



January 5, 2007

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



Dear Chairman Herz:

Computer Sciences Corporation strongly urges the Financial Accounting Standards Board (FASB) to delay the effective date of FASB Interpretation No. 48 (FIN 48), *Accounting for Uncertainty in Income Taxes* for at least one year to allow companies sufficient time to address the substantive, procedural, and documentation challenges posed by the new interpretation.

FIN 48 is intended to clarify the application of FAS 109 by defining a criterion that an individual tax position must meet for any part of the benefit of that position to be recognized in an enterprise's financial statements. It shifts the focus of accounting for uncertain income tax positions from the "as-filed" contingent liability approach of FAS 5 to one where each and every tax position must be analyzed to determine whether it is "more likely than not" sustainable, based solely on its technical merits. As a result, financial statement issuers must analyze their entire inventory of tax positions – claimed and unclaimed – in every tax jurisdiction, for every taxing authority, and for every open tax year in order to understand and document the company's position at the effective date. For a multi-national company the size of Computer Sciences Corporation this is a daunting task that is tantamount to, and as challenging as, re-filing an income tax return in every jurisdiction for every open tax year. Undoubtedly, this is a significant and costly undertaking, especially for larger companies.

Once the company has an inventory of tax positions, it is faced with the challenge of assessing accurately and documenting sufficiently all material tax positions including those that are highly certain of being sustained. With hundreds of taxing jurisdictions, each with from 5 – 10 open years, assessment and documentation of these tax positions for Computer Sciences Corporation and other similarly situated multi-national companies is another formidable undertaking that will require significant time, dedicated resources and additional cost.

Corporate Office
2100 East Grand Avenue
El Segundo, California 90245
310.615.3917 Fax 310.322.9766



In addition to the procedural challenges, we have also observed both changing and inconsistent approaches in respect of implementation requirements amongst the large accounting firms which we believe is a function of requiring implementation before all issues have been completely addressed. As the Tax Executive Institute stated in its comment letter to the Board on December 12, 2006, "When the scope of new guidance is as broad and far reaching as FIN 48, and the potential consequences of non-compliance so significant, special care must be taken to accord the affected parties sufficient time to analyze the new rules, to obtain advice about open questions, and to develop, adapt and test systems and processes to ensure compliance. Regrettably, the five month period between the July 13 release date and the December 15 effective date has not been adequate"

Given the effort required to completely and accurately comply with FIN 48, Computer Sciences Corporation strongly recommends that the effective date be deferred for one year (applicable for fiscal years beginning after December 15, 2007) to allow companies the time to properly address all the challenges of implementing this new interpretation.

Respectfully,

A handwritten signature in black ink, appearing to read 'T. Flynn', is positioned above the typed name.

Timothy R. Flynn
Director of Taxes
and Assistant Treasurer