio holdings and related information to the Commission and the public, . . . amend certain reporting requirements relating to entity identifiers,” and “require open-end funds to report information about service providers used to comply with liquidity risk management program requirements.”

The purpose of the extension is to “provide time for the Commission to complete its review [of the amendments] in accordance with the Presidential Memorandum and take any further appropriate actions, which may include proposed amendments to Form N-PORT.”

Next Steps: The compliance dates will be extended by two years. Accordingly, the new dates will be (1) November 17, 2027, for larger fund groups (previously November 17, 2025) and (2) May 18, 2028, for smaller fund groups (previously May 18, 2026).

Other Resources: For more information, see the [press release](#) on the SEC's Web site.

⁵⁶ SEC Final Rule Release No. IC-35538, *Form N-PORT and Form N-CEN Reporting: Guidance on Open-End Fund Liquidity Risk Management Programs; Delay of Effective and Compliance Dates*.

⁵⁷ SEC Final Rule Release No. IC-35308, *Form N-PORT and Form N-CEN Reporting: Guidance on Open-End Fund Liquidity Risk Management Programs*.

SEC Releases Reports Related to Registered Investment Companies and Money Market Funds

Affects: SEC registrants.

Summary: On April 14, 2025, the SEC released the following two reports related to registered investment companies and money market funds:

- [Annual Registered Investment Company Update](#) — Provides “insights into the service providers used by investment companies, the assets they manage, and certain activities they undertake (such as securities lending).”
- [Money Market Fund Statistics](#) — Constitutes “an enhanced version of the money market funds report generated by the Division of Investment Management [and] contains additional statistical analysis and enhancements, as well as certain metrics based on Form N-MFP data.”

Other Resources: For more information, see the [press release](#) on the SEC’s Web site.

SEC Extends Compliance Dates for Amendments to Investment Company “Names Rule”

Affects: Investment companies.

Summary: On March 14, 2025, the SEC announced that it has [extended the compliance dates](#) for its September 2023 [final rule](#)⁵⁸ that amends the “Names Rule” under the Investment Company Act of 1940, which “addresses fund names that are likely to mislead investors about a fund’s investments and risks.” Specifically, the compliance dates are being extended by six months — from December 11, 2025, to June 11, 2026, for larger fund groups and from June 11, 2026, to December 11, 2026, for smaller fund groups.

The SEC is hoping that the extension will “balance the investor benefit of the amended Names Rule framework with funds’ needs for additional time to implement the amendments properly, develop and finalize their compliance systems, and test their compliance plans.

Other Resources: For more information, see the [press release](#) on the SEC’s Web site.

SEC Expands Accommodations Related to Submission of Draft Registration Statements

Affects: SEC registrants.

Summary: On March 3, 2025, the Division [announced](#) that it “is expanding the accommodations available for issuers that submit draft registration statements for nonpublic review.” Specifically, the accommodation enhancements are intended to “expand the types of forms eligible to be submitted as draft registration statements for nonpublic review and permit reporting companies to submit draft registration statements for nonpublic review regardless of how much time has passed since their initial public offering.”

The SEC believes that the expanded accommodations will “facilitate capital formation, without diminishing investor protection.”

Other Resources: For more information, see the [press release](#) on the SEC’s Web site.

⁵⁸ SEC Final Rule Release No. 33-11238, *Investment Company Names*.

SEC Creates Cyber and Emerging Technologies Unit

Affects: SEC registrants.

Summary: On February 20, 2025, the SEC announced that it has created a Cyber and Emerging Technologies Unit (CETU) whose focus is to combat “cyber-related misconduct and . . . protect retail investors from bad actors in the emerging technologies space.” The CETU, which is a replacement of the Crypto Assets and Cyber Unit, consists of a number of attorneys and fraud specialists from various SEC offices.

The CETU’s priorities will include, among other things, misconduct related to emerging technologies (e.g., AI), social media use, hacking, crypto assets and blockchain technology, false or misleading cybersecurity disclosures, and lack of compliance with cybersecurity regulations.

Other Resources: For more information, see the [press release](#) on the SEC’s Web site.

SEC Releases Staff Legal Bulletin 14M

Affects: SEC registrants.

Summary: On February 12, 2025, the Division released [Staff Legal Bulletin \(SLB\) No. 14M](#) as part of its continuing effort “to provide guidance on important issues” under Rule 14a-8 of the Securities Exchange Act of 1934. Rule 14a-8 permits companies to omit shareholder proposals from their proxy statements when the proposals concern the companies’ “ordinary business operations.”

