



LETTER OF COMMENT NO. 317

January 15, 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 Pharmion Corporation, 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.

Many small and mid-size companies have extremely lean accounting and tax departments. Nevertheless, those that are publicly traded face the same requirements as larger organizations. The need to establish processes and procedures to satisfy SOX requirements for complicated, subjective material as required by FIN 48 places significant stress on the system.

The difficulties are compounded for multinational companies. New tax regulations in 2006 regarding intercompany services and intangibles have raised significant new issues that must be addressed under 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.

Yours truly.

Mark Mitzman

Director, Corporate Tax