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Date : Amsterdam, January 13th 2016

Re : Comment on draft comment letter on the draft IFRIC Interpretation DI/2015/1 ‘Uncertainty over income tax treatments’

Dear members of the EFRAG Technical Expert Group,

The Dutch Accounting Standards Board (DASB) appreciates the opportunity to respond on your draft comment letter dated November 17, 2015 on the draft IFRIC Interpretation DI/2015/1 ‘Uncertainty over income tax treatments’ (draft Interpretation).

We have studied the draft comment letter, and have discussed the question raised in the Appendix in our meeting of December.

We agree with your draft comment letter to the IASB. In addition to your response to question 5 in your comment letter we have the following comments, which we will also include in our comment letter to the IASB.

We agree with the principle, as explained in paragraph 11 of the draft Interpretation, that consideration of uncertain tax treatments separately or as a group should be based on which approach provides a better prediction of the resolution of the uncertainty. However, we are not convinced that the examples in paragraph 12 are required to explain that principle. We also are not convinced that “the manner in which the entity prepares and supports tax treatments” is much relevant in assessing which approach provides a better prediction of the resolution of the uncertainty. We believe that the explanation in paragraph 11 is sufficient and, as a result, recommend that paragraph 12 be deleted.

We would like to bring to the attention that the first part of paragraph 12 of the draft Interpretation raises questions and is unhelpful in gaining a good understanding of the guidance. Specifically the wording ‘when doing so better reflects the manner in which the entity prepares and supports tax treatments’ is confusing as we believe that ultimately the position that the tax authority will take is leading.

We would like to bring to your attention that there is also diversity in practice when recognizing uncertain tax positions in a business combination. For deferred income taxes paragraph 24 of IFRS includes a reference to IAS 12. There is no reference for current income taxes, although both current and deferred income taxes may be affected by uncertain tax positions. We would like to recommend the IASB to address this issue as well by including a statement in IFRS 3 that IAS 12 is applicable to all income tax positions in a business combination.


Our answer to the specific question in the Appendix to your draft comment letter, is described below.

Requests for input from constituents

29 EFRAG seeks inputs from constituents on whether they have concerns with the potential inconsistency in the recognition of uncertainties related to income taxes on the one hand and the uncertainties relating to other taxes and similar transactions on the other. Please explain how you account for these uncertainties at present, what IFRS you apply, and on this basis, your view on the outcome of the Interpretation.

Uncertainties relating to other taxes are currently accounted for under IAS 37. We do recognize that there is a potential inconsistency in the recognition of uncertainties related to income taxes on the one hand and the uncertainties relating to other taxes and similar transactions on the other. We believe that a change in accounting treatment for uncertainties related to other taxes should not be dealt with via this interpretation but rather through an adjustment to IAS 37.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Sampers', with a long horizontal flourish extending to the right.

prof. dr. Peter Sampers
Chairman Dutch Accounting Standards Board