Specifically, SLB 14M rescinds the previous interpretive guidance in SLB 14L (released in November 2021), under which the determination of whether a shareholder proposal is significant enough to be included in a company’s proxy statement would not be confined to the company’s own circumstances but would extend to a consideration of whether an issue has a significant social impact. SLB 14M would revert to views expressed in certain SLBs before SLB 14L, emphasizing that a company’s own “facts and circumstances” should be the key factor in the determination of whether a particular shareholder proposal should be excluded.

Note that SLBs constitute the Division’s views but do not carry legal force and are not rules or regulations of the SEC.

SEC Grants Temporary Exemption From Complying With Final Rule on Short Selling

Affects: Institutional investment managers.

Summary: On February 7, 2025, the SEC released an [order](#)⁵⁹ that grants a temporary exemption from complying with the requirements in Exchange Act Rule 13f-2 and the related Form SHO, which were added as part of the SEC’s October 13, 2023, [final rule](#)⁶⁰ on short selling. The final rule requires “institutional investment managers that meet or exceed certain thresholds to report on Form SHO specified short position data and short activity data for equity securities.”

The final rule became effective on January 2, 2024, and the original compliance date was January 2, 2025, with a due date of February 14, 2025, for initial Form SHO filings. Under the temporary exemption, the new due date for such filings will be February 17, 2026. The purpose of the extension is to give industry participants (e.g., institutional investment

⁵⁹ SEC Release No. 34-102380, *Order Granting Temporary Exemption Pursuant to Section 13(f)(3) of the Securities Exchange Act of 1934 From Compliance With Rule 13f-2 and Form SHO*.

⁶⁰ SEC Final Rule Release No. 34-98738, *Short Position and Short Activity Reporting by Institutional Investment Managers*.

managers) more time to “address operational issues relating to the implementation of Form SHO reporting.”

Other Resources: For more information, see the [press release](#) on the SEC’s Web site.

SEC Issues Annual Staff Report on NRSROs

Affects: SEC registrants.

Summary: On January 28, 2025, the staff in the SEC’s Office of Credit Ratings released its [annual report](#) on nationally recognized statistical rating organizations (NRSROs), also known as credit rating agencies. The purpose of the report is to summarize the Commission’s findings from its examinations of NRSROs and to discuss “the state of competition, transparency, and conflicts of interest” among these organizations.

Other Resources: For more information, see the [press release](#) on the SEC’s Web site.

SEC Rescinds Guidance on Safeguarding Crypto Assets

Affects: SEC registrants.

Summary: On January 23, 2025, the SEC issued [Staff Accounting Bulletin \(SAB\) No. 122](#), which rescinds the crypto asset guidance in SAB 121. Under SAB 121, an entity was required to recognize a liability and corresponding asset for its obligation to safeguard crypto assets for customers. Upon applying the rescission, “an entity that has an obligation to safeguard crypto-assets for others should determine whether to recognize a liability related to the risk of loss under such an obligation, and if so, the measurement of such a liability, by applying the recognition and measurement requirements for liabilities arising from contingencies in [ASC] 450-20, *Loss Contingencies*, or [IAS] 37, *Provisions, Contingent Liabilities and Contingent Assets*, under U.S. generally accepted accounting principles and IFRS Accounting Standards, respectively.”

Next Steps: Full retrospective application of SAB 122 is required for annual periods beginning after December 15, 2024, but entities are permitted to early adopt SAB 122 in any interim or annual financial statement period included in filings with the SEC on or after January 30, 2025.

Other Resources: Deloitte’s January 27, 2025, [Heads Up](#).

Appendix A: Significant Adoption Dates

The tables below describe significant adoption dates for FASB, PCAOB, AICPA, SEC, IASB, and ISSB standards. Content recently added or revised is highlighted in green.

