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Technical Director
Financial Accounting Standards Board
401 Merritt 7
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Electronic Address: director@fasb.org

RE: File Reference No. 2018-210, Income Statement – Reporting Comprehensive Income (Topic 220);
Reclassification of Certain Tax Effects from Accumulated Other Comprehensive Income

The Williams Companies, Inc. (Williams) appreciates the opportunity to provide our comments to the Financial Accounting Standards Board (Board) on the proposal regarding reclassification of certain stranded tax effects in accumulated other comprehensive income. Williams is a public company which, through its subsidiaries, gathers, processes and transports natural gas.

We support the Board's proposal to adjust accumulated other comprehensive income so as to reflect the newly enacted federal income tax rate. However, we do have several comments on the proposal.

We are not clear if the reclassification amount as described in paragraph 220-10-45-12A only includes the change in the federal income tax rate or also includes the corollary impact the change in the federal income tax rate may have on state income taxes. For example, state income taxes would be impacted by the reduction in the federal income tax rate in states where federal income taxes are allowed as a deduction in arriving at state taxable income. In this situation, the change in state income taxes would be solely attributable to the change in the federal income tax rate. We believe clarification would be beneficial.

With respect to the proposed retrospective method of transition, we would recommend consideration be given to allowing application in the period in which this guidance is adopted. We believe a reclassification in the period the new standard is adopted is sufficient as the reclassification is strictly between stockholders' equity categories, rather than being reflected in other comprehensive income. Also, from a cost and benefits perspective, a retrospective transition for periods of application after 2017 may require revision of previously filed financial statements by public companies, which can involve significant costs considering the preparation effort and costs of external auditors and other outside professionals.

We urge the Board to act quickly in issuing a new standard so public companies can early adopt in their 2017 financial statements. This is especially critical if the Board continues with a retrospective transition approach.

We support the Board in pursuing a broader project on backwards tracing. We believe such a project should include the impact of prior changes to all income taxes and include all financial statement captions where items have been recorded net of the effect of income taxes.

We appreciate the opportunity to comment on these matters and would be happy to provide any additional information you may require or discuss our comments further.

Sincerely,



Ted Timmermans
Vice President, Controller and Chief Accounting Officer
The Williams Companies, Inc.