



Legal Watch

SEC MEMORANDUM CIRCULAR NO. 16, SERIES OF 2026



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SUMMARY

The SEC has temporarily suspended the imposition and enforcement of the “per month of delay penalty” (Monthly Penalty) under SEC Memorandum Circular No. 06, Series of 2024 for the late or non-filing of Annual Financial Statements (AFS) and General Information Sheets (GIS). The measure was adopted in support of the government's 2026 Ease of Doing Business initiatives and is intended to reduce regulatory compliance burdens on corporations, including MSMEs.

The suspension applies to all domestic corporations (stock, non-stock, and one person corporations) and all stock and non-stock foreign corporations subject to MC No. 06-2024, regardless of capitalization, retained earnings, or prior violations. Importantly, the suspension covers only the monthly accrual penalty component; the underlying base fines for late or non-filing remain fully applicable.

The suspension applies prospectively and remains effective until 31 December 2026, after which the Monthly Penalty will automatically be reinstated unless the SEC issues a further extension or modification.

* Agency Name

Securities and Exchange
Commission (SEC)

* Issuance Title

Suspension of the Per Month of
Delay Penalty for Late and Non-
Filing of Reportorial
Requirements under SEC
Memorandum Circular No. 06,
Series of 2024

* Issuance Date

13 May 2026

* Link

[https://www.sec.gov.ph/
mc-2026/sec-mc-no-16-series-
of-2026](https://www.sec.gov.ph/mc-2026/sec-mc-no-16-series-of-2026)





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ACTIONABLE ADVICE

1. **Do not treat the suspension as a filing amnesty.** Corporations remain legally obligated to file their AFS and GIS within the prescribed periods under the Revised Corporation Code and SEC regulations. The suspension does not excuse non-compliance.
2. **Expect continued imposition of base penalties.** While the escalating monthly penalty has been suspended, corporations remain liable for the base fines applicable to late or non-filing under MC No. 06-2024.
3. **Review pending assessments.** Corporations with pending monitoring requests or unpaid assessments should determine whether the monthly penalty component may be removed from their computation pursuant to the Circular.

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