| FASB | Effective Date for PBEs | Effective Date for Non-PBEs | Early Adoption Allowed (Yes/No) | Deloitte Resources |
|---|--|--|---------------------------------|---|
| Final Guidance | | | | |
| ASU 2025-12, <i>Codification Improvements</i> (issued December 17, 2025) | Annual periods beginning on or after December 15, 2026, including interim periods within those annual periods. | Annual periods beginning on or after December 15, 2026, including interim periods within those annual periods. | Yes | December 17, 2025, DART news item |
| ASU 2025-11, <i>Interim Reporting (Topic 270): Narrow-Scope Improvements</i> (issued December 8, 2025) | Interim periods within annual periods beginning after December 15, 2027. | Interim periods within annual periods beginning after December 15, 2028. | Yes | December 8, 2025, Heads Up |
| ASU 2025-10, <i>Accounting for Government Grants Received by Business Entities</i> (issued December 4, 2025) | Annual periods beginning after December 15, 2028, including interim periods within those annual periods. | Annual periods beginning after December 15, 2029, including interim periods within those annual periods. | Yes | December 4, 2025, Heads Up |
| ASU 2025-09, <i>Hedge Accounting Improvements</i> (issued November 25, 2025) | Annual periods beginning after December 15, 2026, including interim periods within those annual periods. | Annual periods beginning after December 15, 2027, including interim periods within those annual periods. | Yes | November 25, 2025, Heads Up |
| ASU 2025-08, <i>Purchased Loans</i> (issued November 12, 2025) | Annual periods beginning after December 15, 2026, including interim periods within those annual periods. | Annual periods beginning after December 15, 2026, including interim periods within those annual periods. | Yes | November 13, 2025, Heads Up |
| ASU 2025-07, <i>Derivatives Scope Refinements and Scope Clarification for Share-Based Noncash Consideration from a Customer in a Revenue Contract</i> (issued September 29, 2025) | Annual periods beginning after December 15, 2026, including interim periods within those annual periods. | Annual periods beginning after December 15, 2026, including interim periods within those annual periods. | Yes | September 29, 2025, Heads Up |
| ASU 2025-06, <i>Targeted Improvements to the Accounting for Internal-Use Software</i> (issued September 18, 2025) | Annual periods beginning after December 15, 2027, including interim periods within those annual periods. | Annual periods beginning after December 15, 2027, including interim periods within those annual periods. | Yes | September 18, 2025, Heads Up |
| ASU 2025-05, <i>Measurement of Credit Losses for Accounts Receivable and Contract Assets</i> (issued July 30, 2025) | Annual periods beginning after December 15, 2025, including interim periods within those annual periods. | Annual periods beginning after December 15, 2025, including interim periods within those annual periods. | Yes | July 31, 2025, Heads Up |

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|---|--|--|-----|---|
| ASU 2025-04, <i>Clarifications to Share-Based Consideration Payable by a Customer</i> (issued May 15, 2025) | Annual periods beginning after December 15, 2026, including interim periods within those annual periods. | Annual periods beginning after December 15, 2026, including interim periods within those annual periods. | Yes | May 16, 2025, Heads Up |
| ASU 2025-03, <i>Determining the Accounting Acquirer in the Acquisition of a Variable Interest Entity</i> (issued May 12, 2025) | Annual periods beginning after December 15, 2026, including interim periods within those annual periods. | Annual periods beginning after December 15, 2026, including interim periods within those annual periods. | Yes | May 30, 2025, Heads Up |
| ASU 2025-02, <i>Liabilities (Topic 405): Amendments to SEC Paragraphs Pursuant to SEC Staff Accounting Bulletin No. 122</i> (issued March 18, 2025) | Effective upon issuance. | N/A | N/A | March 24, 2025, DART news item and January 27, 2025, Heads Up |
| ASU 2025-01, <i>Expense Disaggregation Disclosures (Subtopic 220-40): Clarifying the Effective Date</i> (issued January 6, 2025) | This ASU amends the effective date of ASU 2024-03. See effective date information for ASU 2024-03 below. | N/A | N/A | November 8, 2024 (updated January 21, 2025), Heads Up |
| ASU 2024-04, <i>Debt — Induced Conversions of Convertible Debt Instruments</i> (issued November 26, 2024) | Annual periods beginning after December 15, 2025, including interim periods within those annual periods. | Annual periods beginning after December 15, 2025, including interim periods within those annual periods. | Yes | December 3, 2024, Heads Up |
| ASU 2024-03, <i>Disaggregation of Income Statement Expenses</i> (issued November 4, 2024; effective date amended by ASU 2025-01) | Annual periods beginning after December 15, 2026, and interim periods within annual reporting periods beginning after December 15, 2027. | N/A | Yes | November 8, 2024 (updated January 21, 2025), Heads Up |
| ASU 2024-02, <i>Codification Improvements — Amendments to Remove References to the Concepts Statements</i> (issued March 29, 2024) | Fiscal years beginning after December 15, 2024. | Fiscal years beginning after December 15, 2025. | Yes | April 24, 2024, Heads Up |
| ASU 2024-01, <i>Scope Application of Profits Interest and Similar Awards</i> (issued March 21, 2024) | Annual periods beginning after December 15, 2024, including interim periods within those annual periods. | Annual periods beginning after December 15, 2025, including interim periods within those annual periods. | Yes | March 22, 2024, Heads Up |
| ASU 2023-09, <i>Improvements to Income Tax Disclosures</i> (issued December 14, 2023) | Annual periods beginning after December 15, 2024. | Annual periods beginning after December 15, 2025. | Yes | May 20, 2025, Heads Up |

