



KELLWOOD



LETTER OF COMMENT NO. 172

January 3, 2007

Mr. Robert H. Herz
Chairman, Financial Accounting Standards Board
401 Merritt 7
P.O. Box 5116
Norwalk, CT 06856-5116

Dear Chairman Herz:

On behalf of Kellwood Company, I strongly urge the Financial Accounting Standards Board (the "FASB") to delay the effective date of FIN 48 on *Accounting for Uncertainty in Income Taxes* to allow companies sufficient time to address the substantive, procedural, and documentation challenges posed by the new interpretation. Specifically, I recommend that the effective date of FIN 48 be deferred to fiscal years beginning after December 15, 2007. The challenges of implementing FIN 48 were articulated by Tax Executives Institute in a letter it sent to you on December 12, 2006.

Kellwood is a January fiscal year end company and is currently in the process of implementing FIN 48. Based on my discussions with our external auditors, there are still many unanswered questions on certain implementation issues we are encountering. I have spoken to three of the four Big 4 accounting firms and it appears to me that these firms are taking significantly different approaches to FIN 48. I am assuming this is occurring because there has not been enough time to think through all of the issues regarding implementing and complying with FIN 48. I believe Kellwood is in the same position as many companies in that we are being rushed through the implementation process and being given little guidance on the gray issues. I believe that if the FASB truly wants consistency in the accounting for uncertain tax positions, it is in everyone's best interest to delay the effective date of FIN 48.

In summary, extending the deadline for implementing FIN 48 will permit companies and their independent auditors to resolve unanswered questions and thus reduce the likelihood of diversity in practice, which in part prompted the development of FIN 48 in the first instance.

Sincerely,

John L. Gegg
Director Taxes

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