



FACT SHEET

Modernizing Filing Fee Disclosure and Payment Methods

The Securities and Exchange Commission (SEC) is amending most of its fee-bearing forms and schedules to require filers to present the information required for filing fee calculation in a separate exhibit structured in Inline eXtensible Business Reporting Language.

The amendments also modernize filing fee payment methods by adding options for Automated Clearing House (ACH) payments and debit and credit card payments and by eliminating infrequently used paper check and money order payment options.

Background

The Commission assesses filing fees on operating companies and investment companies (funds) that engage in certain transactions involving publicly offered securities, including registered securities offerings, tender offers, and mergers and acquisitions. The current methods to process and validate filing fee information are highly manual. The information generally is not machine-readable, and filers are not always required to report the underlying components of the fee calculation. Calculations can be difficult and prone to error. Correcting errors or reconciling inconsistencies in filing fee calculations can increase burdens on both the filer and SEC staff.

The final amendments update and improve the filing fee preparation to provide more certainty to filers that they have accurately calculated and paid the proper filing fee amount. The amendments will make the filing fee payment validation process more efficient by enabling Commission staff to use automated tools to help validate payment information.

Structured Reporting Format

Filers' presentation of filing fee-related information in one location in a structured format will help filers and Commission staff quickly identify and correct errors, as the Commission's electronic filing system (EDGAR) will automatically check the structured filing fee-related information for internal consistency. It also will eliminate filers' need to enter duplicate filing fee information in the header and the body of the filing, thereby avoiding the possibility of entering inconsistent data.

Filing Fee Payment Methods

Currently, filers may pay filing fees by wire transfer, paper check, or money order. Under the final amendments, filers will have four payment options: wire transfer, ACH, debit cards, and credit cards. ACH payments will not be subject to a processing fee, unless imposed by the filer's financial institution, and therefore typically will provide a lower cost alternative to wire transfer. ACH payments also will require fields—including the Central Index Key (CIK) field used to identify EDGAR filers—that will reduce the need for manual re-routing of filing fee payments.

What's Next?

The amendments generally will be effective on Jan. 31, 2022. The amendments that will add or eliminate payment options will be effective on May 31, 2022. Pursuant to the transition provision, large accelerated filers will become subject to the structuring requirements for filings they submit on or after 30 months after the Jan. 31, 2022 effective date. Accelerated filers, certain investment companies that file registration statements on Forms N-2 and N-14, and all other filers will become subject to the structuring requirements for filings they submit on or after 42 months after the Jan. 31, 2022 effective date. Compliance with the amended disclosure requirements other than the structuring requirements will be mandatory on the Jan. 31, 2022 effective date.