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|---|---|---|-----|---|
| ASU 2023-06, <i>Disclosure Improvements — Codification Amendments in Response to the SEC’s Disclosure Update and Simplification Initiative</i> (issued October 9, 2023) | For entities subject to the SEC’s existing disclosure requirements and for entities required to file or furnish financial statements with or to the SEC in preparation for the sale of or for purposes of issuing securities that are not subject to contractual restrictions on transfer, the date on which the SEC’s removal of that related disclosure from Regulation S-X or Regulation S-K becomes effective. If the SEC has not removed the applicable requirement from Regulation S-X or Regulation S-K by June 30, 2027, the ASU will not become effective. | Two years after the SEC’s removal of the related disclosure from Regulation S-X or Regulation S-K becomes effective. If the SEC has not removed the applicable requirement from Regulation S-X or Regulation S-K by June 30, 2027, the ASU will not become effective. | No | October 12, 2023, Heads Up |
| ASU 2023-05, <i>Business Combinations — Joint Venture Formations (Subtopic 805-60): Recognition and Initial Measurement</i> (issued August 23, 2023) | Prospectively for all joint venture formations with a formation date on or after January 1, 2025. | Prospectively for all joint venture formations with a formation date on or after January 1, 2025. | Yes | September 8, 2023, Heads Up |
| ASU 2022-05, <i>Transition for Sold Contracts</i> (issued December 15, 2022) | Fiscal years beginning after December 15, 2022, and interim periods within those fiscal years. | Fiscal years beginning after December 15, 2024, and interim periods within fiscal years beginning after December 15, 2025. | Yes | |
| ASU 2020-11, <i>Financial Services — Insurance (Topic 944): Effective Date and Early Application</i> (issued November 5, 2020) | This ASU amends the effective date of ASU 2018-12 and makes targeted improvements. See effective date information for ASU 2018-12 below. | This ASU amends the effective date of ASU 2018-12 and makes targeted improvements. See effective date information for ASU 2018-12 below. | Yes | |
| ASU 2019-09, <i>Financial Services — Insurance (Topic 944): Effective Date</i> (issued November 15, 2019) | This ASU amends the effective date of ASU 2018-12. See effective date information for ASU 2018-12 below. | This ASU amends the effective date of ASU 2018-12. See effective date information for ASU 2018-12 below. | N/A | November 2019 Insurance Spotlight |
| ASU 2018-12, <i>Targeted Improvements to the Accounting for Long-Duration Contracts</i> (issued August 15, 2018; effective date amended by ASU 2019-09 and ASU 2020-11) | For PBEs that meet the definition of an SEC filer, excluding entities eligible to be smaller reporting companies as defined by the SEC, the amendments in this ASU are effective for fiscal years beginning after December 15, 2022, and interim periods within those fiscal years. | Fiscal years beginning after December 15, 2024, and interim periods within fiscal years beginning after December 15, 2025. | Yes | August 2018 and November 2019 Insurance Spotlight newsletters |

