



LETTER OF COMMENT NO. 263

January 8, 2007

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

Dear Chairman Herz:

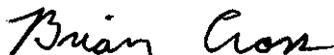
I strongly urge the Financial Accounting Standards Board to delay the effective date of FIN 48 on *Accounting for Uncertainty in Income Taxes* to allow companies sufficient time to address the substantive, procedural, and documentation challenges posed by the new interpretation. Specifically, I recommend 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.

For my own part my small tax department is already strained to the limit with its old compliance responsibilities to which already have been added new accounting and documentation responsibilities resulting from the implementation of the Sarbanes Oxley Act. At present tax departments everywhere seem to be over burdened with more new requirements than there are qualified people to implement those requirements.

Adding to this burden is the fact that there does not seem to be a clear answer to how detailed an analysis and documentation must be provided to meet the FIN 48 requirements. I could spend months preparing documentation describing the tax treatment of every line in our general ledger. I don't think that is what was intended by FIN 48, but there are some schools of thought that say that is what is required to insure a favorable opinion from our auditors. Too much documentation is a terrible waste of valuable business resources and too little fails to accomplish the purpose of FIN48. More guidance is needed before implementation.

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.

Respectfully,



Brian Cross  
Director of Corporate Tax  
Skechers USA, Inc.