



The Cincinnati Insurance Company ■ The Cincinnati Indemnity Company  
The Cincinnati Casualty Company ■ The Cincinnati Specialty Underwriters Insurance Company  
The Cincinnati Life Insurance Company ■ CFC Investment Company ■ CSU Producer Resources Inc.

January 31, 2018

Technical Director

File Reference: 2018-210

Financial Accounting Standards Board

401 Merritt 7

P.O. Box 5116

Norwalk, CT 06856-5116

**Via e-mail to [director@fasb.org](mailto:director@fasb.org)**

Reference: Proposed Accounting Standards Update: Reporting Comprehensive Income (Topic 220)

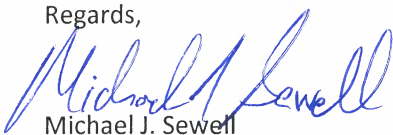
Dear Technical Director:

Cincinnati Financial Corporation (“The Company” or “we”) welcomes the opportunity to comment on the Financial Accounting Standards Board’s (“The Board” or “FASB”) Proposed Accounting Standards Update concerning *Income Statement – Reporting Comprehensive Income (Topic 220) Reclassification of Certain Tax Effects from Accumulated Other Comprehensive Income* (“AOCI”). The Company primarily provides property and casualty insurance marketed through independent agents as well as life insurance, disability income policies and fixed annuities to both individual and business customers. In addition, we also have reinsurance assumed operations. As of the Company’s September 30, 2017 condensed consolidated balance sheets, we had a net deferred income tax liability of \$1.087 billion and total AOCI of \$2.047 billion.

The Company agrees with the amendments within the proposed update requiring a reclassification from AOCI to retained earnings for stranded tax effects resulting from the newly enacted federal corporate income tax rate as this ensures that the items within AOCI reflect the newly enacted tax rate. We also believe that the transition requirements and effective date set forth within the proposed update are appropriate. Additionally, we agree that early adoption should be permitted and therefore encourage swift finalization of the proposed guidance. Further, as this amendment specifically relates to the Tax Cuts and Jobs Act of 2017, we believe that the Board should add a broader project on backwards tracing to its agenda that would provide guidance applicable to the treatment of any past or future tax rate changes. Lastly, we believe that this project should include consideration of each of the alternatives listed within the exposure draft.

We sincerely appreciate the FASB’s prompt attention to this matter and thank you for the opportunity to provide input on the proposal. Please contact me at 513-870-2000 if you would like to discuss our response.

Regards,



Michael J. Sewell

CFO, SVP and Treasurer

Cincinnati Financial Corporation