

July 19, 2016

Ms. Susan M. Cospers
Technical Director
Financial Accounting Standards Board
401 Merritt 7
P.O. Box 5116
Norwalk, CT 06856-5116

By e-mail: director@fasb.org

Re: Proposed Accounting Standards Update—*Consolidation (Topic 810): Interests Held through Related Parties That Are under Common Control*

(File Reference No. 2016-260)

Dear Ms. Cospers:

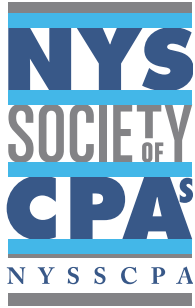
The New York State Society of Certified Public Accountants (NYSSCPA), representing more than 26,000 CPAs in public practice, business, government and education, welcomes the opportunity to comment on the above-captioned exposure draft.

The NYSSCPA's Financial Accounting Standards Committee deliberated the proposed accounting standards update and prepared the attached comments. If you would like additional discussion with us, please contact Craig T. Goodman, Chair of the Financial Accounting Standards Committee, at (212) 324-7048, or Ernest J. Markezin, NYSSCPA staff, at (212) 719-8303.

Sincerely,

F. Michael Zovistoski
President

Attachment



**NEW YORK STATE SOCIETY OF
CERTIFIED PUBLIC ACCOUNTANTS**

**COMMENTS ON
PROPOSED ACCOUNTING STANDARDS UPDATE—*CONSOLIDATION (TOPIC 810):
INTERESTS HELD THROUGH RELATED PARTIES THAT ARE UNDER COMMON
CONTROL***

(File Reference No. 2016-260)

July 19, 2016

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Craig T. Goodman
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NYSSCPA Staff

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New York State Society of Certified Public Accountants

Comments on

Proposed Accounting Standards Update—*Consolidation (Topic 810): Interests Held through Related Parties That Are under Common Control*

(File Reference No. 2016-260)

General Comments

We welcome the opportunity to respond to the Financial Accounting Standards Board's (FASB or the Board) invitation to comment on the Proposed Accounting Standards Update—*Consolidation (Topic 810): Interests Held through Related Parties That Are under Common Control* (Proposed Update).

Specific Comments

We have the following responses to the questions posed in the Proposed Update.

Question 1: If a reporting entity is the single decision maker of a VIE, the amendments in this proposed Update would require that reporting entity to include all of its direct variable interests in a VIE and, on a proportionate basis, its indirect variable interests in a VIE held through related parties to determine whether it is the primary beneficiary of that VIE. This evaluation would include all related parties as defined in paragraph 810-10-25-43, including those under common control with the single decision maker. Do you agree with this approach? If not, please explain why.

Response: We agree with the approach.

Question 2: Would the proposed amendments adequately address stakeholders' concerns that, in certain situations involving entities under common control, the amendments in Update 2015-02 may require a single decision maker of a VIE to consolidate that VIE even if it has little to no direct variable interests in the VIE?

Response: In our view, a single decision maker focusing on the economics to which it is exposed before potentially evaluating which party is most closely associated with the VIE should adequately address stakeholders' concerns.

Question 3: Do you agree with the proposed transition requirements in paragraph 810-10-65-8? If not, what transition approach would be more appropriate?

Response: We agree.

Question 4: Should a reporting entity be required to provide the transition disclosures specified in this proposed Update? Should any other disclosures be required? If so, please explain why.

Response: Yes, a reporting entity should provide the transition disclosures as specified and no other disclosures need be required.

Question 5: Should the proposed amendments be effective immediately upon issuance of a final Update for all entities that already have adopted the amendments in Update 2015-02?

Response: Yes.

Question 6: Should entities that have not yet adopted the amendments in Update 2015-02 be required to adopt the amendments in this proposed Update at the same time they adopt the amendments in Update 2015-02?

Response: Yes.