| PCAOB | Effective Date for PBEs | Deloitte Resources |
|--|--|---|
| Final Guidance | | |
| Release No. 2024-011, <i>Constructive Requests to Withdraw From Registration</i> (issued November 14, 2024, and approved by the SEC on January 2, 2025) | Beginning with annual reports and annual fees that are due in 2025. | November 15, 2024, DART news item |
| Release No. 2024-007, <i>Amendments Related to Aspects of Designing and Performing Audit Procedures That Involve Technology-Assisted Analysis of Information in Electronic Form</i> (issued June 12, 2024, and approved by the SEC on August 20, 2024) | Financial statement audits for fiscal years beginning on or after December 15, 2025. | June 18, 2024, Heads Up |
| Release No. 2024-005, <i>A Firm's System of Quality Control and Other Amendments to PCAOB Standards, Rules, and Forms</i> (issued May 13, 2024, and approved by the SEC on September 9, 2024) | December 15, 2025. The PCAOB has postponed the effective date of QC 1000 and related amendments until December 15, 2026, subject to SEC approval. | June 18, 2024, Heads Up |
| Release No. 2024-004, <i>General Responsibilities of the Auditor in Conducting an Audit and Amendments to PCAOB Standards</i> (issued May 13, 2024, and approved by the SEC on August 20, 2024) | The amendments are effective for financial statement audits for fiscal years beginning on or after December 15, 2024, except that the 14-day documentation completion requirement is effective for financial statement audits for fiscal years beginning on or after December 15, 2025, for accounting firms that issued audit reports for not more than 100 issuers during the calendar year ending on December 31, 2024. | June 18, 2024, Heads Up |
| Release No. 2023-008, <i>The Auditor's Use of Confirmation, and Other Amendments to PCAOB Standards</i> (issued September 28, 2023, and approved by the SEC on December 1, 2023) | Financial statement audits for fiscal years ending on or after June 15, 2025. | November 10, 2023, Heads Up |

| AICPA | Effective Date for Non-PBEs | Deloitte Resources |
|--|---|---|
| Final Guidance | | |
| SSAE 23, <i>Amendments to the Attestation Standards for Consistency With the Issuance of AICPA Standards on Quality Management</i> (issued June 10, 2024) | Engagements performed in accordance with Statements on Standards for Attestation Engagements beginning on or after December 15, 2025. | May 17, 2024, DART news item |
| SAS 149, <i>Special Considerations — Audits of Group Financial Statements (Including the Work of Component Auditors and Audits of Referred-to Auditors)</i> (issued March 6, 2023) | Group financial statement audits for periods ending on or after December 15, 2026. | March 9, 2023, DART news item |
| SAS 146, <i>Quality Management for an Engagement Conducted in Accordance With Generally Accepted Auditing Standards</i> (issued June 1, 2022) | Audits of financial statements for periods beginning on or after December 15, 2025. | June 3, 2022, DART news item |

| SEC | Effective Date | Deloitte Resources |
|---|-----------------------|--|
| Final Guidance | | |
| Final Rule, <i>Technical Amendments to Commission Forms</i> (34-104349) (issued December 9, 2025) | December 11, 2025. | |
| Final Rule, <i>Extension of Compliance Date for Disclosure of Order Execution Information</i> (34-104147) (issued September 30, 2025) | October 2, 2025. | |
| Final Rule, <i>Commission's Rules of Practice</i> (34-103980) (issued September 17, 2025) | September 19, 2025. | September 18, 2025, DART news item |
| Final Rule, <i>Form PF; Reporting Requirements for All Filers and Large Hedge Fund Advisers; Further Extension of Compliance Date</i> (IA-6919) (issued September 17, 2025) | September 19, 2025. | September 18, 2025, DART news item |

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| Final Rule, <i>Extension of Compliance Dates for Electronic Submission of Certain Materials Under the Securities Exchange Act of 1934; Amendments Regarding the FOCUS Report</i> (33-11386) (issued September 8, 2025) | September 10, 2025. | |
| Final Rule, <i>Extension of Compliance Date for Required Daily Computation of Customer and Broker-Dealer Reserve Requirements Under the Broker-Dealer Customer Protection Rule</i> (34-103320) (issued June 25, 2025) | July 1, 2025. | June 27, 2025, DART news item |
| Final Rule, <i>Adoption of Updated EDGAR Filer Manual</i> (33-11378) (issued June 16, 2025) | July 1, 2025. | |
| Final Rule, <i>Withdrawal of Proposed Regulatory Actions</i> (33-11377) (issued June 12, 2025) | June 17, 2025. | June 13, 2025, DART news item |
| Final Rule, <i>Form PF; Reporting Requirements for All Filers and Large Hedge Fund Advisers; Further Extension of Compliance Date</i> (IA-6883) (issued June 11, 2025) | | June 13, 2025, DART news item |
| Final Rule, <i>Form N-PORT and Form N-CEN Reporting; Guidance on Open-End Fund Liquidity Risk; Delay of Effective and Compliance Dates</i> (IC-35538) (issued April 16, 2025) | | April 17, 2025, DART news item |
| Final Rule, <i>Form PF; Reporting Requirements for All Filers and Large Hedge Fund Advisers</i> (IA-6865) (issued March 18, 2025) | October 1, 2025. | |
| Final Rule, <i>Adoption of Updated EDGAR Filer Manual</i> (33-11369) (issued March 17, 2025) | April 18, 2025. | |
| Final Rule, <i>Investment Company Names; Extension of Compliance Date</i> (33-11368) (issued March 14, 2025) | March 20, 2025. | March 17, 2025, DART news item |
| Final Rule, <i>Delegation of Authority to Director of the Division of Enforcement</i> (33-11366) (issued March 10, 2025) | March 14, 2025. | |

