Proposed Accounting Standards Update, Business Combinations (Topic 805), Pushdown Accounting

Question Text	Response
* Please select the type of entity or individual responding to this feedback form.	User
Other, please specify (Specified)	
* Please provide contact information for any follow-up questions.	(Filled in as Follows:)
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Do you agree that the guidance in this proposed Update should apply to an acquired entity, both public and nonpublic, that is a business or nonprofit activity? If not, please explain why.	Yes. But not to private company acquirers
Do you agree that the threshold for the option to apply pushdown accounting should be when an acquirer has obtained control of the entity? If not, what would be a more appropriate threshold for the option to apply pushdown accounting and why	Yes

would that threshold be more appropriate?	
Do you agree that pushdown accounting should be optional for an entity when control over the entity has been obtained by an acquirer? Alternatively, should pushdown accounting be mandatory for certain entities or certain transactions? If so, what types of entities or transactions should require a mandatory application of pushdown accounting?	No. In the interest of internal and external harmonization of ROI ALL entities MUST adopt. To not do so makes a mockery of the measurement principles.
Do you agree that an acquired entity that elects the option to apply pushdown accounting should reflect in its separate financial statements the new basis of accounting established by the acquirer for the individual assets and liabilities of the acquired entity by applying Topic 805. If the acquirer did not establish a new basis of accounting for the individual assets and liabilities of the acquired entity, should it reflect in its separate financial	I oppose the elecytion clause, as stated above. In the sad event that this escape clause is retained the acquired entity, should reflect in its separate financial statements the new basis of accounting that would have been established by the acquirer had the acquirer applied Topic 805

statements the new basis of accounting that would have been established by the acquirer had the acquirer applied Topic 805? If not, please explain why.	
Do you agree that an entity that elects the option to apply pushdown accounting should follow the subsequent measurement guidance in Topic 805 and other applicable U.S. GAAP to subsequently measure and account for its assets, liabilities, and equity instruments? If not, please explain why.	yes
Do you agree that an entity that elects the option to apply pushdown accounting should not recognize bargain purchase gains, if any, in its separate income statement? If not, please explain why.	yes
Do you agree that any acquisition- related debt incurred by the acquirer should be recognized in the acquired entity's separate financial statements only if the acquired entity is required to recognize a liability	yes

for the debt in accordance with other applicable U.S. GAAP? If not, please explain why.	
Should the final Accounting Standards Update on pushdown accounting include any additional guidance on recognition and measurement of assets, liabilities, and equity instruments of the acquired entity? If yes, please explain for which assets, liabilities, and equity instruments additional guidance should be provided.	Footnote in parent's books please. In event of pushdown accounting being afflicted on acquiree a clarifying Note to the Accounts to identify the assets , liabilities and equity instruments so affrected as well as those NOT afffected.
Do you agree that an entity that elects the option to apply pushdown accounting should provide the disclosures in Topic 805 to meet the disclosure objective in this proposed Update? Are there any disclosures, other than those required in Topic 805, that should be required by this proposed Update?	Yes but should be mandatory.
Do you agree that an entity that does not elect the option to apply pushdown accounting should disclose in the current reporting period that it has (a) undergone a	Yes

change-in-control event whereby an acquirer has obtained control of the entity during the reporting period and (b) elected to continue to prepare its financial statements using its historical basis that existed before the acquirer obtained control of the entity? Are there any other disclosures that an acquired entity that does not elect the option to apply pushdown accounting should be required to disclose?	
Do you agree that for purposes of disclosure requirements, an entity should assess at each reporting period whether its control has been obtained by an acquirer and whether it would elect the option to apply pushdown accounting? How much incremental cost and effort does such continuous assessment require?	YES. Cost must be weighed against benefits of providing investors with more information. Liasion with auditor over to evaluate incremental cost/benefit decision.
Do you agree that this proposed Update should be effective prospectively to transactions in which an acquirer has obtained	YES I oppose voluntary push down. Must be mandatory for transparency to lenders and investors.

control of the acquired entity? Do you also agree that an acquired entity should be allowed to elect the option to apply pushdown accounting each time it has undergone a change-in-control event whereby an acquirer has obtained control of the acquired entity? If not, please explain why.	
Do you agree that the decision about whether to elect the option to apply pushdown accounting should be made in the reporting period in which the change- in-control event occurs and should be irrevocable? If not, please explain why.	YES
Do you agree with the proposed consequential amendments to remove guidance in Subtopic 805-50 on application of pushdown accounting when an acquisition meets certain conditions (previously EITF Issue No. 86-9, "IRC Section 338 and Push-Down Accounting")? If not, please explain why.	YES

Please provide any additional comments on the proposed Update:	
Please provide any comments on the electronic feedback process:	works well
Below is a printable summary of your responses to the questions in this feedback form. You can revise your responses by clicking the "Back" button. All comments received constitute part of the FASB's public file. The FASB will make all comments publicly available by posting them to the Online Comment Letters portion of its website. If you are finished providing comments, click the 'Submit' button at the bottom of this page.	Not Answered