

08/24/2018

Record ID: 636703683919788170

Question Text	Response	Status
* Please select the type of entity or individual responding to this feedback form.	User	Completed
Other, please specify (Specified)		
* Please provide contact information for any follow-up questions.	(Filled in as Follows:)	Completed
Organization *	Merchants Fleet Management	
First name *	William	
Middle initial	D	
Last name *	Shaub	
Email address *	billshaub@merchantsfleet.com	
Phone number	603-606-4540	
Should a lessor's accounting for sales taxes and other similar taxes collected from lessees be aligned with Topic 606? If not, please explain why.	I believe no one considers these taxes as revenue and expense items and would inflate improperly revenue. These items do not constitute the rental payment for the use of the asset, either as interest or depreciation. These taxes represent the Lessee contractual obligation to pay for the controlling and use of the assets.	Completed
Is the proposed accounting policy election, as written in this proposed Update, operable? If not, please explain why.	No, the inclusion of these items would be very difficult to obtain and rest in other systems. In addition, the amounts can change significantly thru audit or protest at a later date.	Completed
Would the proposed accounting policy election result in a reduction of decision-useful information to users of a lessor's financial statements? If so, please explain why.	No, no one reading the financial statements would consider these normal rental collections or income	Completed
Should a lessor's accounting policy	They should not be applied to either, new or existing	Completed

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<p>election for sales taxes and other similar taxes collected from lessees be applied to new lease contracts only or to all existing and new lease contracts? Please explain your rationale.</p>		
<p>Should a lessor be required to exclude certain lessor costs paid directly by lessees to third parties on behalf of a lessor as variable payments when the uncertainty in the amount is not expected to ultimately be resolved? If not, please explain why.</p>		<p>Completed</p>
<p>Are the proposed amendments for the accounting for certain lessor costs operable? If not, please explain why.</p>		<p>Completed</p>
<p>Would the proposed requirement for a lessor to not report certain lessor costs paid directly by a lessee to a third party on behalf of the lessor result in a reduction of decision-useful information to users of a lessor's financial statements? If so, please explain why.</p>	<p>No, investors would not consider these items as income or expense</p>	<p>Completed</p>
<p>Should the proposed amendment in paragraph 842-10-15-40A to exclude</p>		<p>Completed</p>

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<p>certain lessor costs paid directly by lessees on behalf of a lessor as variable payments be applied to new lease contracts only or to all existing and new lease contracts? Please explain your rationale.</p>		
<p>Would the proposed amendments clarify the application of paragraph 842-10-15-40? If not, please explain why.</p>		<p>Completed</p>
<p>Are the proposed amendments for the accounting for certain variable payments for contracts with lease and nonlease components operable? If not, please explain why.</p>		<p>Completed</p>
<p>How much time would be needed to implement the amendments in this proposed Update for an entity that early adopts Update 2016-02 before these proposed amendments are finalized? What transition method and transition disclosures should those entities be required to apply (provide)? Please explain your reasoning.</p>	<p>It would require considerable time and resources to comply with these amendments. For our company a minimum of 1 year with considerable devoted resources. I cannot see any transitional method being of any value since I do not believe these items represent revenue or expense for the Lessor.</p>	<p>Completed</p>
<p>Should the effective date for the amendments in this proposed Update be aligned with that of Update 2016-02?</p>		<p>Completed</p>

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<p>If not, please explain why.</p>		
<p>Please provide any additional comments on the proposed Update:</p>	<p>I strongly believe these items do not constitute either revenue or expense and do not relate to the payment required for the use of the vehicle from, and controlled by, the Lessor. In my 40 years in leasing with multiple leasing companies never has a stakeholder or investor requested this information. I do not agree with the recommendations of this update.</p>	<p>Completed</p>
<p>Please provide any comments on the electronic feedback process:</p>		<p>Completed</p>
<p>Below is a printable summary of your responses to the questions in this feedback form.</p> <p>You can revise your responses by clicking the "Back" button.</p> <p>All comments received constitute part of the FASB's public file. The FASB will make all comments publicly available by posting them to the Online Comment Letters portion of its website.</p> <p>If you are finished providing comments, click the 'Submit' button at the bottom of this page.</p>	<p>Not Answered</p>	<p>Not Answered</p>