



July 6, 2015

Via Email

Technical Director
File Reference No. 2015-260
Financial Accounting Standards Board
401 Merritt 7
P.O. Box 5116
Norwalk, CT 06856-5116

Re: File Reference No. 2015-260

Request for comments on Exposure Draft of Proposed Accounting Standards Update on Business Combinations (Topic 805) – Simplifying the Accounting for Measurement-Period Adjustments, or “the proposed update”

Visa Inc. is a global payments technology company that connects consumers, businesses, financial institutions and governments in more than 200 countries and territories to fast, secure and reliable electronic payments. We operate one of the world’s most advanced processing networks which facilitates authorization, clearing and settlement of payment transactions worldwide.

We are fully supportive of the Financial Accounting Standards Board (“FASB”)’s Simplification Initiative and we appreciate the opportunity to comment on the proposed update to simplify the accounting for measurement-period adjustments in business combinations. Our responses to the questions posed in the Exposure Draft are provided below.

Question 1: Should adjustments to provisional amounts and the corresponding adjustment to goodwill that are identified during the measurement period be recognized in the reporting period in which the adjustment amount is determined? Why or why not?

We agree with the FASB’s proposal that would require an acquirer in a business combination to recognize measurement-period adjustments during the period in which the amount of such adjustments is determined while eliminating the requirement for the acquirer to account for such adjustments retrospectively. We expect the proposed changes would reduce the cost and complexity associated with the accounting for measurement-period adjustments without compromising the usefulness of the financial information disclosed.

Question 2: If adjustments to provisional amounts as of the acquisition date would have affected earnings in periods subsequent to the initial accounting for the business combination, should the effect on earnings, in periods prior to the adjustment period, of changes in depreciation, amortization, or other income effects be recognized in the income statement in the reporting period in which the adjustment to the provisional amount is determined? Why or why not?

We believe the effects on earnings, in periods prior to the adjustment period, of measurement-period adjustments to provisional amounts should be recognized in the reporting period in which

Technical Director
Financial Accounting Standards Board
July 6, 2015
Page 2

the amount of such adjustments is determined, as proposed by FASB. This way, the cumulative effects of these adjustments on earnings would be recognized along with the measurement-period adjustments to provisional amounts in the same reporting period in which the adjustment amount is determined, as discussed in our response to Question 1 above.

Question 3: Should the proposed guidance be applied prospectively to adjustments made to provisional amounts that are identified after the effective date and that are within the measurement period? Why or why not?

We support a prospective application of adjustments to provisional amounts after the effective date, as proposed by FASB. We do not believe the benefit from a retrospective application would justify its cost.

Question 4: How much time will be necessary to adopt the amendments in this proposed Update? Should early adoption be permitted? Should the amount of time needed to apply the proposed amendments by entities other than public business entities be different from the amount of time needed by public business entities?

We believe it would be less costly and complex to apply the proposed standard in recognizing measurement period adjustments than the current standard which requires retrospective adjustments. Therefore, we do not expect a significant amount of time required to implement the amendments in this proposal for either public or other-than-public business entities. As such, we support early adoption of the proposed amendments and concurrent effective date for both public and other-than-public business entities.

We appreciate the opportunity to submit our views to you. If you have any questions about our comments, please contact me at (650) 432-8165.

Sincerely,

/s/ James H. Hoffmeister
Corporate Controller

cc: Vasant Prabhu, Chief Financial Officer
Tracey Heaton, Chief Counsel