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| Final Rule, <i>Extension of Compliance Dates for Standards for Covered Clearing Agencies for U.S. Treasury Securities and Application of the Broker-Dealer Customer Protection Rule With Respect to U.S. Treasury Securities</i> (34-102487) (issued February 25, 2025) | March 4, 2025. | February 27, 2025, DART news item |
| Final Rule, <i>Technical Amendments to Commission Rules and Forms</i> (33-11361) (issued January 17, 2025) | February 18, 2025. | |
| Final Rule, <i>Daily Computation of Customer and Broker-Dealer Reserve Requirements Under the Broker-Dealer Customer Protection Rule</i> (34-102022) (issued December 20, 2024) | March 14, 2025. | December 20, 2024, DART news item |
| Final Rule, <i>Electronic Submission of Certain Materials Under the Securities Exchange Act of 1934; Amendments Regarding the FOCUS Report</i> (33-11342) (issued December 16, 2024) | March 24, 2025. | December 17, 2024, DART news item |
| <i>Adoption of Updated EDGAR Filer Manual</i> (33-11341) (issued December 16, 2024) | January 30, 2025. | |
| Final Rule, <i>Covered Clearing Agency Resilience and Recovery and Wind-Down Plans</i> (34-101446) (issued October 25, 2024) | January 17, 2025. | October 28, 2024, DART news item |
| Final Rule, <i>EDGAR Filer Access and Account Management</i> (33-11313) (issued September 27, 2024) | March 24, 2025. | September 30, 2024, DART news item |
| Final Rule, <i>Form N-PORT and Form N-CEN Reporting; Guidance on Open-End Fund Liquidity Risk Management Programs</i> (IC-35308) (issued August 28, 2024) | The amendments to Forms N-PORT and N-CEN, and amendatory instruction 2 to 17 CFR 270.30b1-9, will become effective on November 17, 2027. Amendatory instruction 3 to 17 CFR 270.30b1-9 will become effective on May 18, 2028. | August 29, 2024, DART news item |

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| Final Rule, <i>The Enhancement and Standardization of Climate-Related Disclosures for Investors</i> (33-11275) (issued March 6, 2024) | Stayed by the SEC pending the completion of judicial review. | March 6, 2024 (updated April 8, 2024) , and March 15, 2024 (updated April 8, 2024) , <i>Heads Up</i> newsletters |
| Final Rule, <i>Investment Company Reporting Modernization</i> (33-10442) (issued December 8, 2017) | January 16, 2018, through March 31, 2026. | |

| IASB | Effective Date | Early Adoption (Yes/No) | Deloitte Resources |
|--|---|-------------------------|--|
| Final Guidance | | | |
| <i>Disclosures About Uncertainties in the Financial Statements</i> (issued November 28, 2025) | Immediately. | Not applicable | November 28, 2025, iGAAP in Focus |
| <i>Amendments to IFRS 19 Subsidiaries Without Public Accountability: Disclosures</i> (issued August 21, 2025) | Annual reporting periods beginning on or after January 1, 2027. | Yes | August 21, 2025 (updated October 30, 2025), iGAAP in Focus |
| <i>Contracts Referencing Nature-Dependent Electricity</i> — amendments to IFRS 9 and IFRS 7 (issued December 18, 2024) | Annual reporting periods beginning on or after January 1, 2026. | Yes | January 16, 2025, iGAAP in Focus |
| <i>Annual Improvements to IFRS Accounting Standards</i> (issued July 18, 2024) | Annual reporting periods beginning on or after January 1, 2026. | Yes | July 23, 2024, iGAAP in Focus |
| <i>Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)</i> (issued May 30, 2024) | Annual reporting periods beginning on or after January 1, 2026. | Yes | June 4, 2024, iGAAP in Focus |
| IFRS 19, <i>Subsidiaries Without Public Accountability: Disclosures</i> (issued May 9, 2024) | Annual reporting periods beginning after January 1, 2027. | Yes | May 14, 2024, iGAAP in Focus |
| IFRS 18, <i>Presentation and Disclosure in Financial Statements</i> (issued April 9, 2024) | Annual reporting periods beginning on or after January 1, 2027. | Yes | April 12, 2024, iGAAP in Focus |
| <i>Lack of Exchangeability</i> — amendments to IAS 21 (issued August 15, 2023) | Annual reporting periods beginning on or after January 1, 2025. | Yes | August 23, 2023, iGAAP in Focus |

