DELTA

Delta Air Lines, Inc.
1030 Delta Boulevard
Atlanta, GA 30320-6001

July 11, 2016

Technical Director
File Reference No. 2016-320
Financial Accounting Standards Board
401 Merritt 7
PO Box 5116
Norwalk, CT 06856-5116

Dear Technical Director:

Delta Air Lines, Inc., ("we") is a global provider of scheduled air transportation with annual revenues exceeding $40 billion. We appreciate the opportunity to respond to the FASB Exposure Draft regarding the proposed Accounting Standards Update (ASU), *Intangibles – Goodwill and Other (Topic 350): Simplifying the Accounting for Goodwill Impairment*. Unless specifically discussed below, we agree with the Board's decision to eliminate Step 2 of the goodwill impairment calculation for the reasons stated in the Background Information and Basis for Conclusions section of the Exposure Draft. Overall, we believe the changes to the guidance will simplify the accounting for goodwill impairments, while still providing useful information to investors.

Question 2: Should the requirement to perform Step 2 of the current goodwill impairment test be retained as an option? Why or why not? If the use of Step 2 is optional, should an entity be allowed to apply that option by reporting unit or should it be a policy election at the entity level applicable to all reporting units?

Response:

We do not believe that the requirement to perform Step 2 of the current goodwill impairment test should be retained as an option. It would create inconsistencies and would negate some of the positive impacts of the proposed update, without benefitting investors.

Question 5: Should the guidance on deferred income tax considerations when determining the fair value of a reporting unit outlined in paragraphs 350-20-35-25 through 35-27 and illustrated in Example 1 and Example 2 be retained, or should this Subtopic rely on the fair value guidance in Topic 820, Fair Value Measurement? If the guidance on the tax structure is retained, what, if any, amendments are necessary to address the potential difference in the impairment charge calculated under the proposed amendments, depending on which tax structure is used in calculating the fair value of the reporting unit?

Response:

We believe that the guidance on deferred income tax considerations as outlined in paragraphs 350-20-35-25 through 35-27 should be removed. Entities should rely on the Subtopic within the fair value guidance in Topic 820, which has a broader description of this guidance. It is not necessary to have a more defined version of this guidance within Topic 350.

Question 7: How much time would be necessary to adopt the amendments in this proposed Update? Should early adoption be permitted? Would 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?

Response:

As the amendments will simplify the impairment process, we do not believe that it will take much time to adopt. We believe that this should be adopted as early as practical with an option to early adopt permitted.

Sincerely,

Craig M. Meynard
Vice President and Chief Accounting Officer

Jarrod J. Dominick
Director – Technical Accounting and External Reporting