

The Groupon logo is displayed in white, bold, sans-serif capital letters on a dark grey rectangular background. This background is set against a green and white sunburst pattern that radiates from the top left corner of the page.

May 29, 2015

Ms. Susan Cospier
Technical Director
Financial Accounting Standards Board
401 Merritt 7
PO Box 5116
Norwalk, CT 06856-5116

RE: Proposed Accounting Standards Update: *"Income Taxes (Topic 740) – Balance Sheet Classification of Deferred Taxes"* (File Reference No. 2015-210)

Dear Ms. Cospier:

Groupon, Inc. appreciates the opportunity to respond to the Financial Accounting Standards Board's proposed Accounting Standards Update (ASU) regarding the balance sheet classification of deferred taxes.

We support the proposal to classify all deferred income tax assets and liabilities as noncurrent on the balance sheet. We do not believe that the existing requirements provide meaningful information to financial statement users due to the inconsistent requirements for classifying certain types of deferred tax assets and liabilities. Additionally, the existing requirements are complex and that complexity does not provide any related reporting benefits, as the balance sheet classification of deferred income taxes under the current guidance often does not align with the period(s) in which the tax-related cash flows will ultimately occur. The proposal will immediately reduce some of the complexity in accounting for deferred income taxes. We are also supportive of the proposal because it will result in closer alignment between U.S. GAAP and IFRS with respect to the accounting for income taxes.

Appendix A to this letter provides our responses to the Board's Questions for Respondents included in the Exposure Draft.

If you have any questions about our comments or wish to discuss any of the matters addressed throughout, please contact me at 312-334-1579.

Respectively submitted,

A handwritten signature in black ink, appearing to read "Brian Stevens", is written over a white, oval-shaped background.

Brian C. Stevens
Chief Accounting Officer
Groupon, Inc.

Appendix A: Responses to the questions set forth in the Exposure Draft

Question 1: *Should all deferred income tax liabilities and assets be presented as noncurrent in a classified statement of financial position? If not, why, and what alternatives should the Board consider, and what is the conceptual basis for the alternatives?*

Yes, for the reasons set forth in the body of this letter, we believe that all deferred income tax liabilities and assets should be presented as noncurrent in a classified statement of financial position.

Question 2: *Should the proposed guidance be applied on a prospective basis?*

Yes, we agree with permitting entities to apply the guidance on a prospective basis. However, we believe that entities should also be provided with an alternative of applying the guidance retrospectively to improve comparability of the balance sheet presentation.

Question 3: *Should the amendments in this proposed Update be effective for:*

a. Public business entities for annual periods, including interim periods within those annual periods, beginning after December 15, 2016?

b. All other entities for annual periods beginning after December 15, 2017, and interim periods in annual periods beginning after December 15, 2018, with early adoption permitted, but not before the effective date for public business entities?

We believe that the mandatory effective dates are appropriate. However, because we view the proposal as an improvement to current U.S. GAAP and we do not believe that the current classification guidance provides meaningful information, we encourage the Board to permit early adoption for public business entities.

Question 4: *What would be the expected transition costs of adopting the guidance in the proposed Update? What would be the expected recurring costs of applying the proposed guidance compared with the costs of applying current GAAP?*

We believe that there would be minimal transition costs associated with adopting the guidance in the proposed ASU and we expect that the recurring costs of applying the proposed guidance would be less than the costs of applying current U.S. GAAP.