Appendix B: Current Status of FASB Projects

This appendix summarizes the current status and next steps for the FASB's active standard-setting projects (excluding research initiatives). New projects are shaded in [green](#).

| Project | Status and Next Steps | Deloitte Resources |
|--|--|--|
| Recognition and Measurement Projects | | |
| Accounting for debt exchanges | On April 30, 2025, the FASB issued a proposed ASU under which a debt exchange transaction involving the issuance of a new debt obligation with multiple creditors should be accounted for as a debt extinguishment and the issuance of new debt when the following conditions are met: (1) the existing debt has been repaid in accordance with its contractual terms or repurchased at market terms and (2) the new debt was issued at market terms as part of the issuer's customary marketing process. Comments were due by May 30, 2025. On September 3, 2025, the FASB discussed feedback received and directed the staff to draft a final ASU for a vote by written ballot. The ASU is expected to be issued in the first quarter of 2026. | <i>Heads Up</i> — <i>FASB Proposes Guidance on Accounting for Debt Exchanges</i> (April 30, 2025) |
| Accounting for environmental credit programs | On December 17, 2024, the FASB issued a proposed ASU that would provide recognition, measurement, and disclosure guidance for entities that purchase or hold environmental credits or have a regulatory compliance obligation that may be settled with environmental credits. Comments were due by April 15, 2025. On August 13, 2025, the FASB discussed feedback received and directed the staff to draft a final ASU for a vote by written ballot. For PBEs, the ASU will be effective for annual reporting periods beginning after December 15, 2027, including interim reporting periods within those annual reporting periods. For all other entities, the ASU will be effective for annual reporting periods beginning after December 15, 2028, including interim reporting periods within those annual reporting periods. The ASU is expected to be issued in the first quarter of 2026. | <i>Heads Up</i> — <i>FASB Releases Proposed ASU on the Accounting for Environmental Credit Programs</i> (December 20, 2024) |
| Accounting for government grants | On December 4, 2025, the FASB issued ASU 2025-10 on the accounting for the recognition, measurement, and presentation of government grants received by business entities (e.g., transfers of monetary and tangible nonmonetary assets, including forgivable loans). The ASU is effective for annual reporting periods (including interim periods within annual reporting periods) beginning after (1) December 15, 2028, for PBEs and (2) December 15, 2029, for non-PBEs. Early adoption is permitted. | <i>Heads Up</i> — <i>FASB Issues Guidance on the Accounting for Government Grants</i> (December 4, 2025) |
| Accounting for transfers of crypto assets | On November 19, 2025, the FASB added to its technical agenda a project on accounting for crypto asset transfers. | <i>Heads Up</i> — <i>FASB Adds to Its Technical Agenda Another Project on the Accounting for Crypto Assets</i> (November 20, 2025) |

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| Codification improvements | <p>The FASB has a standing project on its agenda to make regular updates and improvements to the Codification (e.g., technical corrections and clarifications).</p> <p>On January 22, 2025, the FASB issued a proposed ASU to address various issues. Comments were due by April 22, 2025. On December 17, the FASB released ASU 2025-12 related to this project. The ASU is effective for annual reporting periods beginning after December 15, 2026, including interim reporting periods within those annual reporting periods. Entities are permitted to early adopt the amendments “in both interim and annual reporting periods in which financial statements have not yet been issued or made available for issuance.”</p> | |
| Equity method of accounting — targeted improvements | <p>On November 12, 2025, the FASB added a project to its technical agenda to improve the accounting for equity method investments.</p> | |
| Financial instruments: credit losses — purchased financial assets | <p>On November 12, 2025, the FASB issued ASU 2025-08, which expands the scope of the purchased credit-deteriorated accounting model to purchased seasoned loans, excluding credit cards. The ASU is effective prospectively for annual reporting periods beginning after December 15, 2026, including interim reporting periods within those periods; early adoption is permitted.</p> | <p><i>Heads Up</i> — FASB Amends the Accounting for Purchased Loans (November 13, 2025)</p> |
| Measurement of paid-in-kind (PIK) dividends on equity-classified preferred stock | <p>On September 30, 2025, the FASB issued a proposed ASU on the measurement of PIK dividends on equity-classified preferred stock under which such dividends would be measured on the basis of the stated PIK dividend rate. Comments on the proposal were due by October 27, 2025.</p> | <p><i>Heads Up</i> — FASB Proposes Guidance on Measurement of Paid-in-Kind Dividends on Equity-Classified Preferred Stock (September 30, 2025)</p> |
| ASC 815 — derivatives scope refinements | <p>On September 29, 2025, the FASB issued ASU 2025-07, which refines the scope of ASC 815 by incorporating a scope exception for contracts with underlyings based on the operations or activities that are specific to one of the parties to the contract and clarify the interaction between ASC 606 and other Codification topics with respect to the accounting for the grantee of a share-based payment in a contract with a customer. The ASU is effective for annual reporting periods (including interim reporting periods within those periods) beginning after December 15, 2026, for all entities, with early adoption permitted.</p> | <p><i>Heads Up</i> — FASB Amends Guidance on Derivatives Scope Refinements and Provides Scope Clarification for Share-Based Noncash Consideration From a Customer in a Revenue Contract (September 29, 2025)</p> |
| ASC 815 — hedge accounting improvements | <p>On November 25, 2025, the FASB issued ASU 2025-09 which amends some aspects of the hedge accounting guidance in ASC 815 to address issues raised by stakeholders. The ASU is effective for annual reporting periods (including interim those periods within annual reporting periods) beginning after (1) December 15, 2026, for PBEs and (2) December 15, 2027, for non-PBEs. Early adoption is permitted.</p> | <p><i>Heads Up</i> — FASB Amends Guidance on Hedge Accounting (November 25, 2025)</p> |

Presentation and Disclosure Projects

Accounting for certain digital assets as cash equivalents

On October 29, 2025, the FASB added a project to its technical agenda to clarify whether certain digital assets may be classified as cash equivalents.

Heads Up — FASB Adds Project on Stablecoins to Technical Agenda (October 31, 2025)

Interim reporting — narrow-scope improvements

On December 8, 2025, the FASB issued [ASU 2025-11](#) to clarify and improve the interim reporting requirements in ASC 270. The ASU is effective for interim reporting periods within annual reporting periods beginning after December 15, 2027, for PBEs and for interim reporting periods within annual reporting periods beginning after December 15, 2028, for other entities, with early adoption permitted.

Heads Up — FASB Amends Guidance on Interim Reporting (December 8, 2025)

Statement of cash flows — targeted improvements

On November 8, 2023, the FASB [decided](#) to add to its technical agenda a project in which targeted improvements would be made to the statement of cash flows. Initially, the scope of the project is limited to (1) reorganizing and disaggregating the statement of cash flows for financial institutions and (2) developing disclosures about an entity's cash interest income received.

Appendix C: New and Updated Deloitte U.S. Accounting Publications

Roadmap Series

Income Taxes (December 2025)

Business Combinations (November 2025)

Impairments and Disposals of Long-Lived Assets and Discontinued Operations (November 2025)

Revenue Recognition (November 2025)

SEC Comment Letter Considerations, Including Industry Insights (November 2025)

Derivatives (November 2025)

Equity Method Investments and Joint Ventures (November 2025)

Hedge Accounting (October 2025)

Earnings per Share (October 2025)

Non-GAAP Financial Measures and Metrics (October 2025)

Heads Up Newsletters

Highlights of the 2025 AICPA & CIMA Conference on Current SEC and PCAOB Developments (December 12, 2025)

Summary of the 2025 AICPA & CIMA Conference on Current SEC and PCAOB Developments (December 11, 2025)

FASB Amends Guidance on Interim Reporting (December 8, 2025)

FASB Issues Guidance on the Accounting for Government Grants (December 4, 2025)

FASB Amends Guidance on Hedge Accounting (November 25, 2025)

FASB Adds to Its Technical Agenda Another Project on the Accounting for Crypto Assets (November 20, 2025)

FASB Amends the Accounting for Purchased Loans (November 13, 2025)

FASB Adds Project on Stablecoins to Technical Agenda (October 31, 2025)

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